



CITY OF TOLLESON

9055 W. Van Buren St., Tolleson, AZ 85353 • (623) 936-7111 • TTY users, dial 711 for Relay • www.tolleson.az.gov

**TOLLESON CITY COUNCIL MEETING AGENDA
TOLLESON CIVIC CENTER
9055 WEST VAN BUREN STREET, TOLLESON, AZ 85353
ZOOM WEBINAR ID: 840 6967 9194
TUESDAY, JANUARY 28, 2025
6:00 PM**

Doors open to Council Chambers at 5:45 PM for public seating. The public may be asked to temporarily relocate if an executive session occurs. The public will be invited back into Council Chambers when the Council returns from executive session.

Members of the public may also participate in the meeting via [Zoom Webinar](https://us02web.zoom.us/j/84069679194) (<https://us02web.zoom.us/j/84069679194>) with a computer or cell phone.

- A. CALL TO ORDER**
- B. INVOCATION/PLEDGE OF ALLEGIANCE**
- C. ROLL CALL**
- D. FINAL CALL TO SUBMIT SPEAKER REQUESTS**

All citizens and interested parties wishing to speak before the Council regarding non-agenda items or during a public hearing shall fully complete a Speaker Request Form and submit the form(s) to the City Clerk prior to the meeting being convened. Citizens must complete one form for each item they want to address. Speaker Request Forms are located at the entrance of the Council Chambers. For Zoom participants, click the chat button, and enter your name and the item you would like to address. Submissions should be made no later than the Mayor announcing the "Final Call to Submit Speaker Requests". All speakers will be limited to 3 minutes unless otherwise noted by the Mayor. Speakers are not required to disclose their identities or personal information. You may also submit an online speaker request form at <https://www.tolleson.az.gov/speakerrequest> at least one hour prior to the meeting.

- E. CALL TO THE PUBLIC (NON-AGENDA ITEMS)**

This is the time for the public to comment on non-agenda items. Members of the Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01.H, action taken as a result of public comment will be limited to (1) responding to criticism; (2) directing staff to review the matter; or (3) asking that a matter be put on a future agenda.



F. SCHEDULED PUBLIC APPEARANCES AND PROCLAMATIONS – FOR DISCUSSION

1. City of Tolleson Annual Comprehensive Financial Report for the period of July 1, 2023 through June 30, 2024 – Baker Tilly
2. Introduction of New Employees:
Human Services Department – Claudia Madueno, Human Services Assistant Cook and Gloria Washburn, Human Services Specialist
Utilities Department – Anthony Thompson, Wastewater Operator
Promotions of Current Employees:
Field Operations Department – Horacio Ortega, Superintendent
Library Department – Lisa Gallegos, Management Support Specialist

G. BUSINESS FROM THE FLOOR – PUBLIC HEARINGS AND ACTION ITEMS

H. CONSENT AGENDA – ACTION ITEMS

Items on the Consent Agenda are of a routine nature and are intended to be acted upon in one motion. Council Members may pull items from Consent if they would like them considered separately.

1. Approve Regular City Council Meeting Minutes January 14, 2025. (City Clerk Department)
2. Approve Claims and Bills Report for the period of January 8, 2025 to January 21, 2025. (Finance Department)
3. Approve Replat Application #24110001 as submitted by Cassie Kussow with Kimley-Horn, on behalf of the owner, Sun Land Beef Company, for a final plat located near the northeast corner of 91st Avenue and Buckeye Road in Tolleson, AZ. The site, comprised of a portion APN 101-12-632A, is approximately 459,422 sq. ft. and zoned Planned Area Development (PAD). (JBS Costco Depot – Development Services Department)
4. Approve Replat Application #24100001 as submitted by James Williamson with Superior Surveying, on behalf of the owner, Isidro Araiza, for a final plat located near the southwest corner of 83rd Avenue and Van Buren Street in Tolleson, AZ. The site, comprised of a portion APN 101-12-612, is approximately 60,126 sq. ft. and zoned Planned Area Development (PAD). (Federico's – Development Services Department)
5. Adopt Resolution No. 2594 of the Mayor and Council of the City of Tolleson, Arizona, approving and authorizing the execution of the Second Amendment to the Intergovernmental Agreement between the City of Tolleson and Maricopa County relating to Community Services Block Grant (CSBG) funding for the Tolleson Farmer's Market Initiative. (Human Services Department)

I. REGULAR AGENDA – ACTION ITEMS

1. Appoint Joe Cortina, Sheryl Heier and Miriam Segura as Commissioners of the Tolleson Planning and Zoning Commission to serve from January 2025 until January 2028. (City Council)
2. Approve First Amendment to the Cooperative Purchasing Agreement between the City of Tolleson and Freightliner of Arizona, LLC for the purchase of medium and heavy duty cabs, chassis and busses, and authorize the City Manager to execute and deliver said Agreement. The City desires to amend the existing Agreement to increase the annual aggregate amount from \$250,000 to \$550,000 for additional services. (Development Services Department)

J. WORK STUDY AND PRESENTATIONS – FOR DISCUSSION

1. Housing/Revitalization Programs Update – Noel Schaus, Revitalization Manager
2. Annual Review of the City of Tolleson Code of Conduct for Elected and Appointed Officials – Justin Pierce, City Attorney

K. MAYOR AND CITY MANAGER’S REPORT OF CURRENT EVENTS – FOR DISCUSSION

1. Community Events Update – Randy Babchuk, Field Operations/Parks & Recreation Director

L. CONVENE INTO EXECUTIVE SESSION

1. Motion to go into executive session.
2. Convene into an executive session pursuant to A.R.S. 38-431.03(A)(1) to conduct annual review of the City Manager.

M. RECONVENE INTO PUBLIC MEETING

N. ACTION ITEM(S)

1. Discussion and potential action pertaining to increase in compensation for the City Manager effective November 16, 2024. (Employee Resources Department)

O. ADJOURNMENT

Pursuant to A.R.S. § 38-431.01 and A.R.S. § 38-431.02, notice is hereby given to the members of the Tolleson City Council and to the general public that the Council of the City of Tolleson will hold a meeting open to the public. Council Members of the City of Tolleson will attend by telephone/video conference call.

Note: The City Council of the City of Tolleson, by a duly passed motion, may vote in public session to adjourn to executive session on any agenda item in conformation with A.R.S. § 38.431.03 for legal advice from the City Attorney.

Zoom's live transcription feature can provide automatic captioning by clicking on the Closed Caption (CC) button during the meeting.

THE CITY OF TOLLESON ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO INDIVIDUALS WITH DISABILITIES. With at least two business days advance notice, accommodations can be provided at this meeting for individuals with vision, hearing and/or speech disabilities, including a transcriber, large print, an interpreter, an assistive listening device, etc. Please call the City Clerk at (623) 936-7111, or TTY users may dial 711 for Arizona Relay Service (AZRS), to request an accommodation to participate in this public meeting. The City will try its best to accommodate any last minute requests.

LA CIUDAD DE TOLLESON SE ESFUERZA PARA HACER TODAS LAS REUNIONES PÚBLICAS ACCESIBLE PARA INDIVIDUOS CON DISCAPACIDADES. Con al menos dos días laborables de previo aviso, se pueden proporcionar adaptaciones en esta reunión para personas con discapacidades visuales, auditivas o del habla, incluido un transcriptor, letra grande, un intérprete, un dispositivo de asistencia auditiva, etc. Llame a la Secretaría Municipal al (623) 936-7111, o los usuarios de TTY pueden marcar 711 para el Servicio de Retransmisión de Arizona (AZRS), para solicitar un alojamiento para participar en esta reunión pública. La Ciudad hará todo lo posible para satisfacer cualquier solicitud de último minuto.

Prerequisites for attending Zoom Webinars (one required):

1. Zoom Desktop Client: Navigate to the [Zoom website \(https://zoom.us/\)](https://zoom.us/) in your internet browser. At the top-right of the page, click Resources and then click Download Center. Under Zoom Desktop Client, click the Download button.
 - a. Open the Zoom desktop client and sign in
 - b. Click the Home tab and then Join
 - c. Enter Meeting ID: 840 6967 9194 and enter your full name
 - d. Connect audio and/or video and select Join
2. Zoom Mobile App with Cell Phone or Tablet: Download the Zoom - One Platform to Connect App in either the App Store for iOS or Google Play for Android.
 - a. Select Join Meeting
 - b. Enter Meeting ID: 840 6967 9194
 - c. Enter your full name and select Join
 - d. Enter your screen name and email address and select Continue
 - e. Join Audio with Wi-Fi or Cellular Data
3. Web client/browser: Google Chrome, Internet Explorer, Firefox and Safari on a computer.
 - a. Go to the [Zoom website \(https://zoom.us/\)](https://zoom.us/)
 - b. Enter Meeting ID: 840 6967 9194
 - c. Click Open Zoom Meetings or Join (depending on browser)
 - d. Enter your full name and click Join Audio by Computer

4. Alternate Option via Telephone with Audio Only:

- a. Dial 253-215-8782
- b. Enter Meeting ID: 840 6967 9194 and press #
- c. Enter Participate ID and press #, or press # to continue

For technical support or questions in accessing the meeting, please email the [Information Technology Department](#) (ITsupport@tolleson.az.gov) or call Zoom Support at 888-799-9666.

Posted on January 23, 2025.



CITY COUNCIL REPORT

SUBJECT: Comprehensive Financial Report for the period of July 1, 2023 through June 30, 2024

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Kevin Artz, Chief Financial Officer

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

Presentation of the annual audit and Annual Comprehensive Financial Report for June 30, 2024.

BACKGROUND:

Per Arizona Revised Statute 9-481(A), each city shall have an audit performed on an annual basis.

DISCUSSION:

The City has contracted with Baker Tilly, LLP to perform the annual audit and compile the Annual comprehensive Annual Financial Report. The auditors have completed the audit and issued the report, dated December 18, 2024. The auditors have also completed a letter to governance, dated December 18, 2024, which is attached to this report. The audit firm will present the report to Council remotely and be available for any questions.

The City received an unmodified (clean) audit opinion, and no instances of noncompliance or material weaknesses were identified.

BUDGET IMPACT:

N/A

RECOMMENDATION:

For information only, no action required.

ATTACHMENTS:

1. City of Tolleson, Arizona ACFR
2. City of Tolleson - 2024 Audit Results Letter
3. Tolleson Presentation FY24



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FY 2024

Fiscal Year Ended
June 30, 2024



www.Tolleson.AZ.gov



City of Tolleson, Arizona



Annual Comprehensive Financial Report Fiscal Year Ended June 30, 2024

Prepared by:
City of Tolleson Finance Department
9055 W. Van Buren
Tolleson, Arizona 85353

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Introductory Section





CITY OF TOLLESON

9055 W. Van Buren St. • Tolleson, AZ 85353 • Direct: (623) 936-7111 • Fax: (623) 936-7117 • TTY users, dial 711 for Relay

December 18, 2024

Honorable Mayor, Members of the City Council, and Citizens of the City of Tolleson, Arizona:

State statutes require that cities and towns publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the Annual Comprehensive Finance Report (ACFR) of the City of Tolleson, Arizona for the fiscal year ended June 30, 2024. This report was prepared by the Finance Department.

This report consists of senior management's representations concerning the finances of the City. Consequently, senior management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect both the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Baker Tilly, LLP, a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the city was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments 1996 and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited City internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued single Audit Reporting Package.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City

The City of Tolleson, founded in 1929, operates under a Council-Manager form of government. The Mayor and six City Council members are elected at large on a non-partisan ballot and serve overlapping four-year terms. The City Council is vested with policy and legislative authority and is responsible for passing ordinances; adopting the budget; appointing commission board members; and appointing the positions of City Manager, City Attorney, and Presiding Judge. The City Manager is responsible for carrying out the policies and ordinances of the City Council, as well as overseeing the day-to-day operations of the City.

The City encompasses approximately 6 square miles. Although small, Tolleson is in the middle of it all, with Phoenix International Raceway 10 minutes south and entertainment venues in Glendale, Peoria, Goodyear and Phoenix 10 minutes north and east. Tolleson is the west valley's industrial employment center hosting over 20 Fortune 500 companies employing more than 20,000 resulting in one of the most impressive jobs to residents' ratios in the nation.

The City provides a full range of municipal services including police and fire protection, sanitation service, water and sewer services, construction and maintenance of streets, recreational activities including libraries and cultural events, public transportation, planning and zoning services, and general administrative services.

Economic Condition and Outlook

The long-run outlook calls for continued growth. The state of Arizona is forecast to generate job, income, and population gains at a faster pace than the nation. Tolleson historically generates gains in excess of the nation and faster than the state average.

Revenues in the General Fund increased by 21.3% and General Fund revenues exceeded the budget by 29.8%. Expenditures in the General Fund increased by \$3,734,050, which is approximately 10.5%. The City was able to provide salary increases to employees while maintaining costs in commodities and services in order to stay within budget. The City's budget is structurally balanced with ongoing revenues supporting ongoing expenditures. One-time revenues like contracting transaction privilege taxes and building permits support one-time expenditures. The revenue forecast for fiscal year 2024-2025 anticipated modest General Fund revenue growth.

Current Condition

The City continues to diversify its tax base, and is in the process of adding several new retail opportunities. Sales tax revenues are the major revenue source, and diversification of the sales tax revenue is a high priority for the city. The financial performance of the City as a whole is reflected in its governmental funds.

As of June 30, 2024, the City's governmental funds reported a combined fund balance of \$107,064,048 of which \$68,775,211 is unassigned and available for spending at the City's discretion.

The City, like most municipalities, is significantly dependent upon sales tax revenues which are subject to economic fluctuations. Sales tax revenues comprised 74% of general fund revenues. Sales taxes and revenues related to the residential and commercial construction industry continued to improve during the fiscal year.

Future Economic Outlook

The economic outlook for fiscal-year 2025 remains stable. Retail sales tax growth is strong compared to the prior year, and combined with conservative budgeting, positive budget variances have been maintained. There is still caution associated with inflation, tight labor markets, and supply chain limitations that could impact economic conditions in the future. The long-term outlook for Tolleson continues to be strong with the expectation that Arizona will continue to outpace the nation in growth and income related metrics. The City will continue to facilitate economic growth through capital projects in the coming year, including the construction of a new Aquatics Center.

Accomplishments and Initiatives

During fiscal year 2024, the city had several significant accomplishments and initiatives.

The Police Department modernized the 911 call-taking system from a regional to statewide system.

The City expanded the Senior Center hours and rebranded the center to the Tolleson Social Club.

The City completed 15 housing rehabilitation projects, assisted 236 families with rental assistance (\$639,000) and 294 families with utility bill assistance (\$294,000).

The Tolleson micro transit program was initiated utilizing Uber/Lyft to provide transit services in the Tolleson area. The micro transit program replaced a fixed route bus and reduced budgeted costs by \$200,000.

The City received a federal appropriations grant and will utilize local funds to provide two pedestrian bridges to help facilitate safer pedestrian travel. One of the bridges is planned near the high school and will provide safer pedestrian travel and enhance vehicular flow in the area.

The City is in the design phase for a year-round aquatic facility and should begin construction this year. The facility has an initial budget of \$22M.

Expenditure Limitation

On June 30, 1980 Arizona voters approved general propositions amending the Arizona Constitution to establish expenditure and revenue limitations for local governments. The purpose of the expenditure limitation is to control expenditures and to limit future increases in spending to adjustments for inflation, deflation and population growth of the City.

On November 5, 2024, the voters of the City approved an alternative expenditure limitation, the effect of which is that the total budgeted expenditures of each yearly budget becomes the expenditure limitation for that year on a total budget basis. This alternative expenditure limitation is effective for four years.

Single Audit

As a recipient of Federal, State and County financial assistance, the City is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws, regulations, contracts and grants related to those programs. Internal control is subject to periodic evaluation by management.

As part of the City's single audit described earlier, tests are made to determine the adequacy of the internal controls, including that portion related to Federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the eighth year that the city has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report would not have been possible without the efficient, effective and dedicated services of the entire staff of the Finance Department and the assistance of personnel in the various departments. We would like to express our appreciation to all members who assisted and contributed to the preparation of this report.

We also wish to express our sincere appreciation to the Mayor, Vice Mayor, Council and City Management for unfailing support in maintaining the highest standards of professionalism in the management of the City of Tolleson's finances.

Respectfully Submitted:



Kevin H. Artz, CPA
Chief Financial Officer



Joseph Wagner-Corona, CPA
Assistant Finance Director



Dora Hu, CPA
Finance Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Tolleson
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF TOLLESON, ARIZONA
PRINCIPAL OFFICIALS OF THE CITY
YEAR ENDED JUNE 30, 2024

MAYOR AND COUNCIL

Juan F. Rodriguez, Mayor

Jimmy Davis, Vice Mayor

Christine Chavira, Council Member

Clorinda Erives, Council Member

Adolfo Gamez, Council Member

Linda Laborin, Council Member

Cruzita V. Mendoza, Council Member



MANAGEMENT STAFF

Reyes Medrano, Jr., City Manager

Wendy Jackson, Deputy City Manager/Employee Resources Director

Pilar C. Sinawi, Deputy City Manager/Chief Government Affairs Officer

DEPARTMENT HEADS

John Lamb, Magistrate

Steve Holliday, Chief Technical Officer

Crystal Zamora, City Clerk

Rudy Mendoza, Public Safety Director/Police Chief

Randy Babchuk, Field Operations & Parks Director

Jamie McCracken, Utilities Director

Kevin Artz, Chief Financial Officer

Jason Earp, Development Services Director

Michael Young, Fire Chief

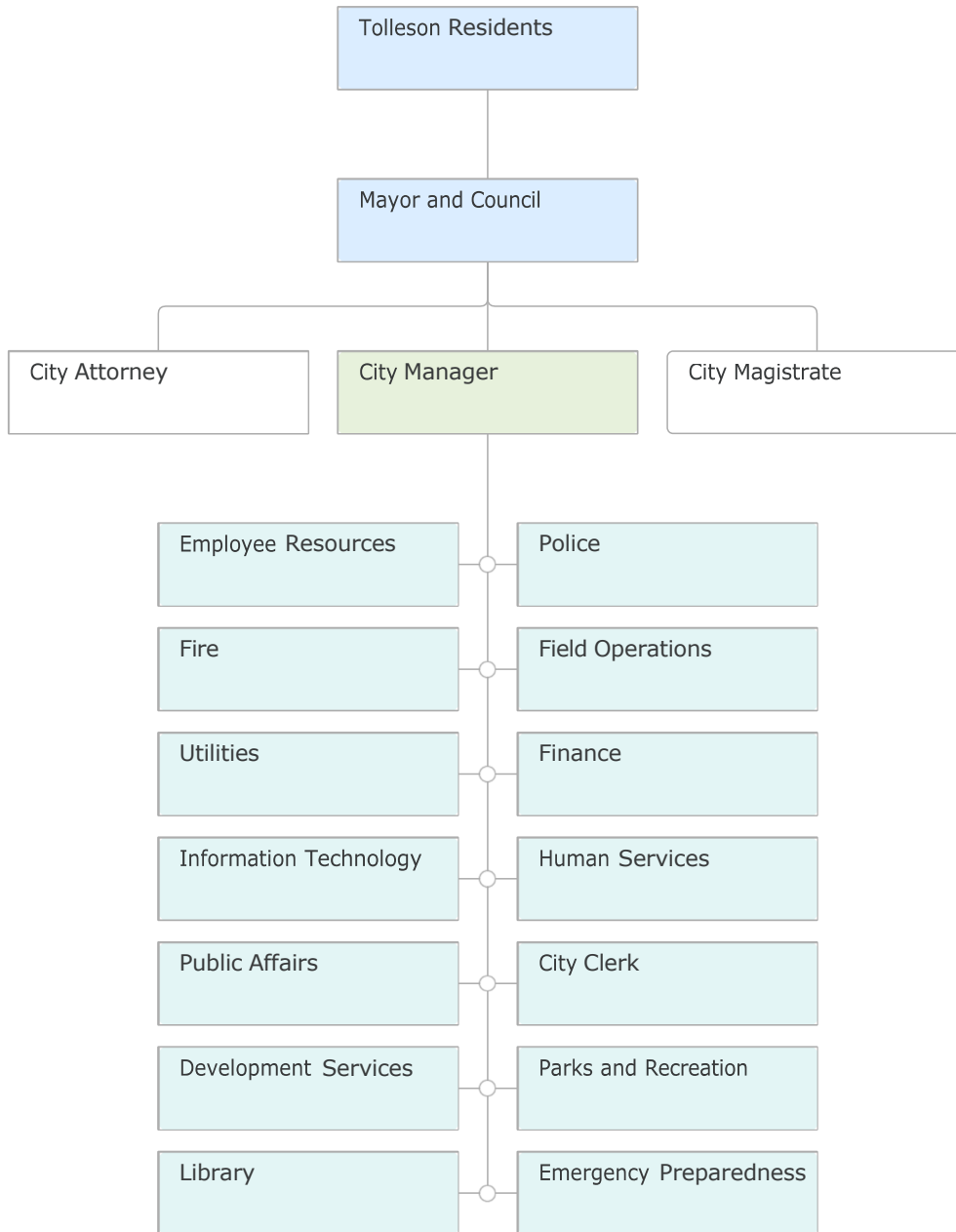
Mandy Carrico, Library Director

Santiago Cornejo, Human Services Director

George Good, Emergency Preparedness & Response
Director

City of Tolleson Organization Chart

Tolleson operates under the Council-Manager form of government. Legislative authority is vested in a seven-member City Council, consisting of a Mayor, Vice-Mayor and five council members, all elected at large for a term of four years. The Mayor and Council appoint the City Attorney, City Magistrate and City Manager. The City Manager is responsible for the oversight and administration of the operations of the City.





Financial Section



Independent Auditors' Report

To the Honorable Mayor and City Council of
City of Tolleson, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Tolleson, Arizona (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of June 30, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Other Matters

Compliance Over Use of Highway User Revenue Fund and Other Dedicated State Transportation Revenue Monies

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the authorized transportation purposes, insofar as they relate to accounting matters, for Highway User Revenue Fund monies it received pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated State transportation revenues it received. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the authorized transportation purposes referred to above, insofar as they relate to accounting matters.

The communication related to compliance over the use of Highway User Revenue Fund and other dedicated State transportation revenue monies in the preceding paragraph is intended solely for the information and use of the members of the Arizona State Legislature, (the Arizona Auditor General,) the City's Council and management, and other responsible parties within the City and is not intended to be and should not be used by anyone other than these specified parties.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Tempe, Arizona
December 18, 2024

Financial Section

Management's Discussion and Analysis



Management's Discussion and Analysis

As management of the City of Tolleson, Arizona (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page i of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$265,772,936 (net position). The unrestricted net position, which represents the amounts available to meet the City's ongoing obligations to citizens and creditors was a positive \$121,533,094.
- The City's total net position increased by \$34,450,004 primarily due to an increase in the general revenues received and program revenues related to business-type activities. The largest increases of \$7,510,884 came from sales tax driven by a growing local economy and \$1,569,903 came from interest income.
- The governmental activities expenses of \$42,691,149 were higher than the prior year amount of \$37,955,786.
- The City had an unrealized gain on investment of \$497,880 comparing to the prior fiscal year of unrealized gain on investment of \$7,564.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$68,775,211 or 175% of total General Fund expenditures and is available for spending at the government's discretion. Assigned fund balance for the General Fund was \$23,665,158, which are spendable resources constrained by the City's intent to be used for specific purposes.
- General Fund revenues (on a budgetary basis) were higher than budgeted inflows by \$13,207,987 for the fiscal year ended June 30, 2024. Budgetary basis expenditures of the General fund were 73% (\$14,850,353 in savings) of the final budgeted expenditures.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements and (3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

Statement of Net Position - presents financial information on all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

Statement of Activities - presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, culture and recreation, economic development and health and welfare. The business-type activities of the City include water, wastewater and sewer and sanitation and trash.

The government-wide financial statements can be found on pages 21-22 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Public Safety Tax Fund, which are considered to be major funds. Data from three additional governmental funds is presented separately. Fund data for the nonmajor governmental fund is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City adopts an annual appropriated budget. A budgetary comparison schedule has been provided for the General Fund and Public Safety Tax Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 25-28 of this report.

Proprietary Funds - The City maintains three different proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, wastewater and sewer and sanitation operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, Wastewater and Sewer Fund and Sanitation and Trash Fund. Water Fund and Wastewater and Sewer Fund are considered to be major funds of the City. However, all three funds are displayed in their own separate column in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 31-34 of this report.

City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. The City did not have any fiduciary funds to report at year end.

Notes to the Financial Statements - The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-72 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately after the notes to the financial statements on pages 75-84.

The combining statements referred to earlier in connection with nonmajor governmental funds and nonmajor governmental fund budgetary comparisons are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 87-93 of this report.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of the City's financial position. The City's combined assets exceed liabilities by \$265,772,936 as of June 30, 2024 as shown in the following condensed statement of net position. The City has chosen to account for its water, wastewater and sewer and sanitation operations in an enterprise fund which is shown as Business-Type Activities.

City of Tolleson, Arizona Condensed Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Current and other assets	\$ 111,127,534	\$ 90,728,476	\$ 48,631,214	\$ 48,999,449	\$ 159,758,748	\$ 139,727,925
Capital assets	86,114,152	79,683,691	63,896,743	57,950,266	150,010,895	137,633,957
Total assets	197,241,686	170,412,167	112,527,957	106,949,715	309,769,643	277,361,882
Deferred outflows of resources	9,258,790	8,010,429	973,224	719,701	10,232,014	8,730,130
Long-term liabilities	35,002,933	35,751,255	11,764,675	12,619,556	46,767,608	48,370,811
Other liabilities	3,028,760	2,787,696	2,540,722	1,867,704	5,569,482	4,655,400
Total liabilities	38,031,693	38,538,951	14,305,397	14,487,260	52,337,090	53,026,211
Deferred inflows of resources	1,659,494	1,543,568	232,137	199,301	1,891,631	1,742,869
Net position:						
Net investment in capital assets	71,139,238	63,268,921	57,908,288	54,143,716	129,047,526	117,412,637
Restricted	14,612,531	13,983,979	579,785	549,112	15,192,316	14,533,091
Unrestricted	81,057,520	61,087,177	40,475,574	38,290,027	121,533,094	99,377,204
Total net position	\$ 166,809,289	\$ 138,340,077	\$ 98,963,647	\$ 92,982,855	\$ 265,772,936	\$ 231,322,932

Governmental Activities - Current and other assets increased in governmental activities by \$20.4 million. Deferred outflows of resources increased by \$1.2 million and deferred inflows of by \$241 thousand largely due to an increase in accounts payable.

City of Tolleson, Arizona

Management's Discussion and Analysis
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(Unaudited)

By far, the largest portion of the City's net position, \$129,047,526, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles and infrastructure, net of accumulated depreciation and less any related outstanding debt that was used to acquire those assets). The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$15,192,316 represents resources that are subject to external restriction on how they may be used. As of the end of the current year, the City's unrestricted net position was a positive balance of \$121,533,094.

The City's overall net position increased by \$34,450,004 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental and business-type activities.

The City's programs include: General Government, Public Safety, Highways and Streets, Economic Development, Culture and Recreation and Health and Welfare. Each programs' net cost (total cost less revenues generated by the activities) is presented below. The net cost shows the extent to which the City's general taxes support each of the City's programs.

City of Tolleson, Arizona Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total Government	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Revenues:						
Program revenues:						
Charges for service	\$ 4,106,335	\$ 3,029,385	\$ 19,135,830	\$ 19,523,504	\$ 23,242,165	\$ 22,552,889
Operating grants and contributions	1,650,870	1,388,004	-	-	1,650,870	1,388,004
Capital grants and contributions	333,577	221,661	2,360,424	65,187	2,694,001	286,848
General revenues:						
Taxes	59,930,022	52,143,679	1,167,227	1,073,680	61,097,249	53,217,359
Urban revenue sharing	1,923,309	1,383,873	-	-	1,923,309	1,383,873
Other revenue/(expense)	3,216,248	1,887,555	1,898,377	1,159,854	5,114,625	3,047,409
Total revenues	71,160,361	60,054,157	24,561,858	21,822,225	95,722,219	81,876,382
Expenses:						
General government	12,285,858	11,705,795	-	-	12,285,858	11,705,795
Public safety	18,972,146	16,298,825	-	-	18,972,146	16,298,825
Highways and streets	2,636,514	3,122,637	-	-	2,636,514	3,122,637
Culture and recreation	5,470,852	4,740,527	-	-	5,470,852	4,740,527
Economic development	1,768,355	538,311	-	-	1,768,355	538,311
Health and welfare	1,081,804	1,014,599	-	-	1,081,804	1,014,599
Interest on long-term debt	475,620	535,092	-	-	475,620	535,092
Water	-	-	7,439,306	6,846,830	7,439,306	6,846,830
Wastewater and sewer	-	-	10,750,021	10,554,083	10,750,021	10,554,083
Sanitation	-	-	391,739	421,727	391,739	421,727
Total expenses	42,691,149	37,955,786	18,581,066	17,822,640	61,272,215	55,778,426
Change in net position	28,469,212	22,098,371	5,980,792	3,999,585	34,450,004	26,097,956
Net position, beginning	138,340,077	116,241,706	92,982,855	88,983,270	231,322,932	205,224,976
Net position, ending	<u>\$ 166,809,289</u>	<u>\$ 138,340,077</u>	<u>\$ 98,963,647</u>	<u>\$ 92,982,855</u>	<u>\$ 265,772,936</u>	<u>\$ 231,322,932</u>

City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)

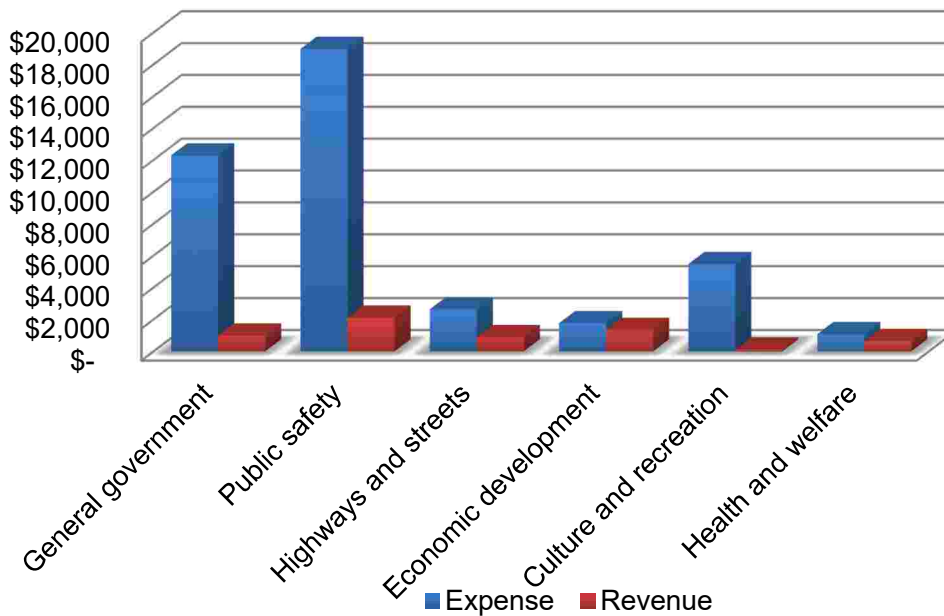
Governmental Activities - During the current fiscal year, net position for governmental activities increased \$28,469,212 from the prior fiscal year for an ending balance of \$166,809,289. The increase in the overall net position of governmental activities is primarily due to an increase in taxes revenue and interest income reported as part of other revenue and a decrease in highways and streets expenses.

Revenues increased \$11.1 million from the prior year mainly due to an increase in sales tax revenue and charges for services revenue. The City collected more zoning, building permit and building plans review fees comparing to the prior year.

Expenses increased from \$38.0 million in the prior year to \$42.7 million in the current year. Most of the City's programs expenses, such as General Government, Public Safety, Culture and Recreation, Economic Development, and Health and Welfare all increased in FY 2024.

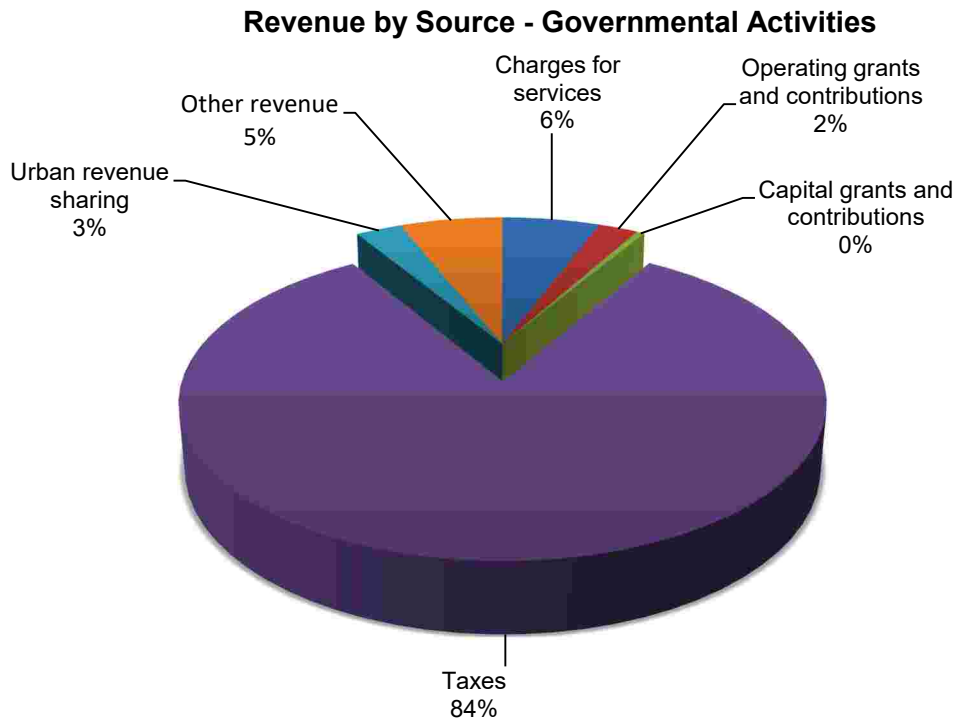
As shown in the chart below, revenues generated by the City's programs are not sufficient to cover the costs. The City relies on sales taxes, property taxes and other general revenues to cover the costs associated with the various programs.

**Expense and Program Revenues - Governmental Activities
(in Thousands)**

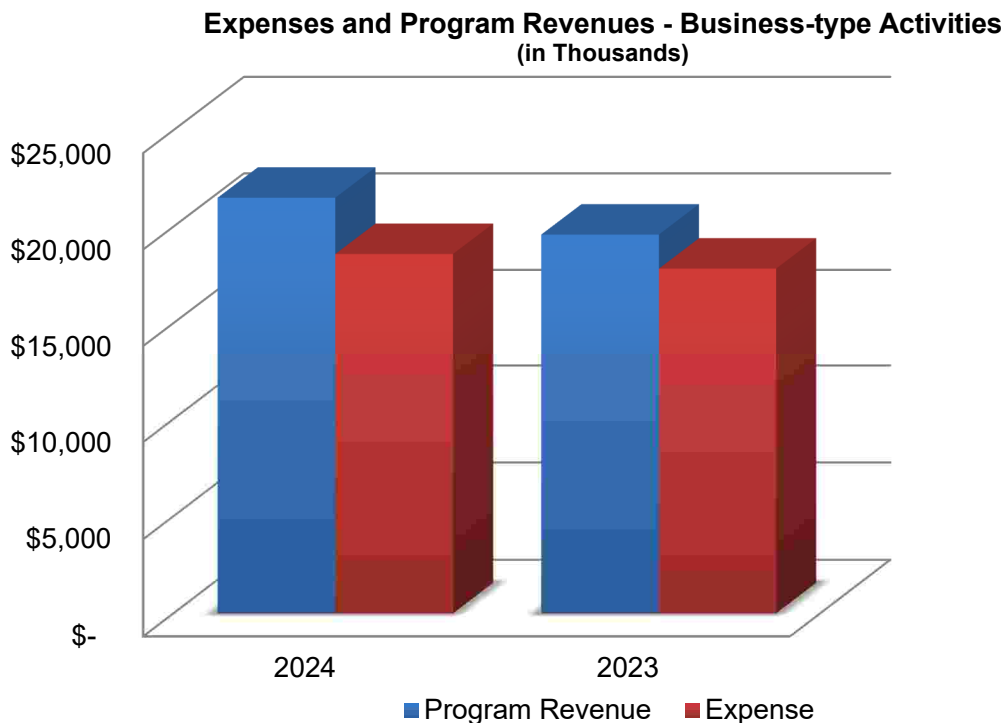


City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)



Business-Type Activities - For the City's business-type activities, the results for the current fiscal year were positive in that overall net position increased to reach an ending balance of \$98,963,647. The change in net position for business-type activities (water, sewer and wastewater, sanitation and trash) increased by \$1,981,207 from the prior fiscal year. This was due to an increase in capital grants and contributions and other revenue.



City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)

Financial Analysis of the Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

As of June 30, 2024, the City's governmental funds reported combined fund balances of \$107,064,048, an increase of \$19,728,056 in comparison with the prior year. Of this amount, \$68,775,211 or 64.2% constitutes unassigned fund balance, which is available for spending at the government's discretion. \$23,665,158 or 22.1% constitutes assigned fund balance, which is funds set aside for specific purposes that are aligned with City's strategic priorities for planned expenditures or projects. The remainder of the fund balance is nonspendable or restricted, to indicate it is (1) not in spendable form, \$11,148; or (2) restricted for particular purposes, \$14,612,531.

Analysis of Individual Funds

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance in the general fund was \$68,775,211, while total fund balance was \$92,800,202. As a measure of liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 175.2% of total general fund expenditures, while total fund balance represents 236.4% of that same amount.

The fund balance of the City's general fund increased by \$19,059,283 during the current fiscal year, with the increase primarily due to an increase in sales taxes, licenses and permits, and interest income.

The Public Safety Tax Fund had a \$1,013,479 increase in fund balance during the current fiscal year. The key factor to the increase was an increase in sales taxes.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the business-type activities portion of the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund at the end of the year was \$17,866,815, the Wastewater and Sewer Fund was \$22,078,017, and the Sanitation and Trash Fund was \$530,742. The total growth in net position for each of the funds was \$2,173,132, \$3,722,163, and \$85,497, respectively. The charges for services increased in the Water and Sanitation and Trash Funds, but decreased in the Wastewater and Sewer Fund. Additionally, property taxes increased in both Water and Wastewater and Sewer Funds. Furthermore, interest income increased in Water, Wastewater and Sewer, and Sanitation and Trash Funds.

City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, there was a need to reallocate appropriations among departments with four budget amendments to the adopted budget.

Final budget compared to actual results. The most significant difference between estimated revenues and actual revenues were as follows:

Revenue Source	Estimated Revenues	Actual Revenues	Difference
Sales taxes	\$ 32,400,660	\$ 42,410,103	\$ 10,009,443
Interest income	1,008,000	2,471,293	1,463,293

General Fund expenditures were less than budgeted appropriations by \$14,850,353. The five budget organizations with the largest variances include Planning and Engineering at \$7,544,908, Field Operations Building at \$2,739,699, Finance at \$2,516,301, Economic Development at \$829,074, and Field Operations Parks at \$664,375. These expenditure variances were below the related appropriations. However, three budget organizations exceeded their related appropriations are Aquatics Center at \$(2,732,885), Police Field Operations at \$(339,021), and City Clerk at \$(16,805). Aquatics Center expenditures exceeded its budgeted appropriation due to the purchase of land for the City's new Aquatics Center. Both Police Field Operations and City Clerk expenditures exceeded their budgeted appropriations due to the effects of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$150,010,895 (net of accumulated depreciation/amortization). This investment in capital assets includes land, buildings, furniture, machinery, equipment, vehicles, improvements and the wastewater treatment plant. The total increase in capital assets for the current fiscal year was 9.0%.

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 12,618,580	\$ 7,608,899	\$ 7,047,180	\$ 4,034,932	\$ 19,665,760	\$ 11,643,831
Construction in progress	1,640,430	364,166	1,572,737	594,719	3,213,167	958,885
Buildings	37,446,607	38,653,202	22,942,578	23,772,932	60,389,185	62,426,134
Furniture, equipment and vehicles	4,285,674	3,530,137	21,707,153	19,934,289	25,992,827	23,464,426
Improvements	28,868,235	29,329,492	10,627,095	9,613,394	39,495,330	38,942,886
Intangible Right-to-use Subscription Assets	1,254,626	197,795	-	-	1,254,626	197,795
Total	<u>\$ 86,114,152</u>	<u>\$ 79,683,691</u>	<u>\$ 63,896,743</u>	<u>\$ 57,950,266</u>	<u>\$ 150,010,895</u>	<u>\$ 137,633,957</u>

Major capital assets acquisitions during the current fiscal year included the following:

- Purchased two plots of land totaling \$8,021,929.
- Construction in progress for the City's new fire truck totaling \$1,053,421.
- Improvements made to the City's Wastewater Treatment Plant totaling \$861,818.
- Purchase thirteen vehicles totaling \$831,091.
- Rehabilitation of Secondary Clarifier #3 at the City's Wastewater Treatment Plant totaling \$728,686.
- Purchase a street sweeper totaling \$375,862.
- Installation of a K9 Facility at the City's Police Department totaling \$135,163.

Additional information on the City's capital assets can be found in Note 4 of this report.

City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)

Debt Administration

At the end of the current fiscal year, the City had total bonded debt outstanding of \$15,125,000. Of this amount, \$12,365,000 is debt backed by the full faith and credit of the government. The remainder of the City's long-term obligations is comprised of compensated absences, subscription liabilities, loans payable and the City's net pension liability.

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 8,900,000	\$ 10,474,142	\$ 2,165,000	\$ 2,880,858	\$ 11,065,000	\$ 13,355,000
General obligation bonds, refunding	1,040,000	1,216,000	260,000	304,000	1,300,000	1,520,000
Revenue bonds, refunding	2,760,000	3,255,000	-	-	2,760,000	3,255,000
Bond premiums	1,123,229	1,269,203	179,385	216,822	1,302,614	1,486,025
Loans payable	-	-	3,558,600	4,087,105	3,558,600	4,087,105
Total	<u>\$ 13,823,229</u>	<u>\$ 16,214,345</u>	<u>\$ 6,162,985</u>	<u>\$ 7,488,785</u>	<u>\$ 19,986,214</u>	<u>\$ 23,703,130</u>

The City's total debt decreased by \$3,716,916 (15.7%) during the current fiscal year. This was due to the retirement of debt resulting from regularly scheduled debt payments.

The City maintained AA ratings from Standard & Poor's for general obligation debt.

The State constitution imposes certain debt limitations on the City, which are six percent (6%) and twenty percent (20%) of the assessed valuation of the City. Additional information on the debt limitations and capacities may be found in Table 15 in the statistical section of this report.

Next Year's Budget and Economic Factors

The following economic factors currently affect the City and were considered in developing the 2024-2025 fiscal year budget.

The unemployment rate for the City is currently 3.4%, which remains unchanged from a rate of 3.4% a year ago. Labor shortages continue to be an issue in all sectors of employment.

The City anticipates that interest rates will start to trend downward in the next year, while inflation will slightly decrease from the current level of approximately 2.6%.

Increases are expected in wages, health insurance costs, pension costs and other employee benefit costs.

The City continues to be a member of Southwest Risk Services, a member owned risk sharing pool for property, liability and workers' compensation insurance administrative services in Arizona.

The City's daytime population exceeds 25,000 persons a day requiring 24-hour services for residents and nonresidents alike.

Overall, the financial condition of the City has improved during FY 2024 and the actions of the City Council will help to ensure this continues.

City of Tolleson, Arizona

Management's Discussion and Analysis
June 30, 2024
(Unaudited)

Contacting The City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Chief Financial Officer at:

City of Tolleson, Arizona
9055 West Van Buren Street
Tolleson, Arizona, 85353

Or visit our website at: <https://www.tolleson.az.gov>.

Financial Section

Basic Financial Statements

Government-Wide Financial Statements - include the Statement of Net Position and Statement of Activities and use the accrual basis of accounting for financial reporting.

Governmental Funds Financial Statements - include the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance for the major governmental funds that use the modified accrual basis of reporting. Also includes the reconciliations to the government-wide financial statements.

Proprietary Funds Financial Statements - include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Position and Statement of Cash Flows for the business-type activities that use the accrual basis of accounting for financial reporting.

Notes to the Financial Statements



Financial Section

Government-Wide Financial Statements



City of Tolleson, Arizona

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 46,569,486	\$ 26,170,109	\$ 72,739,595
Investments	56,154,348	15,333,955	71,488,303
Receivables (net of allowances)	7,845,035	6,372,835	14,217,870
Leases receivable	547,517	-	547,517
Restricted assets	-	754,315	754,315
Prepaid items	11,148	-	11,148
Capital assets:			
Not being depreciated/amortized	14,259,010	8,619,917	22,878,927
Being depreciated/amortized (net)	71,855,142	55,276,826	127,131,968
Total assets	197,241,686	112,527,957	309,769,643
Deferred Outflows of Resources			
Deferred outflows of resources related to pensions	9,258,790	973,224	10,232,014
Total deferred outflows of resources	9,258,790	973,224	10,232,014
Liabilities			
Accounts payable and other current liabilities	2,618,033	2,148,591	4,766,624
Accrued wages and benefits	407,889	91,941	499,830
Intergovernmental payable	-	69,112	69,112
Deposits payable	2,838	166,175	169,013
Interest payable	-	58,789	58,789
Unearned revenue	-	6,114	6,114
Noncurrent liabilities:			
Due within one year:			
Compensated absences	760,362	236,144	996,506
Subscriptions liability	246,987	-	246,987
Loans payable	-	545,967	545,967
Bonds payable	1,173,000	382,000	1,555,000
Due in more than one year:			
Compensated absences	2,407,811	300,545	2,708,356
Subscriptions liability	904,698	-	904,698
Loans payable	-	3,012,633	3,012,633
Bonds payable	12,650,229	2,222,385	14,872,614
Net pension liability	16,859,846	5,065,001	21,924,847
Total liabilities	38,031,693	14,305,397	52,337,090
Deferred Inflows of Resources			
Deferred inflows of resources related to pensions	1,142,436	232,137	1,374,573
Deferred inflows of resources related to leases	517,058	-	517,058
Total deferred inflows of resources	1,659,494	232,137	1,891,631
Net Position			
Net investment in capital assets	71,139,238	57,908,288	129,047,526
Restricted for:			
General government	296,622	-	296,622
Public safety	12,876,448	-	12,876,448
Highways and streets	998,770	-	998,770
Debt service	140,654	579,785	720,439
Grants	300,037	-	300,037
Unrestricted	81,057,520	40,475,574	121,533,094
Total net position	\$ 166,809,289	\$ 98,963,647	\$ 265,772,936

See notes to financial statements

City of Tolleson, Arizona

Statement of Activities

Year Ended June 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Expenses							
Functions/Programs							
Primary government:							
Governmental activities:							
General government	\$ 12,285,858	\$ 667,802	\$ 322,866	\$ -	\$ (11,295,190)	\$ -	\$ (11,295,190)
Public safety	18,972,146	1,828,817	283,827	-	(16,859,502)	-	(16,859,502)
Highways and streets	2,636,514	-	560,662	333,577	(1,742,275)	-	(1,742,275)
Culture and recreation	5,470,852	97,115	14,618	-	(5,359,119)	-	(5,359,119)
Economic development	1,768,355	1,339,209	6,502	-	(422,644)	-	(422,644)
Health and welfare	1,081,804	173,392	462,395	-	(446,017)	-	(446,017)
Interest on long-term debt	475,620	-	-	-	(475,620)	-	(475,620)
Total governmental activities	42,691,149	4,106,335	1,650,870	333,577	(36,600,367)	-	(36,600,367)
Business-type activities:							
Water	7,439,306	7,893,323	-	-	-	454,017	454,017
Wastewater and sewer	10,750,021	10,783,320	-	2,360,424	-	2,393,723	2,393,723
Sanitation and trash	391,739	459,187	-	-	-	67,448	67,448
Total business-type activities	18,581,066	19,135,830	-	2,360,424	-	2,915,188	2,915,188
Total primary government	\$ 61,272,215	\$ 23,242,165	\$ 1,650,870	\$ 2,694,001	(36,600,367)	2,915,188	(33,685,179)
General Revenues							
Taxes:							
Sales tax					51,108,820	-	51,108,820
Property tax					7,296,622	1,167,227	8,463,849
Auto lieu tax					376,427	-	376,427
Franchise tax					54,575	-	54,575
State revenue sharing					1,093,578	-	1,093,578
Urban revenue sharing (unrestricted)					1,923,309	-	1,923,309
Unrestricted investment earnings:							
Interest income					2,824,395	1,744,910	4,569,305
Change in the fair value of investments					322,536	175,344	497,880
Gain (loss) on sale of capital assets					-	(25,765)	(25,765)
Miscellaneous					73,205	-	73,205
Transfers (out) in					(3,888)	3,888	-
Total general revenues					65,069,579	3,065,604	68,135,183
Change in net position					28,469,212	5,980,792	34,450,004
Net Position, Beginning					138,340,077	92,982,855	231,322,932
Net Position, Ending					\$ 166,809,289	\$ 98,963,647	\$ 265,772,936

See notes to financial statements

Financial Section

Governmental Fund Financial Statements

Major Funds

- **General Fund** - This fund is the general operating fund of the City. It accounts for all financial resources of the City, except those required to be accounted for in other funds.
- **Public Safety Tax Fund** - This fund accounts for the ½ cent sales tax collected to provide for police and fire services.

Nonmajor Funds



City of Tolleson, Arizona

Balance Sheet
Governmental Funds
June 30, 2024

	General	Public Safety Tax	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 38,040,848	\$ 7,239,177	\$ 1,289,461	\$ 46,569,486
Investments	51,173,758	4,980,590	-	56,154,348
Receivables, net:				
Accounts receivable	740,059	-	-	740,059
Interest receivable	384,823	37,454	-	422,277
Taxes receivable	51,022	-	29,491	80,513
Intergovernmental receivable	5,612,532	662,065	327,589	6,602,186
Leases receivable	547,517	-	-	547,517
Due from other funds	106,000	-	-	106,000
Prepays	11,148	-	-	11,148
Total assets	\$ 96,667,707	\$ 12,919,286	\$ 1,646,541	\$ 111,233,534
Liabilities				
Accounts payable	\$ 2,476,240	\$ 94,901	\$ 46,892	\$ 2,618,033
Accrued wages and benefits	399,109	-	8,780	407,889
Due to other funds	-	-	106,000	106,000
Deposit payable	2,838	-	-	2,838
Total liabilities	2,878,187	94,901	161,672	3,134,760
Deferred Inflows of Resources				
Unavailable revenue	472,260	-	45,408	517,668
Deferred inflows of resources related to leases	517,058	-	-	517,058
Total deferred inflow of resources	989,318	-	45,408	1,034,726
Fund Balances				
Nonspendable:				
Prepaid items	11,148	-	-	11,148
Restricted:				
General government	296,622	-	-	296,622
Public safety	52,063	12,824,385	-	12,876,448
Highways and streets	-	-	998,770	998,770
Debt service	-	-	140,654	140,654
Grants	-	-	300,037	300,037
Assigned:				
General fund reserve (40% of expenditures)	15,704,777	-	-	15,704,777
Subsequent year's budget:				
appropriation of fund balance	7,960,381	-	-	7,960,381
Unassigned	68,775,211	-	-	68,775,211
Total fund balances	92,800,202	12,824,385	1,439,461	107,064,048
Total liabilities, deferred inflows of resources and fund balances	\$ 96,667,707	\$ 12,919,286	\$ 1,646,541	\$ 111,233,534

See notes to financial statements

City of Tolleson, Arizona

Reconciliation of the Balance Sheet to the Statement of Net Position

Governmental Funds

June 30, 2024

Total Governmental Funds Balances \$ 107,064,048

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Governmental capital assets	\$ 145,830,334	
Accumulated depreciation/amortization	<u>(59,716,182)</u>	86,114,152

Some revenues are unavailable in the governmental fund financial statements but recognized when earned in the statement of activities

517,668

Some liabilities, including net pension liabilities, leases, loans payable and bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Net pension liability	(16,859,846)	
Subscription-based information technology arrangements liability	(1,151,685)	
Bonds payable	(12,700,000)	
Bond premiums	(1,123,229)	
Compensated absences	<u>(3,168,173)</u>	(35,002,933)

Deferred outflows and inflows of resources related to pensions and deferred charges on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	9,258,790	
Deferred inflows of resources related to pensions	<u>(1,142,436)</u>	<u>8,116,354</u>

Total Net Position of Governmental Activities \$ 166,809,289

City of Tolleson, Arizona**Statement of Revenues, Expenditures and Changes in Fund Balances****Governmental Funds**

Year Ended June 30, 2024

	General	Public Safety Tax	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes:				
Sales taxes	\$ 42,410,103	\$ 8,072,833	\$ 625,884	\$ 51,108,820
Property taxes	5,190,863	-	2,094,509	7,285,372
Franchise taxes	54,575	-	-	54,575
Intergovernmental revenues	3,064,707	-	2,015,530	5,080,237
Fines and forfeitures	188,749	-	-	188,749
Licenses and permits	1,339,209	-	-	1,339,209
Charges for services	2,347,312	28,450	173,392	2,549,154
Rents and royalties	35,852	-	-	35,852
Contributions and donations	56,316	-	-	56,316
Investment earnings:				
Interest income	2,471,293	320,216	32,886	2,824,395
Change in the fair value of investments	322,536	-	-	322,536
Other revenues	16,632	-	-	16,632
Total revenues	57,498,147	8,421,499	4,942,201	70,861,847
Expenditures				
Current:				
General government	10,380,197	-	-	10,380,197
Public safety	13,467,425	5,781,438	459,277	19,708,140
Highways and streets	1,136,003	-	1,206,910	2,342,913
Culture and recreation	4,577,754	-	-	4,577,754
Economic development	1,584,795	-	-	1,584,795
Health and welfare	-	-	1,209,939	1,209,939
Capital outlay	7,723,294	1,626,582	60,813	9,410,689
Debt service:				
Principal retirement	373,415	-	2,245,142	2,618,557
Interest	19,059	-	602,535	621,594
Total expenditures	39,261,942	7,408,020	5,784,616	52,454,578
Excess (deficiency) of revenues over (under) expenditures	18,236,205	1,013,479	(842,415)	18,407,269
Other Financing Sources (Uses)				
Subscription-based information technology arrangements	1,324,675	-	-	1,324,675
Transfers in	-	-	537,328	537,328
Transfers out	(501,597)	-	(39,619)	(541,216)
Total other financing sources and (uses)	823,078	-	497,709	1,320,787
Net change in fund balances	19,059,283	1,013,479	(344,706)	19,728,056
Fund Balances, Beginning	73,740,919	11,810,906	1,784,167	87,335,992
Fund Balances, Ending	\$ 92,800,202	\$ 12,824,385	\$ 1,439,461	\$ 107,064,048

See notes to financial statements

City of Tolleson, Arizona

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds**\$ 19,728,056**

Amounts reported for governmental activities in the
Statement of activities are different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.
This is the difference between depreciation/amortization expense and
capital outlay in the current period.

Capital outlay	\$ 10,625,195	
Depreciation/amortization expense	<u>(4,194,734)</u>	6,430,461

Governmental funds report the effect of premiums, discounts and similar
items when debt is first issued, whereas these amounts are deferred
and amortized in the statement of activities.

Amortization of bond premiums and discounts, net		145,974
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City pension contributions are reported as expenditures in the governmental
funds when made. However, they are reported as deferred outflows of
resources in the statement of net position because the reported net
pension liability is measured a year before the City's report date.
Pension expense, which is the change in the net pension liability
adjusted for changes in deferred outflows and inflows of resources
related to pensions, is reported in the statement of activities.

City pension contributions	4,652,109	
City proportionate share of State's appropriation to EORP	73,205	
Pension expense	<u>(3,751,087)</u>	974,227

Long-term debt proceeds provide current financial resources to governmental
funds, but issuing debt instruments increases long-term liabilities in the
statement of net position. The following long-term liabilities were incurred:

Subscription-based information technology arrangements incurred		(1,324,675)
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Repayment of long-term debt (e.g., bonds, leases, accounts payable)
principal is an expenditure in the governmental funds, but the
repayment reduces long-term liabilities in the statement of net position.

Principal repaid - bonds	2,245,142	
Principal repaid - subscription-based information technology arrangements	<u>373,415</u>	2,618,557

Revenues in the statement of activities that do not provide current
financial resources are not reported as revenues in the funds.

	229,196
--	---------

Compensated absences expenses reported in the statement of activities
do not require the use of current financial resources and therefore are
not reported as expenditures in governmental funds.

<u>(332,584)</u>

Change in Net Position of Governmental Activities**\$ 28,469,212**

Financial Section

Proprietary Fund Financial Statements

Enterprise Fund

- **Water Fund** - This fund is used to account for the activities of the City's water utility operations.
- **Wastewater and Sewer Fund** - This fund is used to account for the activities of the City's sewer utility operations.
- **Sanitation and Trash Fund** - This fund is used to account for the activities of the City's sanitation and trash utility operations.



City of Tolleson, Arizona

Statement of Net Position

Proprietary Funds

June 30, 2024

	Business-Type Activities-Enterprise Funds			
	Water	Wastewater and Sewer	Nonmajor Sanitation and Trash	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 11,356,571	\$ 14,008,106	\$ 805,432	\$ 26,170,109
Investments	7,520,427	7,813,528	-	15,333,955
Receivables (net of allowance):				
Accounts receivable	1,253,127	4,851,199	65,324	6,169,650
Interest receivable	56,553	58,757	-	115,310
Taxes receivable	83,421	4,454	-	87,875
Restricted assets	174,530	579,785	-	754,315
Total current assets	20,444,629	27,315,829	870,756	48,631,214
Noncurrent Assets				
Capital assets:				
Not being depreciated/amortized	4,712,906	3,907,011	-	8,619,917
Being depreciated/amortized, net	8,236,227	47,040,599	-	55,276,826
Total noncurrent assets	12,949,133	50,947,610	-	63,896,743
Total assets	33,393,762	78,263,439	870,756	112,527,957
Deferred Outflows of Resources				
Deferred outflows of resources related to pensions	290,078	636,429	46,717	973,224
Liabilities				
Current liabilities:				
Accounts payable	756,882	1,389,513	2,196	2,148,591
Accrued wages and benefits	30,405	60,906	630	91,941
Interest payable	-	58,789	-	58,789
Intergovernmental payable	69,112	-	-	69,112
Customer deposits payable	166,175	-	-	166,175
Unearned revenue	3,057	3,057	-	6,114
Compensated absences	65,846	170,298	-	236,144
Loans payable, current portion	-	545,967	-	545,967
Bonds payable, current portion	335,000	47,000	-	382,000
Total current liabilities	1,426,477	2,275,530	2,826	3,704,833
Noncurrent liabilities:				
Compensated absences, net of current portion	83,803	216,742	-	300,545
Loans payable, net of current portion	-	3,012,633	-	3,012,633
Bonds payable, net of current portion	1,987,057	235,328	-	2,222,385
Net pension liability	1,437,283	3,277,864	349,854	5,065,001
Total noncurrent liabilities	3,508,143	6,742,567	349,854	10,600,564
Total liabilities	4,934,620	9,018,097	352,680	14,305,397
Deferred Inflows of Resources				
Deferred inflows of resources related to pensions	80,799	117,287	34,051	232,137
Net Position				
Net investment in capital assets	10,801,606	47,106,682	-	57,908,288
Restricted for debt service	-	579,785	-	579,785
Unrestricted	17,866,815	22,078,017	530,742	40,475,574
Total net position	\$ 28,668,421	\$ 69,764,484	\$ 530,742	\$ 98,963,647

See notes to financial statements

City of Tolleson, Arizona

Statement of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Wastewater and Sewer	Nonmajor Sanitation and Trash	Total
Operating Revenues				
Charges for services	\$ 7,893,323	\$ 10,783,320	\$ 459,187	\$ 19,135,830
Total operating revenue	7,893,323	10,783,320	459,187	19,135,830
Operating Expenses				
Salaries, wages and benefits	2,020,749	4,154,733	54,226	6,229,708
Contractual services, materials and supplies	4,698,212	4,342,252	337,513	9,377,977
Depreciation	667,955	2,131,609	-	2,799,564
Total operating expenses	7,386,916	10,628,594	391,739	18,407,249
Operating income	506,407	154,726	67,448	728,581
Nonoperating Revenues (Expenses)				
Property taxes	752,987	414,240	-	1,167,227
Interest income	881,182	845,679	18,049	1,744,910
Change in the fair value of investments	84,472	90,872	-	175,344
Interest expense	(52,390)	(121,427)	-	(173,817)
Loss on disposal of assets	-	(25,765)	-	(25,765)
Total nonoperating revenues (expenses)	1,666,251	1,203,599	18,049	2,887,899
Income before capital contributions and transfers	2,172,658	1,358,325	85,497	3,616,480
Capital Contributions	-	2,360,424	-	2,360,424
Transfer In	474	171,294	-	171,768
Transfers Out	-	(167,880)	-	(167,880)
Change in net position	2,173,132	3,722,163	85,497	5,980,792
Net Position, Beginning	26,495,289	66,042,321	445,245	92,982,855
Net Position, Ending	\$ 28,668,421	\$ 69,764,484	\$ 530,742	\$ 98,963,647

See notes to financial statements

City of Tolleson, Arizona

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Wastewater and Sewer	Nonmajor Sanitation and Trash	Total
Cash Flows From Operating Activities				
Cash received from customers, service fees	\$ 7,738,896	\$ 10,249,644	\$ 460,833	\$ 18,449,373
Payments for employee wages and benefits	(1,953,997)	(4,004,936)	(51,006)	(6,009,939)
Payments to suppliers	(4,314,338)	(3,979,967)	(335,409)	(8,629,714)
Net cash provided by operating activities	1,470,561	2,264,741	74,418	3,809,720
Cash Flows From Noncapital Financing Activities				
Cash received from property taxes	747,340	416,164	-	1,163,504
Cash transferred from other funds	474	171,294	-	171,768
Cash transferred to other funds	-	(167,880)	-	(167,880)
Net cash provided by noncapital financing activities	747,814	419,578	-	1,167,392
Cash Flows From Capital and Related Financing Activities				
Purchase of capital assets	(4,565,971)	(4,205,844)	-	(8,771,815)
Capital contributions	-	2,360,424	-	2,360,424
Principal paid on long term debt	(715,858)	(572,504)	-	(1,288,362)
Interest paid on long-term debt	(85,361)	(134,624)	-	(219,985)
Net cash (used in) provided by capital and related financing activities	(5,367,190)	(2,552,548)	-	(7,919,738)
Cash Flows From Investing Activities				
Interest received on investments	850,232	807,818	18,049	1,676,099
Purchase of investments from sale and maturities of investments	(2,660,828)	(2,669,312)	-	(5,330,140)
Net cash (used in) provided by investing activities	(1,810,596)	(1,861,494)	18,049	(3,654,041)
Net change in cash and cash equivalents	(4,959,411)	(1,729,723)	92,467	(6,596,667)
Cash and Cash Equivalents, Beginning	16,490,512	16,317,614	712,965	33,521,091
Cash and Cash Equivalents, Ending	<u>\$ 11,531,101</u>	<u>\$ 14,587,891</u>	<u>\$ 805,432</u>	<u>\$ 26,924,424</u>

See notes to financial statements

City of Tolleson, Arizona

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Wastewater and Sewer	Nonmajor Sanitation and Trash	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Net operating income (loss)	\$ 506,407	\$ 154,726	\$ 67,448	\$ 728,581
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	667,955	2,131,618	-	2,799,573
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:				
(Increase)/decrease in:				
Accounts receivable	(162,872)	(534,481)	1,646	(695,707)
Deferred outflows of resources related to pensions	(82,777)	(169,251)	(1,495)	(253,523)
Increase/(decrease) in:				
Accounts payable	374,694	362,276	2,104	739,074
Accrued wages and benefits	(8,648)	(21,361)	(453)	(30,462)
Accrued liabilities	9,180	-	-	9,180
Customer deposits	7,850	-	-	7,850
Unearned revenue	595	805	-	1,400
Compensated absences	9,359	29,636	-	38,995
Net pension liability	138,304	288,816	4,803	431,923
Deferred inflows of resources related to pensions	10,514	21,957	365	32,836
Net cash provided by operating activities	<u>\$ 1,470,561</u>	<u>\$ 2,264,741</u>	<u>\$ 74,418</u>	<u>\$ 3,809,720</u>
Noncash Investing, Capital and Financing Activities				
Disposal of assets	<u>\$ -</u>	<u>\$ 25,765</u>	<u>\$ -</u>	<u>\$ 25,765</u>
Change in the fair value of investments	<u>\$ 84,472</u>	<u>\$ 90,872</u>	<u>\$ -</u>	<u>\$ 175,344</u>
Amortization of bond premium	<u>\$ 32,971</u>	<u>\$ 4,466</u>	<u>\$ -</u>	<u>\$ 37,437</u>
Reconciliation of Cash, Cash Equivalents and Investments to the Statement of Net Position				
Cash and cash equivalents	\$ 11,356,571	\$ 14,008,106	\$ 805,432	\$ 26,170,109
Restricted assets	<u>174,530</u>	<u>579,785</u>	<u>-</u>	<u>754,315</u>
Total cash, cash equivalents and investments	<u>\$ 11,531,101</u>	<u>\$ 14,587,891</u>	<u>\$ 805,432</u>	<u>\$ 26,924,424</u>

See notes to financial statements

Financial Section

Notes to Financial Statements



1. Summary of Significant Accounting Policies

The accompanying financial statements of the City of Tolleson, Arizona (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the City's more significant accounting policies follows.

Reporting Entity

The City of Tolleson, Arizona is a municipal government that is governed by an elected mayor, vice-mayor and five-member governing council (council). The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

There are no discretely presented component units and no blended component units.

Basis of Presentation - Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

Interfund services provided and used are not eliminated in the process of consolidation for the government-wide financial statements.

Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.

The Public Safety Tax Special Revenue Fund accounts for the government's sales tax revenues set aside for public safety purposes and related expenditures.

The City reports the following major proprietary funds:

The Water Fund accounts for the activities of pumping, treating and distribution of water.

The Wastewater and Sewer Fund accounts for the activities of wastewater collection and treatment.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. The City's major revenue sources that are susceptible to accrual are property taxes, special assessments, intergovernmental, charges for services, and investment earnings. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, pollution remediation obligations and asset retirement obligations, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under lease contracts and subscription-based information technology arrangements are reported as other financing sources.

Sales taxes, franchise taxes, intergovernmental grants and aid and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Deposits and Investments

Cash includes cash on hand, demand deposits with banks and other financial institutions, deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit accounts and short-term investments with original maturities of three months or less from the date of acquisition.

Cash and investments are pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Interest earned from investments purchased with such pooled monies is allocated to each of the funds based on the average daily cash balances. State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, certificates of the deposit in eligible depositories, repurchase agreements, obligations of the State of Arizona or any of its counties or incorporated cities, towns, or duly organized school districts, improvement districts in this state and the State Treasurer's Local Government Investment Pool. Investments are stated at fair value.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Internal balances" in the Statement of Net Position and as "Due to" or "Due from" other funds in the fund financial statements. All trade accounts receivable in the proprietary funds are shown net of an allowance for doubtful accounts.

Inventories and Prepaid Items

Purchases of inventory items are recorded at the time of purchase as expenditures in the funds from which the purchases were made; and because the amounts on hand at June 30, 2024, were immaterial, they are not included in the balance sheet.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Restricted Assets

Certain proceeds of the City's bonds and loans are classified as restricted assets on the statement of net position because their use is limited by applicable bond or loan covenants.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), including those that are leased by the City or subscription based contracts, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements and in the proprietary fund financial statements. Capital assets are defined by the City as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capitalized assets are recorded at actual cost (or historical cost or estimated historical cost if historical records are not available). Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Land, construction in progress, and water rights are not depreciated/amortized. The other property, plant and equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building and improvements	40
Water plant	50
Sewer plant	50
Furniture, equipment and vehicles	5 - 20
Infrastructure	50

Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the City is reasonably certain of being exercised—then the lease asset is amortized over the useful life of the underlying asset.

Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying information-technology assets.

Deferred Outflows/Inflows of Resources

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to future periods and will be recognized as a revenue in future periods.

Postemployment Benefits

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Arizona State Retirement System (ASRS), Elected Officials Retirement Plan (EORP), and the Public Safety Personnel Retirement System (PSPRS) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by ASRS, EORP and PSPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

ASRS, EORP and PSPRS net OPEB assets/liabilities have not been recorded, or further disclosed, at June 30, 2024 in accordance with GASB Statement 75, due to the relative insignificance to the City's financial statements.

Leases and Subscription-Based Information Technology Arrangements

Leases

Lessee - As lessee, the City recognizes lease liabilities with an initial, individual value of \$50,000 or more. The City uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The City's estimated incremental borrowing rate is based on the average interest rate of other financing instruments with similar terms and risks as those currently entered into by the City.

Lessor - As lessor, the City recognizes lease receivables with an initial, individual value of \$50,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The City's estimated incremental borrowing rate is calculated as described above.

At the commencement of the lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Subscription-Based Information Technology Arrangements

The City recognizes subscription liabilities with an initial, individual value of \$25,000 or more. The City uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The City's estimated incremental borrowing rate is calculated as described above.

Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

The Net Investment in Capital Assets on the Statement of Net Position are Calculated as Follows:

	Governmental Activities	Business-Type Activities
Net Investment in capital asset:		
Nondepreciable capital assets	\$ 14,259,010	\$ 8,619,917
Other capital and right-of-use, net of accumulated depreciation/amortization	71,855,142	55,276,826
Plus restricted cash for capital projects	-	174,530
Less loans-payable outstanding	-	3,558,600
Less long-term debt outstanding	13,823,229	2,604,385
Less subscription liability outstanding	1,151,685	-
Total	\$ 71,139,238	\$ 57,908,288

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance.

Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Finance Director is authorized to assign amounts to a specific purpose in accordance with the City's budget policy. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The General Fund has assigned funds consisting of a stabilization arrangement in the amount of \$22,798,620. The stabilization arrangement is used to set aside resources for use in response to emergency contingency concerns. The amount of the Stabilization Arrangement for contingencies is equal to 20-40% of General Fund operating expenditures.

Program Revenues

Amounts reported as program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

Property taxes are levied by the City and collected by the Maricopa County Treasurer. Property tax revenues are recognized as revenues in the year collected or if collected within 60 days thereafter unless they are prepaid. Maricopa County levies real property taxes on or before the third Monday in August, which become due and payable in two equal installments on October 1 of the current year and March 1 of the subsequent year. Taxes become delinquent after the first business day of November and May, respectively. Interest attaches on installments after the delinquency date. The County also levies various personal property taxes during the year. A lien against property assessed attaches on the first day of January preceding the assessment and levy.

Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination. For governmental funds, amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. No expenditures are reported for these amounts in the fund financial statements unless they have matured, for example, as a result of employee resignations and retirements. Vested or accumulated vacation and sick leave in the proprietary fund are recorded as an expense and a liability of that fund as the benefits accrue to the employees and are thus recorded in both the government-wide financial statements and the individual fund financial statements.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Expenditures Over Appropriations

Expenditures may not legally exceed budgeted appropriations at the department level. The individual schedule of revenues, expenditures and changes in fund balances – budget and actual reports found in the required supplementary information and the other supplementary information present all of the departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2024, if any.

Effect of New Accounting Standards on Current Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 100, *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*

When they become effective, application of these standards may restate portions of the financial statements. The City continues to monitor and evaluate the impact of these new standards, and any future accounting standards issued by GASB, to ensure compliance and accurate financial reporting on its future financial statements. The adoption of these standards is expected to enhance the transparency and comparability of the City's financial reporting. The City will provide additional disclosures in the financial statements for the periods in which these standards become effective.

2. Cash and Investments

The following table summarizes the City's cash and investments at June 30, 2024:

	Governmental Activities	Business-Type Activities	Total
Cash and cash equivalents	\$ 46,569,486	\$ 26,170,109	\$ 72,739,595
Investments	56,154,348	15,333,955	71,488,303
Restricted assets	-	754,315	754,315
Total	<u>\$ 102,723,834</u>	<u>\$ 42,258,379</u>	<u>\$ 144,982,213</u>

Cash and Cash Equivalents

Cash on hand - At June 30, 2024, the City had \$3,000 of cash on hand.

Cash in bank - At June 30, 2024, the carrying amount of the City's cash in bank totaled \$30,263,989 and the bank balance was \$30,361,860. Of the bank balance, \$250,000 was covered by Federal Depository Insurance and \$30,111,860 was covered by collateral held in the pledging bank's trust department not in the City's name.

Local government Investment pool - The City invests in the Local Government Investment Pool 5 (LGIP), an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. The State Board of Investment provides oversight for the State Treasurer's investment pools. Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the City held. The fair value of a participant's position in the pools approximates the value of that participant's pool shares. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy. The LGIP is registered with the Securities Exchange Commission under the 1940 Investment Advisors Act and is rated by Standard & Poors with AAf/S1+. The Arizona State Treasurer issues a publicly available financial report that includes financial statements and required supplementary information. Copies may be obtained by contacting the Arizona State Treasurer, 1700 West Washington, Phoenix, Arizona 85007.

Funds held in the State Treasurer's Local Government Investment Pool represent a proportionate interest in the pool's portfolio; however, the City's portion is not identified with specific investments and is not subject to custodial credit risk. At June 30, 2024, the City's unrestricted funds invested with the State Treasurer totaled \$42,378,058.

PFM Government Money Market Fund - At June 30, 2024, the carrying amount of the City's cash in the PFM money market fund totaled \$94,548 and was covered by Federal Depository Insurance.

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

Investments

The City purchases investment securities outside of the LGIP, through a third-party investment advisor. At June 30, 2024, the fair value of the investments totaled \$71,488,303. Interest Rate Risk, Credit Risk, Concentration of Credit Risk and Fair Value Measurement are discussed on the following pages.

Restricted Assets

At June 30, 2024, the City had restricted cash and cash equivalents of \$754,315 which was restricted for debt payments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of City's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury notes	\$ 56,176,279	\$ 4,004,500	\$ 15,866,441	\$ 36,305,338	\$ -
African Development Bank Note	1,208,985	-	-	1,208,985	-
Inter-American Development Bank Note	744,542	-	-	744,542	-
Asian Development Bank Note	1,227,514	303,972	923,542	-	-
Federal Agency Collateralized Mortgage Obligations	12,130,984	1,132,766	849,670	10,148,548	-
PFM Government Money Market Fund	94,548	94,548	-	-	-
State Investment Pool (LGIP)	43,132,373	43,132,373	-	-	-
Total	<u>\$ 114,715,225</u>	<u>\$ 48,668,159</u>	<u>\$ 17,639,653</u>	<u>\$ 48,407,413</u>	<u>\$ -</u>

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City does not have a formal investment policy regarding credit risk. However, the City is prohibited by State law from investing in investments other than obligations of the U.S. Treasury and U.S. agencies, certificates of deposit in eligible depositories, repurchase agreements, obligations of the State of Arizona or any of its counties or incorporated cities, towns or duly organized school districts, improvement districts in this State and the State Treasurer's Local Investment Pool. Presented below is the actual rating as of year-end for each investment type.

Investment Type	Amount	Rating Agency	Rating
U.S. Treasury notes	\$ 56,176,279	Moody's	Aaa
African Development Bank Note	1,208,985	Moody's	Aaa
Inter-American Development Bank Note	744,542	Moody's	Aaa
Asian Development Bank Note	1,227,514	Moody's	Aa1
Federal Agency Collateralized Mortgage Obligations	12,130,984	Moody's	Aaa
PFM Government Money Market Fund	94,548		Unrated
State Investment Pool (LGIP)	43,132,373	Standard and Poors	AAAf/S1+
Total	<u>\$ 114,715,225</u>		

City of Tolleson, Arizona

Notes to Financial Statements
June 30, 2024

Concentration of Credit Risk

At June 30, 2024, the City's investments are included as follows:

Issuer	Reported Amount	Concentration
U.S. Treasury notes	\$ 56,176,279	49.0 %
African American Bank Note	1,208,985	1.1
Inter-American Development Bank Note	744,542	0.6
Asian Development Bank Note	1,227,514	1.1
Federal Agency Collateralized Mortgage Obligations	12,130,984	10.6
PFM Government Money Market Fund	94,548	0.1
State Investment Pool (LGIP)	43,132,373	37.6
Total	<u>\$ 114,715,225</u>	

Fair Value Measurement

Investments are measured at fair value. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements are as follows at June 30, 2024:

Investments by Fair Value Level	Total	Level 1	Level 2	Level 3
U.S. Treasury notes	\$ 56,176,278	\$ -	\$ 56,176,278	\$ -
African American Bank Note	1,208,985	-	1,208,985	-
Inter-American Development Bank Note	744,542	-	744,542	-
Asian Development Bank Note	1,227,514	-	1,227,514	-
Federal Agency Collateralized Mortgage Obligations	12,130,984	-	12,130,984	-
Total investments by fair value	<u>\$ 71,488,303</u>	<u>\$ -</u>	<u>\$ 71,488,303</u>	<u>\$ -</u>
External Investment Pool Measured at Fair Value				
State Investment Pool (LGIP)	<u>\$ 43,132,373</u>			
Total measured at fair value	<u>\$ 114,620,677</u>			
Investments Measured at Amortized Costs				
PFM Government Money Market Fund	<u>\$ 94,548</u>			
Total investments	<u>\$ 114,715,225</u>			

Investments categorized as Level 2 are valued using a matrix pricing technique. Matrix pricing is a method of supplying system-generated prices to assets using yield curves that are defined by SEI Investments Company. Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the City held. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. The State Board of Investment provides oversight for the State Treasurer's investment pools.

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

3. Receivables

Intergovernmental receivables consist principally of amounts due from the State of Arizona for various taxes, shared revenues, and highway user revenues.

Receivables, net of no allowances for uncollectible as of year-end for the City's individual major governmental funds and nonmajor governmental funds in the aggregate are as follows:

	General	Public Safety Tax	Nonmajor Government Funds	Total Government Funds
Receivables:				
Accounts receivable	\$ 740,059	\$ -	\$ -	\$ 740,059
Interest receivable	384,823	37,454	-	422,277
Taxes receivable	51,022	-	29,491	80,513
Intergovernmental receivable	5,612,532	662,065	327,589	6,602,186
Leases receivable	547,517	-	-	547,517
Total	\$ 7,335,953	\$ 699,519	\$ 357,080	\$ 8,392,552

Accounts receivables in the proprietary funds are for service billings and are shown net of no allowance for doubtful accounts.

	Water Fund	Wastewater and Sewer Fund	Sanitation and Trash Fund	Total Enterprise
Receivables:				
Accounts receivable	\$ 1,322,020	\$ 4,864,534	\$ 70,416	\$ 6,256,970
Interest receivable	56,553	58,757	-	115,310
Taxes receivable	83,421	4,454	-	87,875
Total receivable	1,461,994	4,927,745	70,416	6,460,155
Less allowance for doubtful accounts	(68,893)	(13,335)	(5,092)	(87,320)
Total	\$ 1,393,101	\$ 4,914,410	\$ 65,324	\$ 6,372,835

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

4. Capital Assets

The following table summarizes the changes to capital assets for governmental activities during the year:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 7,608,899	\$ 5,009,681	\$ -	\$ 12,618,580
Construction in progress	364,166	1,276,264	-	1,640,430
Total capital assets not being depreciated/amortized	7,973,065	6,285,945	-	14,259,010
Capital assets, being depreciated/amortized:				
Buildings	46,802,718	-	-	46,802,718
Furniture, equipment and vehicles	18,201,847	2,321,498	(34,279)	20,489,066
Improvements	62,092,645	684,202	-	62,776,847
Intangibles:				
Right-to-use subscription assets	332,328	1,333,550	(163,185)	1,502,693
Total capital assets being depreciated/amortized	127,429,538	4,339,250	(197,464)	131,571,324
Less accumulated depreciation/amortization for:				
Buildings	(8,149,516)	(1,206,595)	-	(9,356,111)
Furniture, equipment and vehicles	(14,671,710)	(1,565,961)	34,279	(16,203,392)
Improvements	(32,763,153)	(1,145,459)	-	(33,908,612)
Intangibles:				
Right-to-use subscription assets	(134,533)	(276,719)	163,185	(248,067)
Total accumulated depreciation/ amortization	(55,718,912)	(4,194,734)	197,464	(59,716,182)
Total capital assets, being depreciated/ amortized, net	71,710,626	144,516	-	71,855,142
Governmental activities capital assets, net	\$ 79,683,691	\$ 6,430,461	\$ -	\$ 86,114,152

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

Depreciation/amortization expense was charged to the functions/programs of the City as follows:

Governmental activities:	
General government	\$ 1,354,807
Public safety	1,244,614
Highways and streets	954,178
Culture and recreation	388,313
Economic development	156,980
Health and welfare	95,842
Total depreciation/amortization expense	<u>\$ 4,194,734</u>

The following table summarizes the changes to capital assets for business-type activities during the year.

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 4,034,932	\$ 3,012,248	\$ -	\$ 7,047,180
Construction in progress	594,719	1,504,883	(526,865)	1,572,737
Total capital assets not being depreciated/ amortized	<u>4,629,651</u>	<u>4,517,131</u>	<u>(526,865)</u>	<u>8,619,917</u>
Capital assets, being depreciated/amortized:				
Buildings	42,622,575	-	-	42,622,575
Improvements other than buildings	18,732,743	1,420,360	-	20,153,103
Machinery and equipment	46,984,976	3,119,443	-	50,104,419
Vehicles	1,990,145	241,746	(25,765)	2,206,126
Total capital assets being depreciated/ amortized	<u>110,330,439</u>	<u>4,781,549</u>	<u>(25,765)</u>	<u>115,086,223</u>
Less accumulated depreciation/amortization for:				
Buildings	(18,849,643)	(830,354)	-	(19,679,997)
Improvements other than buildings	(9,119,349)	(406,659)	-	(9,526,008)
Machinery and equipment	(27,593,576)	(1,470,517)	-	(29,064,093)
Vehicles	(1,447,256)	(92,043)	-	(1,539,299)
Total accumulated depreciation/ amortization	<u>(57,009,824)</u>	<u>(2,799,573)</u>	<u>-</u>	<u>(59,809,397)</u>
Total capital assets, being depreciated/ amortized, net	<u>53,320,615</u>	<u>1,981,976</u>	<u>(25,765)</u>	<u>55,276,826</u>
Business-type activities capital assets, net	<u>\$ 57,950,266</u>	<u>\$ 6,499,107</u>	<u>\$ (552,630)</u>	<u>\$ 63,896,743</u>

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

Depreciation/amortization expense was charged to the functions/programs of the City as follows:

Business-type activities:	
Wastewater and sewer	\$ 2,131,618
Water	667,955
Sanitation and trash	-
Total depreciation/amortization expense	<u><u>\$ 2,799,573</u></u>

5. Leases

As of June 30, 2024, the City is reporting leases receivable of \$547,517 and deferred inflows related to leases of \$517,058. For the fiscal year 2024, the City reported lease revenue of \$59,082 and interest revenue of \$12,708, related to lease payments received. From time to time the City's lease contracts include variable lease payments, including residual value guarantees, that are not included in the lease receivable because they are not fixed in substance. The City recognized an insignificant amount of revenue related to these variable lease payments and they have not been further disclosed or included in the measurement of the City's lease receivables. The City's leases are summarized as follows:

	Lease Receivable	Deferred Inflows Related to Leases	Lease Revenue	Lease Interest Revenue
Maskadores Building Lease	\$ 147,166	\$ 135,975	\$ 20,806	\$ 1,960
Verizon	278,667	259,456	9,840	9,960
American Tower	121,684	121,627	28,436	788
Total	<u><u>\$ 547,517</u></u>	<u><u>\$ 517,058</u></u>	<u><u>\$ 59,082</u></u>	<u><u>\$ 12,708</u></u>

The City's incremental borrowing rate used in each of the below leases is based upon the year they were implemented. Below is the details of each lease.

Maskadores Building Lease

On February 1, 2024 the City renewed their five year lease as Lessor for the use of a building. The lessee has one extension option for an additional five years and the City is reasonably certain that the lessee will renew the lease. The lessee is required to make monthly fixed payments of \$2,900. The lease has an interest rate of 3.5%. Based on this agreement, the City is receiving payments through 2029.

Verizon Lease

On April 28, 2015, the City entered into a five year lease as Lessor for the use of land for a wireless tower. The lessee has three extension options, each for five years and the City is reasonably certain that the lessee will renew the lease for each additional term. The lessee is required to make monthly fixed payments of \$1,650. The lease has an interest rate of 3.5%. Based on this agreement, the City is receiving payments through 2040.

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

American Tower Lease

In of December 1980, the City entered into a five year lease as Lessor for the use of land for a wireless tower. The lessee has eight extension options, each for five years and the City is reasonably certain that the lessee will renew the lease for each additional term. The lessee is required to make monthly fixed payments of \$2,248. The lease has an interest rate of 3.5%. Based on this agreement, the City is receiving payments through 2029.

Future payments due to the City are as follows for the years ending June 30:

	Governmental Activities		
	Principal Receipts	Interest Receipts	Total Receipts
Fiscal years ending June 30:			
2025	\$ 63,404	\$ 18,172	\$ 81,576
2026	65,659	15,917	81,576
2027	70,006	13,550	83,556
2028	72,496	11,060	83,556
2029	58,242	8,566	66,808
2030 - 2034	84,022	31,412	115,434
2035 - 2039	112,636	14,342	126,978
2040	21,052	348	21,400
Total	<u>\$ 547,517</u>	<u>\$ 113,367</u>	<u>\$ 660,884</u>

6. Unavailable Revenue and Unearned Revenue

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Unavailable Revenue
General Fund:	
Taxes	\$ 34,150
Grants	438,110
Nonmajor Fund:	
Taxes	20,236
Grants	25,172
Total	<u>\$ 517,668</u>

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

7. Long-Term Debt

The following is a summary of changes in long-term obligations for the year ended June 30, 2024:

	Balance, June 30, 2023	Additions	Retirements	Balance, June 30, 2024	Due Within One Year
Governmental activities:					
Bonds payable:					
Public, general obligation bonds	\$ 10,474,142	\$ -	\$ (1,574,142)	\$ 8,900,000	\$ 475,000
Public, general obligation bonds, refunding	1,216,000	-	(176,000)	1,040,000	188,000
Public, revenue bonds, refunding	3,255,000	-	(495,000)	2,760,000	510,000
Bond premiums	1,269,203	-	(145,974)	1,123,229	-
Total bonds payable	16,214,345	-	(2,391,116)	13,823,229	1,173,000
Compensated absences	2,835,587	1,787,062	(1,454,476)	3,168,173	760,362
Subscription liabilities	200,425	1,324,675	(373,415)	1,151,685	246,987
Net pension liability	16,500,897	4,650,066	(4,291,117)	16,859,846	-
Total other long-term debt	19,536,909	7,761,803	(6,119,008)	21,179,704	1,007,349
Total governmental activities	<u>\$ 35,751,254</u>	<u>\$ 7,761,803</u>	<u>\$ (8,510,124)</u>	<u>\$ 35,002,933</u>	<u>\$ 2,180,349</u>
Business-type activities:					
Bonds payable:					
Public, general obligation bonds	\$ 2,880,858	\$ -	\$ (715,858)	\$ 2,165,000	\$ 335,000
Public, general obligation bonds, refunding	304,000	-	(44,000)	260,000	47,000
Bond premiums	216,822	-	(37,437)	179,385	-
Total bonds payable	3,401,680	-	(797,295)	2,604,385	382,000
Loans payable	4,087,105	-	(528,505)	3,558,600	545,967
Compensated absences	497,694	323,661	(284,666)	536,689	236,144
Net pension liability	4,633,078	431,923	-	5,065,001	-
Total other long-term debt	9,217,877	755,584	(813,171)	9,160,290	782,111
Total business-type activities	<u>\$ 12,619,557</u>	<u>\$ 755,584</u>	<u>\$ (1,610,466)</u>	<u>\$ 11,764,675</u>	<u>\$ 1,164,111</u>
Total long-term liabilities	<u>\$ 48,370,811</u>	<u>\$ 8,517,387</u>	<u>\$ (10,120,590)</u>	<u>\$ 46,767,608</u>	<u>\$ 3,344,460</u>

Generally, for governmental activities, compensated absences, developer agreement payable and net pension liabilities are liquidated by the General Fund.

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

The governmental activities debt service requirements for the City's bonds payable are as follows:

	General Obligation Bonds		General Obligation Bonds - Refunding	
	Principal	Interest	Principal	Interest
Fiscal years ending June 30:				
2025	\$ 475,000	\$ 382,250	\$ 188,000	\$ 26,230
2026	500,000	358,500	196,000	22,470
2027	525,000	333,500	208,000	14,630
2028	550,000	307,250	220,000	8,390
2029	575,000	279,750	228,000	3,990
2030 – 2034	3,225,000	1,014,750	-	-
2035 – 2039	3,050,000	310,000	-	-
Total	\$ 8,900,000	\$ 2,986,000	\$ 1,040,000	\$ 75,710
	Revenue Bonds - Refunding		Total Governmental Activities	
	Principal	Interest	Principal	Interest
Fiscal years ending June 30:				
2025	\$ 510,000	\$ 110,400	\$ 1,173,000	\$ 518,880
2026	530,000	90,000	1,226,000	470,970
2027	550,000	68,800	1,283,000	416,930
2028	570,000	46,800	1,340,000	362,440
2029	600,000	24,000	1,403,000	307,740
2030 - 2034	-	-	3,225,000	1,014,750
2035 - 2039	-	-	3,050,000	310,000
Total	\$ 2,760,000	\$ 340,000	\$ 12,700,000	\$ 3,401,710

The business-type activities debt service requirements for the City's bonds and loans payable are as follows:

	General Obligation Bonds		General Obligation Bonds – Refunding	
	Principal	Interest	Principal	Interest
Fiscal years ending June 30:				
2025	\$ 335,000	\$ 56,725	\$ 47,000	\$ 6,558
2026	345,000	50,025	49,000	5,618
2027	360,000	36,225	52,000	3,658
2028	370,000	25,425	55,000	2,098
2029	370,000	18,025	57,000	995
2030 - 2034	385,000	11,550	-	-
Total	\$ 2,165,000	\$ 197,975	\$ 260,000	\$ 18,927

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

	Loans Payable		Total Business-Type Activities	
	Principal	Interest	Principal	Interest
Fiscal years ending June 30:				
2025	\$ 545,967	\$ 99,543	\$ 927,967	\$ 162,826
2026	564,005	80,902	958,005	136,545
2027	582,640	61,652	994,640	101,535
2028	601,891	41,765	1,026,891	69,288
2029	621,777	21,222	1,048,777	40,242
2030 - 2034	642,320		1,027,320	11,550
Total	<u>\$ 3,558,600</u>	<u>\$ 305,084</u>	<u>\$ 5,983,600</u>	<u>\$ 521,986</u>

The following is a listing of loans and bonds payable outstanding as of June 30, 2024:

	Balance, June 30, 2024	Due Within One Year
Loans payable:		
Water Infrastructure Finance Authority of Arizona (WIFA) General Obligation Loan, issued \$5,600,000, due in semi-annual variable principal and interest installments, bearing interest at 3.304%, maturing July 1, 2029. Payable with revenues from levied ad valorem taxes.	\$ 2,075,850	\$ 318,481
Water Infrastructure Finance Authority of Arizona (WIFA) Revenue Loan, issued \$4,000,000, due in semi-annual variable principal and interest installments, bearing interest at 3.304%, maturing July 1, 2029. Payable with sewer utility revenues.	1,482,750	227,486
Total loans payable	<u>\$ 3,558,600</u>	<u>\$ 545,967</u>

Bonds payable:

Pledge Revenue Refunding Obligations, Series 2020, issued \$4,605,000, due in annual principal and semi-annual interest installments ranging from \$616,800 to \$625,200, bearing interest at 4.0%, maturing on July 1, 2029. Revenue bonds are repaid from City and State-shared sales tax revenue. The reacquisition price exceeded the net carrying amount of the old debt and was expensed to interest expense due to its relative significance to the City's Statements. The refunding reduced its total debt service payments by \$777,415 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$718,941.

\$ 2,760,000	\$ 510,000
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City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

	<u>Balance, June 30, 2024</u>	<u>Due Within One Year</u>
General Obligation Bonds and General Obligation Refunding Bonds, Series 2020, issued \$3,820,000 in general obligation bonds and \$2,665,000 in general obligation refunding bonds, due in annual principal and semi-annual installments ranging from \$253,888 to \$820,704, bearing interest at 1.75% to 4.00%, maturing July 1, 2030. The City issued the general obligation bonds for capital infrastructure. The City repays general obligation bonds from voter-approved property taxes. Of the general obligation bond amounts originally authorized, \$45,120,000 remain unissued. The reacquisition price of the refunding bonds exceeded the net carrying amount of the old debt and was expensed to interest expense due to its relative significance to the City's Statements. The refunding reduced its total debt service payments by \$307,306 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$291,060.	\$ 3,465,000	\$ 570,000
General Obligation Bonds, Series 2019, issued \$10,850,000, due in annual principal payments beginning July 1, 2020 and semi-annual interest installments beginning July 1, 2019 ranging from \$162,342 to \$858,750, bearing interest at 3.0% to 4.0%, maturing July 1, 2038. The City issued the general obligation bonds for capital infrastructure. The City repays general obligation bonds from voter-approved property taxes.	8,900,000	475,000
Total bonds payable	<u>\$ 15,125,000</u>	<u>\$ 1,555,000</u>
Total loans and bonds payable	<u>\$ 18,683,600</u>	<u>\$ 2,100,967</u>

Legal Debt Margin

The City is subject to a debt limit that is 26% of the net secondary assessed valuation of taxable real property. At June 30, 2024, that amount was \$117,214,618. As of June 30, 2024, the total outstanding debt applicable to the limit was \$15,427,533 which is 13.16% of the total debt limit.

Subscription-Based Information Technology Arrangements (SBITAs)

The City has obtained the right to use various IT software under the provisions of various subscription-based information technology arrangements. The terms range from three to five years, including options that are more likely than not to be exercised. The discount rate applied to the subscription-based technology arrangements are based on actual rates or an estimated incremental borrowing rate, which ranged from 1.71% to 5.00% for all subscription-based technology arrangements reported.

The total amount of subscription assets and the related accumulated amortization are as follows:

Total intangible right-to-use subscription assets	\$ 1,502,693
Less accumulated amortization	<u>(248,067)</u>
Carrying value	<u>\$ 1,254,626</u>

The following schedule details minimum subscription payments to maturity for the City's subscriptions liability at June 30, 2024:

	Governmental Activities	
	Principal	Interest
Fiscal years ending June 30:		
2025	\$ 246,987	\$ 55,531
2026	214,869	44,391
2027	172,413	34,322
2028	164,129	25,871
2029	172,336	17,664
2030	<u>180,951</u>	<u>9,048</u>
Total	<u>\$ 1,151,685</u>	<u>\$ 186,827</u>

Variable and Other Payments

From time to time, the City's leases and SBITAs include variable payments and other payments, such as termination penalties, that are not included in the lease/subscription liabilities because they are either not fixed in substance (variable) or the City is not reasonably certain the other payments will be required. The City recognized an insignificant amount of expenses related to these variable and other payments and they have not been further disclosed or included in the measurement of the lease/subscription liabilities.

8. Interfund Receivables, Payables and Transfers

Short-term borrowings between funds are reported as due to/due from other funds. As of June 30, 2024, the City reported the following interfund receivables and payables:

	Due to	Due From
Fund:		
General	\$ -	\$ 106,000
Nonmajor	<u>106,000</u>	<u>-</u>
Total	<u>\$ 106,000</u>	<u>\$ 106,000</u>

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

Interfund transfers for the fiscal year ended June 30, 2024 are as follows:

	<u>Transfer Out</u>	<u>Transfer In</u>
Fund:		
General	\$ 501,597	\$ -
Nonmajor	39,619	537,328
Water	-	474
Sewer	167,880	171,294
Total	<u>\$ 709,096</u>	<u>\$ 709,096</u>

Transfers were made to fund local matching requirements on various grants and to support operations.

9. Pensions

The City contributes to the plans described below. The plans are component units of the State of Arizona.

At June 30, 2024, the City reported the following aggregate amounts related to pensions for all plans to which it contributes:

<u>Statement of Net Position and Statement of Activities</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net pension liabilities	\$ 16,859,846	\$ 5,065,001	\$ 21,924,847
Deferred outflows of resources	9,258,790	973,224	10,232,014
Deferred inflows of resources	1,142,436	232,137	1,374,573
Pension expense	3,050,736	700,351	3,751,087

The City reported \$4,652,109 of pension contributions as expenditures in the governmental funds related to all pension plans to which it contributes.

Net OPEB asset/liabilities have not been recorded, or further disclosed, at June 30, 2024 in accordance with GASB Statement 75, due to the relative insignificance to the City's financial statements.

Arizona State Retirement System

Plan Description

City employees not covered by the other pension plan described below participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at www.azasrs.gov.

Benefits Provided

The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

ASRS	Retirement Initial Membership Date	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years age 62 5 years age 50* any years age 65	30 years age 55 25 years age 60 10 years age 62 5 years age 50* any years age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*with actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Contributions

In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2024, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.29% (12.14% for retirement and 0.15% for long-term disability) of the members' annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 12.29% (12.03% for retirement, 0.11% for health insurance premium benefit, and 0.15% for long-term disability) of the active members' annual covered payroll. In addition, the City was required by statute to contribute at the actuarially determined rate of 9.99% (9.94% for retirement and 0.05% for long-term disability) of annual covered payroll of retired members who worked for the City in positions that an employee who contributes to the ASRS would typically fill. The City's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2024 were \$1,700,200, \$15,546 and \$21,200, respectively.

During fiscal year 2024, the City paid for ASRS pension contributions as follows: 68.74% from the General Fund, 9.31% from the Water Fund, 19.22% from the Sewer Fund and 0.24% from the Sanitation Fund.

Pension Liability

At June 30, 2024, the City reported a liability of \$15,822,217 for its proportionate share of the ASRS' net pension liability. The net pension liability was measured as of June 30, 2023. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023.

The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The City's proportion measured as of June 30, 2023, was 0.09778%, which was an increase of 0.01089% from its proportion measured as of June 30, 2022.

Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended June 30, 2024, the City recognized pension expense for ASRS of \$2,676,532. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
ASRS:		
Differences between expected and actual experience	\$ 357,519	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	559,804
Changes in proportion and differences between City contributions and proportionate share of contributions	1,132,148	-
City contributions subsequent to the measurement date	1,700,200	-
	<u>\$ 3,189,867</u>	<u>\$ 559,804</u>
Total		

The \$1,700,200 reported as deferred outflows of resources related to ASRS pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

	ASRS
Years ending June 30:	
2025	\$ 559,982
2026	(163,858)
2027	603,303
2028	(69,564)
2029	-
Thereafter	-

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

ASRS:

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 20, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9 – 8.4% for pensions
Inflation	2.3%
Permanent benefit increase	Included for pensions
	2017 SRA Scale U-MP for pensions and health
Mortality rates	insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Long-Term Expected Geometric Real Rate of Return
ASRS asset class:		
Public equity	44 %	3.50 %
Credit	23	5.90
Real estate	17	5.90
Private equity	10	6.70
Interest rate sensitive	6	1.5
	<u>100 %</u>	
Total		

Discount Rate

At June 30, 2023, the discount rate used to measure the ASRS total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
ASRS:			
City's proportionate share of the net pension liability	\$ 23,699,357	\$ 15,822,217	\$ 9,254,075

Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued ASRS financial report.

Public Safety Personnel Retirement System

Plan Description

City police and fire department employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers an agent and cost-sharing multiple-employer defined benefit pension plan and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who are PSPRS members participate in the agent plans. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool) which are not further disclosed because of their relative insignificance to the City's financial statements.

The PSPRS issues a publicly available financial report that include their financial statements and required supplementary information. The reports are available on the PSPRS web site at www.psprs.com.

Benefits Provided

The PSPRS provide retirement, health insurance premium supplement, disability and survivor benefits. State statute establishes benefits terms. Retirement, disability and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

PSPRS	Initial Membership Date	
	Before January 1, 2012	On or After January 1, 2012 and Before July 1, 2017
<u>Retirement and Disability</u>		
Years of service and age required to receive benefit	20 years of service, any age 15 years age 62	25 years of service or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 months of last 20 years	Highest 60 months of last 20 years
Benefit percent:		
Normal Retirement	50% less 4.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5% to 2.5% per year of credited service, not to exceed 80%
Accidental Disability Retirement	50% or normal retirement, whichever is greater	
Catastrophic Disability Retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary Disability Retirement	Normal retirement pension that the member is entitled to receive, prorated on Credited Service earned over the required Credited Service for normal retirement (maximum ratio of 1).	
<u>Survivor Benefits</u>		
Retired members	80% of retired member's pension benefit	
Active members	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job	

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. PSPRS also provides temporary disability benefits of 50% of the member's compensation for up to 12 months.

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police	PSPRS Fire
Inactive employees or beneficiaries currently receiving benefits	14	14
Inactive employees entitled to but not yet receiving benefits	3	4
Active employees	17	18
Total	34	36

Contributions

State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2024, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police	PSPRS Fire
Active members, pension	7.65% - 11.65%	7.65% - 11.65%
City:		
Pension	20.97%	27.27%
Health insurance premium benefit	0.10%	0.26%

In addition, the City was required by statute to contribute at the actuarially determined rate of 9.18% for Police and Fire of the PSPRS of annual covered payroll of retired members who worked for the City in positions that would typically fill and employees participating in the PSPRS Tier 3 Risk Pool and PSPDCRP members in addition to the City's required contributions to the PSPRS Tier 3 Risk Pool and PSPDCRP.

For the agent plans, the City's contributions to the plans for the year ended June 30, 2024, were:

	PSPRS Police	PSPRS Fire
Pension:		
Contributions made	\$ 1,641,380	\$ 1,723,677

During fiscal year 2024, the City paid 100% of the PSPRS pension contributions from the General Fund.

Pension Liability

At June 30, 2024, the City reported a PSPRS net pension liabilities of \$2,032,729 for police and \$3,655,894 for fire for a total of \$5,688,623.

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

PSPRS:

Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.0-6.25% for pensions
Price inflation	2.5% for pensions
Cost-of-living adjustment	1.85% for pensions
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2021.

The long-term expected rate of return on PSPRS pension plan investments was determined to be 7.2% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Long-Term Expected Geometric Rate of Return
PSPRS asset class:		
U.S. public equity	24 %	3.98 %
International public equity	16	4.49
Global private equity	20	7.28
Other assets (capital appreciation)	7	4.49
Core bonds	6	1.90
Private credit	20	6.19
Diversifying strategies	5	3.68
Cash, Mellon	2	0.69
Total	100 %	

Discount Rates

At June 30, 2024, the discount rate used to measure the PSPRS total pension liabilities was 7.20%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Pension Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
PSPRS, Police:			
Balance, June 30, 2023	\$ 18,483,290	\$ 15,674,815	\$ 2,808,475
Adjustments, beginning	-	-	-
Changes for the year:			
Service cost	376,256	-	376,256
Interest on the total liability	1,331,100	-	1,331,100
Changes of benefit terms	-	-	-
Differences between expected and actual experiences in the measurement of the liability	517,087	-	517,087
Changes of assumptions or other inputs	-	-	-
Contributions, employer	-	1,589,171	(1,589,171)
Contributions, employee	-	187,280	(187,280)
Net investment income	-	1,231,622	(1,231,622)
Benefit payments, including refunds of employee contributions	(744,101)	(744,101)	-
Administrative expense	-	(7,884)	7,884
Net changes	1,480,342	2,256,088	(775,746)
Balance, June 30, 2024	\$ 19,963,632	\$ 17,930,903	\$ 2,032,729

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

	Pension Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
PSPRS, Fire:			
Balance, June 30, 2023	\$ 21,730,133	\$ 18,432,697	\$ 3,297,436
Changes for the year:			
Service cost	525,027	-	525,027
Interest on the total liability	1,564,326	-	1,564,326
Differences between expected and actual experiences in the measurement of the liability	1,560,872	-	1,560,872
Changes of assumptions or other inputs	-	-	-
Contributions, employer	-	1,699,612	(1,699,612)
Contributions, employee	-	177,009	(177,009)
Net investment income	-	1,433,467	(1,433,467)
Benefit payments, including refunds of employee contributions	(1,056,821)	(1,056,821)	-
Administrative expense	-	(7,521)	7,521
Other changes	-	(10,800)	10,800
Net changes	2,593,404	2,234,946	358,458
Balance, June 30, 2024	\$ 24,323,537	\$ 20,667,643	\$ 3,655,894

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate

The following table presents the City's net pension liabilities calculated using the discount rate of 7.2%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2%) or 1 percentage point higher (8.2%) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
PSPRS, Police:			
Net pension liability	\$ 4,920,865	\$ 2,032,729	\$ (313,971)
	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
PSPRS, Fire:			
Net pension liability	\$ 7,093,970	\$ 3,655,894	\$ 837,737

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued PSPRS financial reports.

Pension Expense

For the year ended June 30, 2024, the City recognized \$840,701 for police and \$1,011,462 for fire for a total of \$1,852,163 of PSPRS pension expense.

Pension Deferred Outflows/Inflows of Resources

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS, Police:		
Differences between expected and actual experience	\$ 1,136,211	\$ 24,576
Changes of assumptions or other inputs	147,270	-
Net difference between projected and actual earnings on pension plan investments	174,423	-
City contributions subsequent to the measurement date	1,641,380	-
Total	<u>\$ 3,099,284</u>	<u>\$ 24,576</u>
PSPRS, Fire:		
Differences between expected and actual experience	\$ 1,811,844	\$ 592,144
Changes of assumptions or other inputs	182,443	-
Net difference between projected and actual earnings on pension plan investments	147,199	-
City contributions subsequent to the measurement date	1,723,677	-
Total	<u>\$ 3,865,163</u>	<u>\$ 592,144</u>

The amounts reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PSPRS Police
Years ending June 30:	
2025	\$ 451,181
2026	257,672
2027	634,289
2028	90,186
2029	-
Thereafter	-
	PSPRS Fire
Years ending June 30:	
2025	\$ 331,610
2026	143,341
2027	819,510
2028	254,881
2029	-
Thereafter	-

Elected Officials Retirement Plan

Plan Description

Elected officials and judges participate in the Elected Officials Retirement Plan (EORP). EORP administers a cost-sharing multiple-employer defined benefit pension plan and a cost-sharing multiple employer defined benefit health insurance premium benefit (OPEB) plan for elected officials and judges who were members of the plan on December 31, 2013. This plan was closed to new members as of January 1, 2014. The PSPRS Board of Trustees governs the EORP according to the provisions of A.R.S. Title 38, Chapter 5, Article 3. The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for the EORP plans. The report is available on PSPRS's website at www.psprs.com.

Benefits Provided

The EORP provides retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefit terms. Retirement, disability, and survivor benefits are calculated on the basis of age, average yearly compensation, and service credit as follows:

EORP	Initial Membership Date	
	Before January 1, 2012	On or After January 1, 2012
<u>Retirement and Disability</u>		
Years of service and age required to receive benefit	20 years, any age 10 years age 62 5 years, age 65 5 years, any age* any years and age if disabled	10 years, age 62 5 years, age 65 any years and age if disabled
Final average salary is based on	Highest 36 months of last 10 years	Highest 60 months of last 10 years
Benefit percent:		
Normal Retirement	4% per year of service, not to exceed 80%	3% per year of service, not to exceed 75%
Disability Retirement	80% with 10 or more years of service 40% with 5-10 years of service 20% with less than 5 years of service	75% with 10 or more years of service 37.5% with 5-10 years of service 18.75% with less than 5 years of service
<u>Survivor Benefits</u>		
Retired members	75% of retired member's benefit	50% of retirement member's benefit
Active members and other inactive members	75% of disability retirement benefit	50% of disability retirement benefit

*With reduced benefits of 0.25% for each month early retirement precedes the member's normal retirement age, with a maximum reduction of 30%

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. In addition, the Legislature may enact permanent one-time benefit increases after a Joint Legislative Budget Committee analysis of the increase's effects on the plan.

Contributions

State statutes establish active member and employer contribution requirements. Statute also appropriates \$5 million annually through fiscal year 2043 for the EORP from the State of Arizona to supplement the normal cost plus an amount to amortize the unfunded accrued liability and designates a portion of certain court fees for the EORP. For the year ended June 30, 2024, statute required active EORP members to contribute 7 or 13% of the members' annual covered payroll and the City to contribute at the actuarially determined rate of 76.51% of all active EORP members' annual covered payroll. Also, statute required the City to contribute 64.37% to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 70.51% to EORP of the annual covered payroll of elected officials and judges who were EODCRS members, in addition to the City's required contributions to ASRS and EODCRS for these elected officials and judges.

During fiscal year June 30, 2024, the City paid 100% of the EORP pension contributions from the General Fund.

Liability

At June 30, 2024, the City reported a liability for its proportionate share of the EORP's net pension liability that reflected a reduction for the City's proportionate share of the State's appropriation for EORP. The amount the City recognized as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the EORP net pension liability	\$	414,020
State's proportionate share of the EORP net pension liability associated with the City		<u>89,262</u>
Total	\$	<u><u>503,282</u></u>

The net liability was measured as of June 30, 2023 and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date.

The City's proportion of the net pension liability was based on the City's required contributions to the pension plan relative to the total of all participating employers' required contributions for the year ended June 30, 2023. The City's proportion measured as of June 30, 2023, was 0.066058%, which was a decrease of 0.059207% from its proportion measured as of June 30, 2022.

Expense

For the year ended June 30, 2024, the City recognized pension expense/(income) for EORP of \$(144,350) and revenue of \$73,205 for the City's proportionate share of the State's appropriation to EORP and the designated court fees.

Deferred Outflows/Inflows of Resources

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
EORP:		
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	1,737	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	198,053
Changes of assumptions or other inputs		
City contributions subsequent to the measurement date	75,967	-
Total	<u>\$ 77,704</u>	<u>\$ 198,053</u>

The \$75,967 reported as deferred outflows of resources related to EORP pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to EORP pensions will be recognized in pension expense as follows:

	EORP
Years ending June 30:	
2025	\$ (198,384)
2026	(2,268)
2027	4,706
2028	(370)
2029	-
Thereafter	-

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

EORP:	
Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pensions/not applicable for OPEB
Mortality rates	PubG-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2021.

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

The long-term expected rate of return on EORP plan investments was determined to be 7.2% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Long-Term Expected Geometric Rate of Return
EORP asset class:		
U.S. public equity	24 %	3.98 %
International public equity	16	4.49
Global private equity	20	7.28
Other assets (capital appreciation)	7	4.49
Core bonds	6	1.90
Private credit	20	6.19
Diversifying strategies	5	3.68
Cash, Mellon	2	0.69
Total	100 %	

Discount Rate

At June 30, 2023, the discount rate used to measure the EORP total pension liability was 7.2%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, employer contributions will be made at the actuarial rates, and State contributions will be made as currently required by statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the EORP Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.2%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2%) or 1 percentage point higher (8.2%) than the current rate:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
EORP:			
City's proportionate share of the net pension liability	\$ 478,303	\$ 414,020	\$ 358,904

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued EORP financial report.

City of Tolleson, Arizona

Notes to Financial Statements

June 30, 2024

10. Commitments

At June 30, 2024, the City has the following active construction commitments:

	<u>Remaining Commitment</u>
Project:	
Aquatic Center	\$ 138,490
Utility Building Design Phase	850,000
Bio Scrubber Rehab	26,530
Gate Replacements	251,729
Fire Truck	<u>58,000</u>
Total	<u>\$ 1,324,749</u>

These projects will be financed from operating funds. These contracts will be paid in future periods.

11. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the City is a participating member. The limit for basic coverage is for \$2,000,000 per occurrence on a claims made basis. Excess coverage is for an additional \$8,000,000 per occurrence on a follow form, claims made basis. No significant reduction in insurance coverage occurred during the year and no settlements exceeded insurance coverage during any of the past three fiscal years.

The Arizona Municipal Risk Retention Pool is structured such that members premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has the authority to assess its members additional premiums should reserves and annual premiums be insufficient to meet the pool's obligations.

The City is also insured by commercial insurance for potential worker related accidents.

Financial Section
Required Supplementary Information

Budgetary Comparison Schedules

General Fund
Public Safety Tax Fund

Pension Schedules



City of Tolleson, Arizona

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

General Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Taxes:				
Sales taxes	\$ 32,400,660	\$ 32,400,660	\$ 42,410,103	\$ 10,009,443
Property taxes	5,173,500	5,173,500	5,190,863	17,363
Franchise taxes	50,000	50,000	54,575	4,575
Intergovernmental revenues	2,539,300	2,539,300	3,064,707	525,407
Fines and forfeitures	150,800	150,800	188,749	37,949
Licenses and permits	875,000	875,000	1,339,209	464,209
Charges for services	2,044,700	2,044,700	2,347,312	302,612
Rents and royalties	43,200	43,200	35,852	(7,348)
Contributions and donations	-	-	56,316	56,316
Investment earnings:				
Interest income	1,008,000	1,008,000	2,471,293	1,463,293
Unrealized loss on investments	-	-	322,536	322,536
Other revenues	5,000	5,000	16,632	11,632
Total revenues	44,290,160	44,290,160	57,498,147	13,207,987
Expenditures				
Current:				
General government:				
Mayor and council	881,100	881,100	706,308	174,792
City management	543,750	543,750	497,076	46,674
Public affairs admin	826,900	843,900	843,369	531
Housing services	859,350	859,350	395,106	464,244
City clerk	445,400	445,400	462,205	(16,805)
Employee resources	974,525	974,525	863,233	111,292
City magistrate	275,850	275,850	247,806	28,044
Court administration	653,820	653,820	546,962	106,858
City prosecutor	85,500	85,500	85,500	-
Finance	4,776,450	4,507,796	1,991,495	2,516,301
Information technology	1,965,010	1,973,010	1,589,779	383,231
Field operations vehicles	607,350	607,350	559,602	47,748
Field operations grounds	632,550	632,550	488,789	143,761
Field operations building	5,094,400	5,188,624	2,448,925	2,739,699
Human services	1,054,800	1,054,800	599,201	455,599
Non profit donations	62,000	62,000	55,998	6,002
Employee development relations	87,000	87,000	84,861	2,139
Total general government	19,825,755	19,676,325	12,466,215	7,210,110
Public safety:				
Police administration	755,000	755,000	738,440	16,560
Police support services	2,252,600	2,252,600	1,757,712	494,888
Police field operations	4,548,150	4,548,150	4,887,171	(339,021)
Fire administration	1,172,800	1,172,800	1,002,158	170,642
Fire operations	4,318,200	4,318,200	4,214,205	103,995
Emergency Prepare	378,700	378,700	292,003	86,697
Buildings inspection	631,400	620,400	570,077	50,323
Impound	49,000	49,000	42,707	6,293
Total public safety	14,105,850	14,094,850	13,504,473	590,377

See notes to budgetary comparison schedules

City of Tolleson, Arizona

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

General Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Highway and streets				
Field operations streets	\$ 1,304,150	\$ 1,304,150	\$ 927,559	\$ 376,591
Transportation	450,000	450,000	208,444	241,556
Total highway and streets	1,754,150	1,754,150	1,136,003	618,147
Culture and recreation:				
Library	1,600,300	1,600,300	1,449,010	151,290
Aquatics center	2,487,000	2,447,430	5,180,315	(2,732,885)
Parks and recreation	2,469,800	2,569,800	2,252,713	317,087
Field operations - parks	1,051,200	1,051,200	386,825	664,375
Teen council	205,040	205,040	178,723	26,317
City promotion	610,450	610,450	586,423	24,027
Total culture and recreation	8,423,790	8,484,220	10,034,009	(1,549,789)
Economic development:				
Economic development	1,835,600	1,835,600	1,006,526	829,074
Planning and engineering	8,192,150	8,267,150	722,242	7,544,908
Total economic development	10,027,750	10,102,750	1,728,768	8,373,982
Debt service:				
Principal retirement	-	-	373,415	(373,415)
Interest	-	-	19,059	(19,059)
Total debt service	-	-	392,474	(392,474)
Total expenditures	54,137,295	54,112,295	39,261,942	14,850,353
Excess (deficiency) of revenues over (under) expenditures	(9,847,135)	(9,822,135)	18,236,205	28,058,340
Other Financing Sources (Uses)				
Subscription-based information technology arrangements	-	-	1,324,675	1,324,675
Transfers out	(740,000)	(740,000)	(501,597)	238,403
Total other financing sources (uses)	(740,000)	(740,000)	823,078	1,563,078
Net change in fund balance	(10,587,135)	(10,562,135)	19,059,283	29,621,418
Fund Balance, Beginning	73,740,919	73,740,919	73,740,919	-
Fund Balance, Ending	<u>\$ 63,153,784</u>	<u>\$ 63,178,784</u>	<u>\$ 92,800,202</u>	<u>\$ 29,621,418</u>

See notes to budgetary comparison schedules

City of Tolleson, Arizona

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Public Safety Tax Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Sales taxes	\$ 8,150,000	\$ 8,150,000	\$ 8,072,833	\$ (77,167)
Charges for services	10,000	10,000	28,450	18,450
Investment earnings:				
Interest income	200,000	200,000	320,216	120,216
Total revenues	8,360,000	8,360,000	8,421,499	61,499
Expenditures				
Public safety:				
Services, supplies and other	7,201,000	7,201,000	5,781,438	1,419,562
Capital outlay	2,055,000	2,055,000	1,626,582	428,418
Total expenditures	9,256,000	9,256,000	7,408,020	1,847,980
Net change in fund balance	(896,000)	(896,000)	1,013,479	1,909,479
Fund Balance, Beginning	11,810,906	11,810,906	11,810,906	-
Fund Balance, Ending	<u>\$ 10,914,906</u>	<u>\$ 10,914,906</u>	<u>\$ 12,824,385</u>	<u>\$ 1,909,479</u>

See notes to budgetary comparison schedules

1. Budgeting and Budgetary Control

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year-end. The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

- In accordance with Arizona Revised Statutes, the City Manager submits a proposed budget for the fiscal year commencing the following July 1 to the City Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
- Public hearings are conducted to obtain taxpayer comment.
- Prior to the third Monday in August, the expenditure limitation for the City is legally enacted through passage of an ordinance. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total City expenditures from the audited financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).
- State law requires that, each year, prior to April 1, the Economic Estimates Commission provides the government with a final expenditure limit for the coming fiscal year.
- Expenditures may not legally exceed the expenditure limitation of all fund types as a whole. For management purposes, the City adopts a budget by department for the General Fund and in total by fund for other funds. The City Manager, subject to City Council approval, may at any time, transfer any unencumbered appropriation balance or portion thereof between a department or activity. The adopted budget cannot be amended in any way without City Council approval.
- The City has adopted budgets in accordance with A.R.S. requirements and utilizes the budgets as a management control device during the year for the General, Special Revenue, Debt Service and Capital Projects Funds. The budgets are prepared on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

The City is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the City to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The City complied with this law during the year.

Supplementary budgetary appropriations were necessary during the year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City.

2. Budgetary Basis of Accounting

The City's budget is prepared on a basis consistent with generally accepted accounting principles.

City of Tolleson, Arizona

Required Supplementary Information

Schedule of the City's Proportionate Share of the Net Pension Liability Cost - Sharing Pension Plan

June 30, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Arizona Retirement System										
City's proportion of the net pension liability	0.097780%	0.086890%	0.086330%	0.087600%	0.088600%	0.085460%	0.081630%	0.078415%	0.077390%	0.074250%
City's proportionate share of the net pension liability	\$ 15,822,217	\$ 14,182,378	\$ 11,343,379	\$ 15,178,031	\$ 12,892,331	\$ 11,918,662	\$ 12,716,363	\$ 12,656,162	\$ 12,054,148	\$ 10,986,414
City's covered payroll	12,617,055	10,166,836	9,572,275	9,432,777	8,852,549	8,894,734	7,951,763	7,592,673	6,969,789	6,799,467
City's proportionate share of the net pension liability as a percentage of its covered payroll	125.40%	139.50%	118.50%	160.91%	145.63%	134.00%	159.92%	166.69%	172.95%	161.58%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%
Elected Officials Retirement Plan										
City's proportion of the net pension liability	0.000000%	0.125265%	0.142476%	0.129403%	0.124057%	0.101939%	0.093390%	0.069212%	0.060990%	0.081390%
City's proportionate share of the net pension liability	\$ 414,020	\$ 845,699	\$ 867,055	\$ 873,419	\$ 822,724	\$ 642,356	\$ 1,144,221	\$ 653,884	\$ 476,603	\$ 545,776
State's proportionate share of the net pension liability associated with the City	-	77,462	85,836	81,632	77,327	110,064	237,474	135,009	148,585	167,340
Total	<u>\$ 414,020</u>	<u>\$ 923,161</u>	<u>\$ 952,891</u>	<u>\$ 955,051</u>	<u>\$ 900,051</u>	<u>\$ 752,420</u>	<u>\$ 1,381,695</u>	<u>\$ 788,893</u>	<u>\$ 625,188</u>	<u>\$ 713,116</u>
City's Covered Payroll	\$ 87,271	\$ 86,764	\$ 96,943	\$ 106,767	\$ 103,771	\$ 87,413	\$ 77,094	\$ 55,562	\$ 54,621	\$ 57,464
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	474.41%	974.72%	894.40%	818.06%	792.83%	734.85%	1484.20%	1176.86%	872.56%	949.77%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	38.63%	32.01%	36.28%	29.80%	30.14%	30.36%	19.66%	23.42%	28.32%	31.91%

*Additional years' information will be displayed as it becomes available

See notes to pension plan schedule

City of Tolleson, Arizona

Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios Agent
Pension Plan
June 30, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
City of Tolleson Police Public Safety Personnel Retirement System										
Total Pension Liability										
Service cost	\$ 376,256	\$ 368,989	\$ 411,979	\$ 416,974	\$ 489,506	\$ 465,683	\$ 473,995	\$ 398,983	\$ 385,782	\$ 381,895
Interest on the total pension liability	1,331,100	1,236,826	1,179,741	1,078,433	1,007,765	892,898	863,811	764,905	708,237	606,076
Changes on benefit terms	-	-	-	-	-	-	40,808	530,259	-	164,727
Differences between expected and actual experience										
in the measurement of the pension liability	517,087	699,200	109,920	517,687	(86,018)	457,983	(650,605)	28,330	91,845	(166,928)
Changes of assumptions or other inputs	-	109,292	-	-	285,936	-	357,571	453,240	-	792,851
Benefit payments, including refunds of employee contributions	(744,101)	(1,009,698)	(743,638)	(496,998)	(443,086)	(598,856)	(466,574)	(412,948)	(528,208)	(430,081)
Net change in total pension liability	1,480,342	1,404,609	958,002	1,516,096	1,254,103	1,217,708	619,006	1,762,769	657,656	1,348,540
Total pension liability, beginning	18,483,290	17,078,681	16,120,679	14,604,583	13,350,480	12,132,772	11,513,766	9,750,997	9,093,341	7,744,801
Total pension liability, ending (a)	<u>\$ 19,963,632</u>	<u>\$ 18,483,290</u>	<u>\$ 17,078,681</u>	<u>\$ 16,120,679</u>	<u>\$ 14,604,583</u>	<u>\$ 13,350,480</u>	<u>\$ 12,132,772</u>	<u>\$ 11,513,766</u>	<u>\$ 9,750,997</u>	<u>\$ 9,093,341</u>
Plan Fiduciary Net Position										
Contributions, employer	\$ 1,589,171	\$ 1,192,869	\$ 887,957	\$ 1,150,934	\$ 1,127,202	\$ 1,922,331	\$ 1,513,489	\$ 1,161,744	\$ 454,309	\$ 426,364
Contributions, employee	187,280	167,574	161,957	171,055	182,744	185,088	230,920	238,489	217,506	201,353
Net investment income	1,231,622	(641,699)	3,422,011	147,349	550,647	566,510	753,490	31,927	179,481	577,456
Benefit payments, including refunds of employee contributions	(744,101)	(1,009,698)	(743,638)	(496,998)	(443,086)	(598,856)	(466,574)	(412,948)	(528,208)	(430,081)
Hall/Parker Settlement	-	-	-	-	-	(254,140)	-	-	-	-
Administrative expense	(7,884)	(11,580)	(16,157)	(12,017)	(10,566)	(9,322)	(7,067)	(4,993)	(4,761)	-
Other changes	-	-	-	-	-	99	78	(34,989)	(78,507)	(4,650)
Net change in plan fiduciary net position	2,256,088	(302,534)	3,712,130	960,323	1,406,941	1,811,710	2,024,336	979,230	239,820	770,442
Plan Fiduciary Net Position, Beginning	15,674,815	15,977,349	12,265,219	11,326,218	9,924,324	8,112,614	6,088,278	5,109,048	4,869,228	4,098,786
Adjustments, beginning	-	-	-	(21,322)	(5,047)	-	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	<u>\$ 17,930,903</u>	<u>\$ 15,674,815</u>	<u>\$ 15,977,349</u>	<u>\$ 12,265,219</u>	<u>\$ 11,326,218</u>	<u>\$ 9,924,324</u>	<u>\$ 8,112,614</u>	<u>\$ 6,088,278</u>	<u>\$ 5,109,048</u>	<u>\$ 4,869,228</u>
City's Net Pension Liability, Ending (a) - (b)	<u>\$ 2,032,729</u>	<u>\$ 2,808,475</u>	<u>\$ 1,101,332</u>	<u>\$ 3,855,460</u>	<u>\$ 3,278,365</u>	<u>\$ 3,426,156</u>	<u>\$ 4,020,158</u>	<u>\$ 5,425,488</u>	<u>\$ 4,641,949</u>	<u>\$ 4,224,113</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.82%	84.81%	93.55%	76.08%	77.55%	74.34%	66.87%	52.88%	52.40%	53.55%
Covered Payroll	\$ 2,018,404	\$ 2,225,190	\$ 1,659,700	\$ 1,886,156	\$ 1,879,940	\$ 2,091,078	\$ 2,044,846	\$ 2,047,119	\$ 1,965,393	\$ 1,956,233
City's Net Pension Liability as a Percentage of Payroll	100.71%	126.21%	66.36%	204.41%	174.39%	163.85%	196.60%	265.03%	236.18%	215.93%

*Additional years' information will be displayed as it becomes available

See notes to pension plan schedule

City of Tolleson, Arizona

Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios Agent
Pension Plan
June 30, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
City of Tolleson Fire Public Safety Personnel Retirement System										
Total Pension Liability										
Service cost	\$ 525,027	\$ 511,559	\$ 472,274	\$ 476,161	\$ 612,498	\$ 512,618	\$ 553,129	\$ 434,330	\$ 437,425	\$ 416,879
Interest on the total pension liability	1,564,326	1,517,889	1,398,273	1,328,189	1,320,018	1,176,421	1,078,336	902,804	809,086	721,067
Changes on benefit terms	-	-	-	-	-	-	107,196	1,210,896	-	(63,500)
Differences between expected and actual experience in the measurement of the pension liability	1,560,872	(400,785)	809,130	380,523	(1,126,982)	138,781	(291,050)	(25,025)	179,866	(67,804)
Changes of assumptions or other inputs	-	149,512	-	-	277,727	-	336,050	530,950	-	414,674
Benefit payments, including refunds of employee contributions	(1,056,821)	(658,970)	(1,501,797)	(940,062)	(241,227)	(245,783)	(241,485)	(230,974)	(230,974)	(389,667)
Net change in total pension liability	2,593,404	1,119,205	1,177,880	1,244,811	842,034	1,582,037	1,542,176	2,822,981	1,195,403	1,031,649
Total pension liability, beginning	21,730,133	20,610,928	19,433,048	18,188,237	17,346,203	15,764,166	14,221,990	11,399,009	10,203,606	9,171,957
Total pension liability, ending (a)	\$ 24,323,537	\$ 21,730,133	\$ 20,610,928	\$ 19,433,048	\$ 18,188,237	\$ 17,346,203	\$ 15,764,166	\$ 14,221,990	\$ 11,399,009	\$ 10,203,606
Plan Fiduciary Net Position										
Contributions, employer	\$ 1,699,612	\$ 792,535	\$ 687,315	\$ 955,240	\$ 1,278,913	\$ 1,163,074	\$ 833,691	\$ 751,037	\$ 401,653	\$ 360,947
Contributions, employee	177,009	163,156	176,699	200,466	259,088	202,211	286,450	295,993	269,101	232,876
Net investment income	1,433,467	(758,262)	4,266,708	189,383	725,413	817,294	1,157,802	51,108	289,531	913,806
Benefit payments, including refunds of employee contributions	(1,056,821)	(658,970)	(1,501,797)	(940,062)	(241,227)	(245,783)	(241,485)	(230,974)	(230,974)	(389,667)
Hall/Parker Settlement	-	-	-	-	-	(440,563)	-	-	-	-
Administrative expense	(7,521)	(13,679)	(19,984)	(15,444)	(13,603)	(13,139)	(10,645)	(7,754)	(7,452)	-
Other changes	(10,800)	-	(178,693)	-	-	128	49,430	243,929	1,330	(12,064)
Net change in plan fiduciary net position	2,234,946	(475,220)	3,430,248	389,583	2,008,584	1,483,222	2,075,243	1,103,339	723,189	1,105,898
Plan Fiduciary Net Position, Beginning	18,432,697	18,907,917	15,477,669	15,088,086	13,083,989	11,600,767	9,525,524	8,422,185	7,698,996	6,593,098
Adjustment, beginning	-	-	-	-	(4,487)	-	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	\$ 20,667,643	\$ 18,432,697	\$ 18,907,917	\$ 15,477,669	\$ 15,088,086	\$ 13,083,989	\$ 11,600,767	\$ 9,525,524	\$ 8,422,185	\$ 7,698,996
City's Net Pension Liability, Ending (a) - (b)	\$ 3,655,894	\$ 3,297,436	\$ 1,703,011	\$ 3,955,379	\$ 3,100,151	\$ 4,262,214	\$ 4,163,399	\$ 4,696,466	\$ 2,976,824	\$ 2,504,610
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Covered Payroll	84.97%	84.83%	91.74%	79.65%	82.96%	75.43%	73.59%	66.98%	73.89%	75.45%
	\$ 2,159,563	\$ 2,158,417	\$ 2,151,312	\$ 1,991,039	\$ 2,080,669	\$ 2,160,212	\$ 2,351,738	\$ 2,234,206	\$ 2,425,801	\$ 2,274,469
City's Net Pension Liability as a Percentage of Covered Payroll	169.29%	152.77%	79.16%	198.66%	149.00%	197.31%	177.03%	210.21%	122.72%	110.12%

Additional years' information will be displayed as it becomes available

See notes to pension plan schedule

City of Tolleson, Arizona

Required Supplementary Information
Schedule of City Pension Contributions
June 30, 2024

	Reporting Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Arizona State Retirement System										
Statutorily required contribution	\$ 1,700,200	\$ 1,503,953	\$ 1,221,037	\$ 1,115,170	\$ 1,080,053	\$ 989,715	\$ 969,526	\$ 857,200	\$ 823,805	\$ 758,313
City's contributions in relation to the statutorily required contribution	1,700,200	1,503,953	1,221,037	1,115,170	1,080,053	989,715	969,526	857,200	823,805	758,313
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 14,133,001	\$ 12,617,055	\$ 10,166,836	\$ 9,572,275	\$ 9,432,777	\$ 8,852,549	\$ 8,894,734	\$ 7,951,763	\$ 7,592,673	\$ 6,969,789
City's Contributions as a Percentage of Covered Payroll	12.03%	11.92%	12.01%	11.65%	11.45%	11.18%	10.90%	10.78%	10.85%	10.88%
Elected Officials Retirement Plan										
Statutorily required contribution	\$ 75,967	\$ 66,771	\$ 61,099	\$ 59,552	\$ 58,946	\$ 63,819	\$ 20,542	\$ 18,117	\$ 13,057	\$ 12,836
City's contributions in relation to the actuarially determined contribution	75,967	66,771	61,099	59,552	58,946	63,819	20,542	18,117	13,057	12,836
City's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 99,290	\$ 87,271	\$ 86,764	\$ 96,943	\$ 106,767	\$ 103,771	\$ 87,413	\$ 77,094	\$ 55,562	\$ 54,621
City's Contributions as a Percentage of Covered Payroll	76.51%	76.51%	70.42%	61.43%	55.21%	61.50%	23.50%	23.50%	23.50%	23.50%
The City was not required and did not contribute to the EORP health insurance premium benefit plan for fiscal years 2019, 2018 or 2017. Information for fiscal years 2016 through 2010 is not available.										
City of Tolleson Police Public Safety Personnel Retirement System										
Actuarially determined contribution	\$ 641,380	\$ 662,921	\$ 533,823	\$ 487,957	\$ 515,934	\$ 638,841	\$ 719,034	\$ 613,489	\$ 461,744	\$ 454,309
City's contributions in relation to the actuarially determined contribution	1,641,380	1,662,921	1,233,823	887,957	1,150,934	1,127,202	1,922,331	1,513,489	1,161,744	454,309
City's contribution deficiency (excess)	\$ (1,000,000)	\$ (1,000,000)	\$ (700,000)	\$ (400,000)	\$ (635,000)	\$ (488,361)	\$ (1,203,297)	\$ (900,000)	\$ (700,000)	\$ -
City's Covered Payroll	\$ 2,598,784	\$ 2,686,066	\$ 2,225,190	\$ 1,659,700	\$ 1,886,156	\$ 1,879,940	\$ 2,091,078	\$ 2,044,846	\$ 2,047,119	\$ 1,965,393
City's Contributions as a Percentage of Covered Payroll	63.16%	61.91%	55.45%	53.50%	61.02%	59.96%	91.93%	74.01%	56.75%	23.12%
City of Tolleson Fire Public Safety Personnel Retirement System										
Actuarially determined contribution	\$ 723,677	\$ 709,672	\$ 550,828	\$ 562,315	\$ 635,240	\$ 469,927	\$ 611,230	\$ 433,691	\$ 751,037	\$ 401,653
City's contributions in relation to the actuarially determined contribution	1,723,677	1,709,672	750,828	687,315	955,240	1,278,913	1,163,074	833,691	751,037	401,653
City's contribution deficiency (excess)	\$ (1,000,000)	\$ (1,000,000)	\$ (200,000)	\$ (125,000)	\$ (320,000)	\$ (808,986)	\$ (551,844)	\$ (400,000)	\$ -	\$ -
City's Covered Payroll	\$ 2,620,119	\$ 2,569,413	\$ 2,158,417	\$ 2,151,312	\$ 1,991,039	\$ 2,080,669	\$ 2,160,212	\$ 2,351,738	\$ 2,234,206	\$ 2,425,801
City's Contributions as a Percentage of Covered Payroll	65.79%	66.54%	34.79%	31.95%	47.98%	61.47%	53.84%	35.45%	33.62%	16.56%

*Additional years' information will be displayed as it becomes available

See notes to pension plan schedule

1. Actuarially Determined Contribution Rates

Actuarial determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2022 actuarial valuation	19 years for underfunded 20 years for overfunded
Asset valuation method	7-year smoothed fair value; 80%/120% market corridor
Actuarial assumptions: Investment rate of return	In the 2022 actuarial valuation, the investment rate of return was decreased from 7.3% to 7.2%. In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In the 2014 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0% - 8.0% to 3.5% - 7.5% for PSPRS and from 4.0% - 7.25% to 3.5% - 6.5% for CORP. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5% - 8.5% to 4.0% - 8.0% for PSPRS and from 4.5% - 7.75% to 4.0% - 7.25% for CORP. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0% - 9.0% to 4.5% - 8.5% for PSPRS and from 5.0% - 8.25% to 4.5% - 7.75% for CORP.
Wage growth	In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS and CORP. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS and CORP. In 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS and CORP.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011. In the 2019 actuarial valuation, changed to PubS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).
Mortality	

2. Factors That Affect Trends

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plan's pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS- required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes increased the PSPRS required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the City refunded excess employee contributions to PSPRS members. PSPRS allowed the City to reduce its actual employer contributions for the refund amounts. As a result, the City's pension contributions were less than the actuarially or statutorily determined for 2018 and 2019.

The fiscal year 2019 (measurement date 2018) pension liabilities for EORP reflect the replacement of the permanent benefit increase (PBI) for retirees based on investment returns with a cost of living adjustment based on inflation. Also, the EORP liability and required pension contributions for fiscal year 2019 reflect a statutory change that requires the employer contribution rate to be actuarially determined. This change increased the discount rate used to calculate the liability thereby reducing the total pension liability.

Financial Section
Supplementary Information
Nonmajor Governmental Funds Financial Statements

Special Revenue Funds

- **Highway User Revenue Fund (HURF)** - This fund accounts for the City's share of Arizona's highway user tax revenues and associated expenditures legally restricted for road construction and maintenance.
- **Grants Fund** - This fund accounts for miscellaneous federal and state grants and other contributions that are restricted for specific use.

Debt Service Fund

- **Debt Service Fund** - This fund accounts for the government's accumulation of resources for and the payment of long-term debt principal, interest and related costs.



City of Tolleson, Arizona

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2024

	Special Revenue			
	Highway User Revenue Fund	Grants	Debt Service	Total
Assets				
Cash and cash equivalents	\$ 944,803	\$ 190,416	\$ 154,242	\$ 1,289,461
Receivables, net:				
Taxes receivable	-	-	29,491	29,491
Intergovernmental	71,448	203,984	52,157	327,589
Total assets	<u>\$ 1,016,251</u>	<u>\$ 394,400</u>	<u>\$ 235,890</u>	<u>\$ 1,646,541</u>
Liabilities				
Accounts payable	\$ 17,481	\$ 29,411	\$ -	\$ 46,892
Accrued wages and benefits	-	8,780	-	8,780
Due to other funds	-	31,000	75,000	106,000
Total liabilities	<u>17,481</u>	<u>69,191</u>	<u>75,000</u>	<u>161,672</u>
Deferred Inflows of Resources				
Unavailable revenue	-	25,172	20,236	45,408
Total deferred inflows of resources	<u>-</u>	<u>25,172</u>	<u>20,236</u>	<u>45,408</u>
Fund Balances				
Restricted:				
Highways and streets	998,770	-	-	998,770
Debt service	-	-	140,654	140,654
Grants	-	300,037	-	300,037
Total fund balances	<u>998,770</u>	<u>300,037</u>	<u>140,654</u>	<u>1,439,461</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,016,251</u>	<u>\$ 394,400</u>	<u>\$ 235,890</u>	<u>\$ 1,646,541</u>

City of Tolleson, Arizona

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2024

	Special Revenue			
	Highway User Revenue Fund	Grants	Debt Service	Total
Revenues				
Taxes:				
Sales taxes	\$ -	\$ -	\$ 625,884	\$ 625,884
Property taxes	-	-	2,094,509	2,094,509
Intergovernmental	937,089	1,078,441	-	2,015,530
Charges for services	-	173,392	-	173,392
Investment earnings:				
Interest income	26,911	-	5,975	32,886
Total revenues	964,000	1,251,833	2,726,368	4,942,201
Expenditures				
Current:				
Public safety	-	459,277	-	459,277
Highway and streets	1,206,910	-	-	1,206,910
Health and welfare	-	1,209,939	-	1,209,939
Capital outlay	-	60,813	-	60,813
Debt service:				
Principal retirement	-	-	2,245,142	2,245,142
Interest and fiscal charges	-	-	602,535	602,535
Total expenditures	1,206,910	1,730,029	2,847,677	5,784,616
Excess of revenues over (under) expenditures	(242,910)	(478,196)	(121,309)	(842,415)
Other Financing Sources (Uses)				
Transfers in	-	501,597	35,731	537,328
Transfers out	-	-	(39,619)	(39,619)
Total other financing sources (uses)	-	501,597	(3,888)	497,709
Net change in fund balances	(242,910)	23,401	(125,197)	(344,706)
Fund Balances, Beginning	1,241,680	276,636	265,851	1,784,167
Fund Balances, Ending	\$ 998,770	\$ 300,037	\$ 140,654	\$ 1,439,461

Financial Section

Supplementary Information

Budgetary Comparison Schedules

Highway User Revenue Fund

Grants Fund

Debt Service Fund



City of Tolleson, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Highway User Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 819,000	\$ 819,000	\$ 937,089	\$ 118,089
Investment earnings:				
Interest income	17,500	17,500	26,911	9,411
Total revenues	836,500	836,500	964,000	127,500
Expenditures				
Current:				
Highways and streets	1,185,000	1,210,000	1,206,910	3,090
Total expenditures	1,185,000	1,210,000	1,206,910	3,090
Excess (deficiency) of revenues over (under) expenditures	(348,500)	(373,500)	(242,910)	130,590
Net change in fund balance	(348,500)	(373,500)	(242,910)	130,590
Fund Balance, Beginning	1,241,680	1,241,680	1,241,680	-
Fund Balance, Ending	<u>\$ 893,180</u>	<u>\$ 868,180</u>	<u>\$ 998,770</u>	<u>\$ 130,590</u>

City of Tolleson, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Grants Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 53,781,355	\$ 53,781,355	\$ 1,078,441	\$ (52,702,914)
Charges for service	-	-	173,392	173,392
Total revenues	53,781,355	53,781,355	1,251,833	(52,529,522)
Expenditures				
Current:				
Public safety	391,270	391,270	459,277	(68,007)
Health and welfare	-	-	1,209,939	(1,209,939)
Capital outlay	51,821,560	51,821,560	60,813	51,760,747
Total expenditures	52,212,830	52,212,830	1,730,029	50,482,801
Excess (deficiency) of revenues over (under) expenditures	1,568,525	1,568,525	(478,196)	(2,046,721)
Other Financing Sources (Uses)				
Transfers in	700,699	700,699	501,597	(199,102)
Total other financing sources and (uses)	700,699	700,699	501,597	(199,102)
Net change in fund balance	2,269,224	2,269,224	23,401	(2,245,823)
Fund Balance, Beginning	276,636	276,636	276,636	-
Fund Balance, Ending	\$ 2,545,860	\$ 2,545,860	\$ 300,037	\$ (2,245,823)

City of Tolleson, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Debt Service Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget- Positive (Negative)
Revenues				
Sales taxes	\$ 626,000	\$ 626,000	\$ 625,884	\$ (116)
Property taxes	2,712,400	2,712,400	2,094,509	(617,891)
Investment earnings:				
Interest income	-	-	5,975	5,975
Total revenues	3,338,400	3,338,400	2,726,368	(612,032)
Expenditures				
Current:				
Debt service:				
Principal retirement	4,114,150	4,114,150	2,245,142	1,869,008
Interest	-	-	602,535	(602,535)
Total expenditures	4,114,150	4,114,150	2,847,677	1,266,473
Excess (deficiency) of revenues over (under) expenditures	(775,750)	(775,750)	(121,309)	654,441
Other Financing Sources (Uses)				
Transfers in	-	-	35,731	35,731
Transfer out	-	-	(39,619)	(39,619)
Total other financing sources and uses	-	-	(3,888)	(3,888)
Net change in fund balance	(775,750)	(775,750)	(125,197)	650,553
Fund Balance, Beginning	265,851	265,851	265,851	-
Fund Balance, Ending	<u>\$ (509,899)</u>	<u>\$ (509,899)</u>	<u>\$ 140,654</u>	<u>\$ 650,553</u>



Statistical Section

Contents	Pages
Financial Trends: These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	97-102
Revenue Capacity: These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and sales and uses taxes.	103-109
Debt Capacity: These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	110-115
Demographic and Economic Statistics: These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	116-118
Operating Information: These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	119-124



City of Tolleson, Arizona

Table 1
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	\$ 30,954,613	\$ 30,421,590	\$ 32,215,631	\$ 35,872,282	\$ 43,344,723	\$ 46,353,982	\$ 47,483,826	\$ 55,890,355	\$ 63,268,921	\$ 71,139,238
Restricted	2,633,181	4,896,402	5,684,881	3,652,102	15,686,162	5,668,215	9,331,450	13,016,513	13,983,979	14,612,531
Unrestricted	(373,945)	4,441,397	6,218,425	9,449,895	(1,626,497)	15,458,380	29,152,183	47,334,838	61,087,177	81,057,520
Total governmental activities net position	33,213,849	39,759,389	44,118,937	48,974,279	57,404,388	67,480,577	85,967,459	116,241,706	138,340,077	166,809,289
Business-Type Activities										
Net investment in capital assets	42,351,199	46,812,938	47,446,347	48,568,972	50,126,416	50,543,526	52,261,630	52,648,010	54,143,716	57,908,288
Restricted	494,852	-	499,179	506,163	518,226	619,400	579,374	601,735	549,112	579,785
Unrestricted	17,740,832	18,087,097	19,893,307	22,973,234	26,976,548	30,438,009	32,967,733	35,733,525	38,290,027	40,475,574
Total business-type activities net position	60,586,883	64,900,035	67,838,833	72,048,369	77,621,190	81,600,935	85,808,737	88,983,270	92,982,855	98,963,647
Primary Government										
Net investment in capital assets	73,305,812	77,234,528	79,661,978	84,441,254	93,471,139	96,897,508	99,745,456	108,538,365	117,412,637	129,047,526
Restricted	3,128,033	4,896,402	6,184,060	4,158,265	16,204,388	6,287,615	9,910,824	13,618,248	14,533,091	15,192,316
Unrestricted	17,366,887	22,528,494	26,111,732	32,423,129	25,350,051	45,896,389	62,119,916	83,068,363	99,377,204	121,533,094
Total primary government net position	\$ 93,800,732	\$ 104,659,424	\$ 111,957,770	\$ 121,022,648	\$ 135,025,578	\$ 149,081,512	\$ 171,776,196	\$ 205,224,976	\$ 231,322,932	\$ 265,772,936

City of Tolleson, Arizona

Table 2
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 5,415,488	\$ 5,596,149	\$ 6,057,979	\$ 6,699,834	\$ 6,244,732	\$ 8,293,849	\$ 8,802,055	\$ 8,249,937	\$ 11,705,795	\$ 12,285,858
Public safety	10,820,773	11,510,678	13,703,866	13,256,375	14,014,601	13,327,589	15,922,346	13,637,171	16,298,825	18,972,146
Highways and streets	2,155,241	2,146,277	2,158,993	2,702,277	2,709,339	2,980,662	2,520,959	2,379,025	3,122,637	2,636,514
Culture and recreation	1,691,577	1,667,220	2,438,231	2,382,861	2,907,590	3,545,868	3,085,615	3,783,474	4,740,527	5,470,852
Economic development	715,207	641,130	1,196,079	794,512	1,000,307	701,000	807,093	1,220,010	538,311	1,768,355
Health and welfare	426,259	510,429	455,278	506,590	545,600	602,713	805,115	941,668	1,014,599	1,081,804
Interest on long-term debt	776,981	750,181	717,956	636,533	727,733	1,093,652	735,730	616,099	535,092	475,620
Total governmental activities	22,001,526	22,822,064	26,728,382	26,978,982	28,149,902	30,545,333	32,678,913	30,827,384	37,955,786	42,691,149
Business-type activities:										
Water	5,032,519	5,379,124	5,294,611	5,926,382	5,287,268	5,927,310	6,130,858	5,980,303	6,846,830	7,439,306
Sanitation	502,305	475,758	418,557	373,399	362,235	362,020	390,518	6,955,939	10,554,083	10,750,021
Wastewater and sewer	6,408,153	6,434,002	6,720,582	6,639,875	6,298,733	6,885,266	6,739,960	356,675	421,727	391,739
Total business-type activities	11,942,977	12,288,884	12,433,750	12,939,656	11,948,236	13,174,596	13,261,336	13,292,917	17,822,640	18,581,066
Total primary government expenses	33,944,503	35,110,948	39,162,132	39,918,638	40,098,138	43,719,929	45,940,249	44,120,301	55,778,426	61,272,215
Program Revenues										
Governmental activities:										
Fines, fees and charges for services:										
General government	888,639	883,447	1,005,417	1,527,499	1,562,514	1,314,784	3,116,069	4,811,845	1,478,162	667,802
Public safety	273,624	598,221	404,051	321,968	303,551	1,056,164	1,450,784	1,253,789	1,486,168	1,828,817
Highways and streets	-	126,794	-	-	-	-	-	-	-	-
Culture and recreation	14,458	122,954	22,316	36,482	64,882	60,419	5,999	28,228	65,055	97,115
Economic development	-	-	-	-	-	-	-	-	-	1,339,209
Health and welfare	-	-	-	-	-	-	-	-	-	173,392
Other	9,250	-	-	-	-	-	-	-	-	-
Operating grants and contributions	916,333	759,072	973,563	972,700	1,355,565	1,923,497	2,471,673	1,415,906	1,388,004	1,650,870
Capital grants and contributions	-	21,240	18,472	69,939	161,413	31,883	10,242	391,195	221,661	333,577
Total governmental activities program revenues	2,102,304	2,511,728	2,423,819	2,928,588	3,447,925	4,386,747	7,054,767	7,900,963	4,639,050	6,090,782
Business-type activities:										
Charges for services:										
Water	6,583,969	6,596,501	6,460,671	6,873,286	6,609,408	6,682,768	7,296,769	7,097,130	7,232,297	7,893,323
Sanitation	355,328	352,861	384,453	449,095	457,751	449,137	448,320	452,833	449,584	459,187
Wastewater and sewer	5,420,273	5,899,361	5,743,503	6,293,079	6,085,228	6,917,860	6,679,392	7,171,037	11,841,623	10,783,320
Capital grants and contributions	4,673,401	150,584	49,811	-	-	-	1,217,479	784,432	65,187	2,360,424
Total business-type activities program revenues	17,032,971	12,999,307	12,638,438	13,615,460	13,152,387	14,049,765	15,641,960	15,505,432	19,588,691	21,496,254
Total primary government revenues	\$ 19,135,275	\$ 15,511,035	\$ 15,062,257	\$ 16,544,048	\$ 16,600,312	\$ 18,436,512	\$ 22,696,727	\$ 23,406,395	\$ 24,227,741	\$ 27,587,036

(Continued)

City of Tolleson, Arizona

Table 2

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Sales taxes	\$ 17,564,422	\$ 19,592,713	\$ 20,910,180	\$ 21,434,225	\$ 25,448,636	\$ 26,365,478	\$ 34,079,997	\$ 44,587,118	\$ 43,597,936	\$ 51,108,820
Property taxes	4,508,560	3,917,340	5,615,157	4,955,918	4,859,308	6,514,517	7,386,020	6,699,035	6,850,497	7,296,622
Franchise taxes	45,765	44,139	49,514	42,647	47,217	51,390	55,333	53,575	54,561	54,575
State revenue sharing	792,313	1,042,649	1,093,270	689,720	725,514	754,547	874,563	1,020,466	1,078,354	1,093,578
State income tax revenue sharing	598,140	788,017	857,378	889,064	872,525	943,866	1,053,562	953,371	1,383,873	1,923,309
Auto lieu tax	249,830	269,956	275,697	583,704	510,081	509,050	549,384	544,683	562,331	376,427
Investment earnings	38,073	147,383	162,952	285,082	838,282	873,182	67,930	(708,714)	1,847,112	3,146,931
Other	37,376	55,827	119,963	164,376	152,928	222,745	44,041	51,134	40,443	73,205
Transfers	(282,785)	(116,962)	(420,000)	(139,000)	(25,447)	-	-	-	-	(3,888)
Total governmental activities	23,551,694	25,741,062	28,664,111	28,905,736	33,429,044	36,234,775	44,110,830	53,200,668	55,415,107	65,069,579
Business-type activities:										
Property taxes	2,654,745	3,293,011	2,157,082	3,224,893	3,637,831	2,451,096	1,773,206	1,212,016	1,073,680	1,167,227
Investment earnings	14,960	96,484	99,441	169,839	705,392	653,480	53,972	(249,998)	1,159,854	1,920,254
Other	77,861	96,272	57,587	-	-	-	-	-	-	(25,765)
Transfers	282,785	116,962	420,000	139,000	25,447	-	-	-	-	3,888
Total business-type activities	3,030,351	3,602,729	2,734,110	3,533,732	4,368,670	3,104,576	1,827,178	962,018	2,233,534	3,065,604
Total primary government	\$ 26,582,045	\$ 29,343,791	\$ 31,398,221	\$ 32,439,468	\$ 37,797,714	\$ 39,339,351	\$ 45,938,008	\$ 54,162,686	\$ 57,648,641	\$ 68,135,183
Change in Net Position										
Governmental activities	\$ 3,652,472	\$ 5,430,726	\$ 4,359,548	\$ 4,855,342	\$ 4,855,342	\$ 8,727,067	\$ 10,076,189	\$ 30,274,247	\$ 22,098,371	\$ 28,469,212
Business-type activities	8,120,345	4,313,152	2,938,798	4,209,536	5,572,821	3,979,745	3,979,745	3,174,533	3,999,585	5,980,792
Total primary government	\$ 11,772,817	\$ 9,743,878	\$ 7,298,346	\$ 9,064,878	\$ 10,428,163	\$ 12,706,812	\$ 14,055,934	\$ 33,448,780	\$ 26,097,956	\$ 34,450,004

(Concluded)

City of Tolleson, Arizona

Table 3

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Accrual Basis of Accounting)

(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund											
Restricted	\$ 336,340	\$ 485,014	\$ 563,507	\$ 829,648	\$ 509,582	\$ 545,198	\$ 526,278	\$ 520,396	\$ 490,798	\$ 388,906	\$ 348,685
Nonspendable	5,000	4,446	-	1,017	4,505	23,095	5,711	6,744	8,003	38,024	11,148
Assigned	-	-	-	-	-	-	-	-	-	-	23,665,158
Unassigned	7,556,991	9,879,027	16,564,021	21,220,634	23,303,394	23,333,773	28,798,314	43,984,645	61,537,556	73,313,989	68,775,211
Total general fund	7,898,331	10,368,487	17,127,528	22,051,299	23,817,481	23,902,066	29,330,303	44,511,785	62,036,357	73,740,919	92,800,202
All Other Governmental Funds											
Restricted:											
Highways and streets	871,385	884,657	1,030,489	1,040,487	283,631	545,458	650,231	891,983	1,296,098	1,241,680	998,770
Debt service	1,133,469	938,131	879,996	609,568	325,667	456,077	786,808	1,020,169	500,282	265,351	140,654
Capital projects	3,718,026	474,052	242,592	169,021	25,447	11,574,765	11,563,422	10,074,230	-	-	-
Public safety	3,118,808	3,821,797	3,773,814	2,810,608	2,241,200	2,298,089	3,489,348	6,183,554	10,508,077	11,810,906	12,824,385
Other purposes	-	-	266,943	225,549	-	266,575	176,377	230,807	221,258	275,861	300,037
Nonspendable:											
Prepaid items	-	-	-	-	-	-	-	-	-	1,275	-
Assigned for:											
Other purposes	382,343	306,810	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 9,224,031	\$ 6,425,447	\$ 6,193,834	\$ 4,855,233	\$ 2,875,945	\$ 15,140,964	\$ 16,666,186	\$ 18,400,743	\$ 12,525,715	\$ 13,595,073	\$ 14,263,846

City of Tolleson, Arizona

Table 4
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues											
Taxes	\$ 18,514,067	\$ 21,730,411	\$ 23,625,789	\$ 26,519,434	\$ 26,406,680	\$ 30,369,457	\$ 32,922,112	\$ 41,653,930	\$ 51,611,199	\$ 51,042,946	\$ 58,448,767
Intergovernmental	2,471,590	2,740,020	2,686,665	2,957,255	3,095,010	3,436,410	4,024,435	3,575,547	4,049,096	3,919,988	5,080,237
Fines and penalties	256,498	236,270	272,888	325,149	292,883	283,882	223,321	215,889	197,352	175,831	188,749
Licenses and permits	396,364	462,220	305,411	506,796	650,962	644,556	422,794	770,437	881,248	598,581	1,339,209
Charges for services	521,705	537,114	628,428	1,096,911	1,319,914	1,381,940	1,354,241	3,356,929	5,149,624	2,120,916	2,549,154
Rents and royalties	11,340	11,340	-	-	62,525	47,045	54,054	54,054	69,707	36,339	35,852
Contributions and donations	105,353	126,881	74,790	66,681	40,437	66,619	52,218	1,270,908	66,975	73,179	56,316
Impact fees	370,799	-	-	-	-	-	-	-	-	-	-
Investment earnings	56,800	38,077	146,674	168,706	285,082	838,282	873,182	67,930	(708,714)	1,847,112	3,146,931
Other	35,920	55,702	74,675	88,835	254,617	405,051	585,522	-	-	17,766	16,632
Total revenues	22,740,436	25,938,035	27,815,320	31,729,767	32,408,110	37,473,242	40,511,879	50,965,624	61,316,487	59,832,658	70,861,847
Expenditures											
General government	4,415,415	5,078,029	4,826,824	5,631,593	6,688,536	6,692,032	7,500,493	7,752,645	7,672,146	9,477,326	10,380,197
Public safety	9,129,552	9,482,850	10,965,063	11,837,178	13,257,541	13,323,395	13,228,591	13,474,776	13,627,851	17,221,726	19,708,140
Highways and streets	6,866,301	6,137,597	1,360,043	1,382,414	1,694,376	1,989,758	1,973,409	1,492,239	1,489,855	2,468,465	2,342,913
Culture and recreation	1,305,402	1,509,987	1,628,078	1,800,987	2,032,198	2,559,148	3,164,620	2,606,480	3,331,694	4,513,554	4,577,754
Economic development	881,237	725,924	619,344	1,201,318	1,006,559	1,284,470	1,090,113	1,492,553	1,514,864	1,087,317	1,584,795
Health and welfare	366,784	405,236	476,396	457,557	481,220	518,667	631,734	762,709	940,237	937,160	1,209,939
Capital outlay	2,232,168	937,440	1,447,693	2,648,333	4,995,043	8,906,309	3,182,235	3,160,158	18,259,225	8,687,581	9,410,689
Debt service:											
Principal retirement	945,000	835,000	785,000	2,035,000	1,406,500	958,100	1,823,715	2,447,563	2,099,604	2,331,279	2,618,557
Interest on long-term debt	839,087	803,637	776,837	744,612	663,188	770,870	1,022,360	881,666	762,035	681,028	621,594
Issuance costs	-	-	-	-	-	226,656	180,388	-	-	-	-
Total expenditures	26,980,946	25,915,700	22,885,278	27,738,992	32,225,161	37,229,405	33,797,658	34,070,789	49,697,511	47,405,436	52,454,578
Excess of revenues over (under) expenditures	(4,240,510)	22,335	4,930,042	3,990,775	182,949	243,837	6,714,221	16,894,835	11,618,976	12,427,222	18,407,269

(Continued)

City of Tolleson, Arizona

Table 4
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other Financing Sources (Uses)											
Transfers in	\$ 3,751,052	\$ 3,091,764	\$ 3,134,362	\$ 2,596,590	\$ 1,518,209	\$ 305,239	\$ 1,608,678	\$ 360,569	\$ 361,148	\$ 435,021	\$ 537,328
Transfers out	(3,640,552)	(3,374,549)	(3,251,324)	(3,016,589)	(1,657,209)	(330,686)	(1,608,678)	(360,569)	(361,148)	(435,021)	(541,216)
Subscription-based information technology arrangements	-	-	-	-	-	-	-	-	-	330,328	1,324,675
Proceeds of refunding debt issuance	-	-	-	-	-	-	6,737,000	-	-	-	-
Premium on refunding debt issuance	-	-	-	-	-	-	686,780	-	-	-	-
Proceeds of general obligation bond issuance	-	-	-	-	-	10,850,000	-	-	-	-	-
Premium on general obligation bond issuance	-	-	-	-	-	1,005,367	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	(7,190,000)	-	-	-	-
Proceeds from sale of capital assets	8,282	15,023	17,525	14,394	9,520	9,272	5,458	21,204	30,568	16,370	-
Total other financing sources (uses)	118,782	(267,762)	(99,437)	(405,605)	(129,480)	11,839,192	239,238	21,204	30,568	346,698	1,320,787
Net change in fund balance	<u>\$ (4,121,728)</u>	<u>\$ (245,427)</u>	<u>\$ 4,830,605</u>	<u>\$ 3,585,170</u>	<u>\$ 53,469</u>	<u>\$ 12,083,029</u>	<u>\$ 6,953,459</u>	<u>\$ 16,916,039</u>	<u>\$ 11,649,544</u>	<u>\$ 12,773,920</u>	<u>\$ 19,728,056</u>
Debt Service as a Percentage of Noncapital Expenditures	7.21%	6.56%	7.29%	10.79%	7.46%	6.90%	9.88%	10.74%	9.13%	7.72%	7.75%

City of Tolleson, Arizona

Table 5
General Government Tax Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

Fiscal Year	Property	Sales & Use	Franchise	Total
2015	\$ 4,120,224	\$ 17,564,422	\$ 41,385	\$ 21,726,031
2016	3,988,866	19,592,784	44,139	23,625,789
2017	5,559,669	20,910,251	49,514	26,519,434
2018	4,929,808	21,434,225	42,647	26,406,680
2019	4,873,604	25,448,636	47,217	30,369,457
2020	6,505,244	26,365,478	51,390	32,922,112
2021	7,518,600	34,079,997	55,333	41,653,930
2022	7,982,524	44,451,806	53,575	52,487,905
2023	7,901,803	43,441,037	54,561	51,397,401
2024	8,252,599	50,951,025	54,575	59,258,199
Change 2015-2024	100.3%	190.1%	31.9%	172.8%

Note: This schedule is optional.

City of Tolleson, Arizona

Table 6

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(Unaudited)

(In Thousands of Dollars)

Fiscal Year	Industrial & Commercial Property	Agricultural and Vacant	Residential Property	Others	Total Taxable Assessed Value	Total Direct Tax Rate/Thousand	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2015	\$ 147,663	\$ 9,698	\$ 9,009	\$ 2,259	\$ 168,629	\$ 4	\$ 168,629	100%
2016	172,787	12,297	12,619	1,958	199,661	3.9715	199,661	100%
2017	210,837	12,818	13,974	1,976	239,605	3.9734	239,605	100%
2018	239,361	13,797	15,834	2,264	271,256	3.9895	271,256	100%
2019	264,312	9,810	20,042	1,794	295,958	3.8319	295,958	100%
2020	296,155	10,023	20,844	1,910	328,932	3.7169	328,932	100%
2021	329,937	10,283	26,591	1,908	368,719	3.5259	368,719	100%
2022	349,483	13,048	30,665	2,000	395,196	2.7476	395,196	100%
2023	357,893	11,850	33,933	2,194	405,870	2.6796	405,870	100%
2024	445,459	13,723	48,445	2,535	510,162	2.6421	510,162	100%

City of Tolleson, Arizona

Table 7

Property Tax Rates

Direct and Overlapping Governments

Last Ten Fiscal Years

(Unaudited)

(Rate per \$1,000 of Assessed Value)

Fiscal Year	Direct Rates			Overlapping Rates			Rate Total
	Basic Rate	General Obligation Debt Service	Total Direct Rate	School District	Flood Control and Water Conservation District	County	
2015	1.8309	1.9148	3.7457	N/A	N/A	N/A	3.7457
2016	1.8344	2.1371	3.9715	N/A	N/A	N/A	3.9715
2017	1.8325	2.1409	3.9734	N/A	N/A	N/A	3.9734
2018	1.8325	2.1570	3.9895	N/A	N/A	N/A	3.9895
2019	1.8039	2.0280	3.8319	N/A	N/A	N/A	3.8319
2020	1.7281	2.0280	3.7561	N/A	N/A	N/A	3.7561
2021	1.6584	1.8675	3.5259	N/A	N/A	N/A	3.5259
2022	1.6551	1.0925	2.7476	N/A	N/A	N/A	2.7476
2023	1.5894	1.0902	2.6796	N/A	N/A	N/A	2.6796
2024	1.5504	1.0917	2.6421	N/A	N/A	N/A	2.6421

Source: Maricopa County Finance Department

N/A - Not available at the time of printing

City of Tolleson, Arizona

Table 8
Principal Property Taxpayers
Current and Nine Years Ago
(Unaudited)

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
SVC Manufacturing INC	\$ 14,858,394	1	5.04%	\$ 6,672,515	3	3.96%
Smiths Food & Drug Centers Inc.	14,075,990	2	4.77%	-	-	-
CLNC NNN Alberts AZ LLC	12,755,371	3	4.32%	-	-	-
FR CAL 3 Tolleson Buckeye LLC	11,844,892	4	4.02%	8,270,397	1	4.90%
Salt River Project (T&D)	9,776,939	5	3.31%	-	-	-
Prologis-Exchange Westside Business Park LLC	8,624,740	6	2.92%	-	-	-
JBS Tolleson Inc.	6,137,313	7	2.08%	-	-	-
SBSS W Jefferson LLC/CI448 W Jefferson LLC	6,081,825	8	2.06%	4,839,775	5	2.87%
Tolleson 70 LLC	5,405,928	9	1.83%	-	-	-
Greater Arizona Auto Auctions Inc.	5,164,002	10	1.75%	-	-	-
LBA Realty Fund III Company IX LLC	-	-	-	7,277,000	2	4.32%
ABS SW Investor LLC (Albertson)	-	-	-	5,164,312	4	3.06%
Cole HD Tolleson AZ LLC	-	-	-	4,531,671	6	2.69%
Freightliner	-	-	-	3,158,309	7	1.87%
Price Company	-	-	-	2,700,459	8	1.60%
91st Avenue Investment Co.	-	-	-	2,481,381	9	1.47%
AZEJM Land Holdings/Oxnard	-	-	-	2,434,102	10	1.44%
Total	<u>\$ 94,725,394</u>			<u>\$ 47,529,921</u>		<u>28.18%</u>

Source: Maricopa County Assessor's Office

Note: The schedule should include the ten largest taxpayers, unless fewer are required to reach 50% of the revenue base.

City of Tolleson, Arizona

Table 9
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Levy
		Amount	Percent of Levy		Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy		
2015	\$ 6,189,084	\$ 6,143,072	99.26%	\$ -	\$ 6,143,072	99.26%	\$ 46,012	0.74%
2016	6,563,777	6,563,777	100.00%	-	6,563,777	100.00%	-	-
2017	7,074,915	7,074,915	100.00%	-	7,074,915	100.00%	-	-
2018	7,649,751	7,649,751	100.00%	-	7,649,751	100.00%	-	-
2019	7,941,559	7,909,802	99.60%	-	7,909,802	99.60%	31,757	0.40%
2020	8,542,642	8,423,632	98.61%	-	8,423,632	98.61%	83,510	0.98%
2021	8,651,852	8,463,805	97.83%	76,114	8,539,919	98.71%	148,209	1.71%
2022	7,243,168	7,230,004	99.82%	219,715	7,449,719	102.85%	82,801	1.14%
2023	7,509,399	7,388,285	98.39%	(21,671)	7,366,614	98.10%	52,365	0.70%
2024	7,846,675	7,807,178	99.50%	134,908	7,672,270	97.78%	70,377	0.90%

Source: Maricopa County Finance Department

City of Tolleson, Arizona

Table 10
Taxable Sales by Category
Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Sales Category										
Communication and utilities	\$ 1,486,385	\$ 1,484,711	\$ 1,471,733	\$ 1,429,106	\$ 1,472,126	\$ 1,419,507	\$ 1,535,042	\$ 1,600,746	\$ 1,601,990	\$ 1,723,914
Construction	1,417,419	907,458	1,337,854	1,553,611	2,534,686	1,224,339	1,424,785	3,987,937	4,074,085	4,566,142
Manufacturing	649,799	769,714	973,913	955,024	998,523	680,611	820,935	1,250,592	-	-
Wholesale	3,261,898	4,387,437	3,980,112	3,487,881	3,774,365	3,914,447	4,651,274	5,549,732	-	-
Retail	7,073,146	7,723,550	8,545,050	9,362,838	11,481,732	13,464,737	18,580,686	23,374,584	31,390,227	36,562,074
Real estate	1,851,697	2,150,547	2,085,554	2,454,322	2,528,580	2,654,247	3,653,986	4,341,858	5,230,993	6,477,697
Services	871,641	1,232,577	1,317,928	1,397,260	1,444,529	1,671,286	1,847,042	1,874,043	1,139,756	1,618,228
All other outlets	952,436	936,790	1,198,107	794,183	1,214,095	1,336,304	1,540,419	2,472,314	3,986	2,970
Total	\$ 17,564,421	\$ 19,592,784	\$ 20,910,251	\$ 21,434,225	\$ 25,448,636	\$ 26,365,478	\$ 34,054,169	\$ 44,451,806	\$ 43,441,037	\$ 50,951,025
City Sales Tax Rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

Source: Arizona State Revenue

Note: This schedule requires that governments present revenue information about their most significant own-source revenue.

City of Tolleson, Arizona

Table 11
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	City Direct Rate	County
2015	2.50%	8.80%
2016	2.50%	8.80%
2017	2.50%	8.80%
2018	2.50%	8.80%
2019	2.50%	8.80%
2020	2.50%	8.80%
2021	2.50%	8.80%
2022	2.50%	8.80%
2023	2.50%	8.80%
2024	2.50%	8.80%

Source: Arizona State Revenue

City of Tolleson, Arizona

Table 12

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

(Unaudited)

(Dollars in Thousands, Except Per Capita)

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Subscription Liabilities	Leases	General Obligation Bonds	Water Revenue Bonds	Leases	Waste Water WIFA Loan			
2015	\$ 11,235	\$ 7,070	\$ -	\$ -	\$ 14,220	\$ -	\$ -	\$ 7,750	\$ 40,275	*	\$ 5,961
2016	10,825	6,929	-	-	11,330	-	-	7,342	36,426	*	5,257
2017	9,180	6,305	-	-	9,485	-	-	6,921	31,891	*	4,443
2018	8,179	5,900	-	-	6,837	-	-	6,486	27,402	*	3,803
2019	18,495	5,475	-	-	3,860	-	-	6,037	33,867	*	4,640
2020	18,227	5,174	-	-	6,156	-	-	5,573	35,130	*	4,765
2021	16,117	4,690	-	-	4,921	-	-	5,094	30,822	*	4,181
2022	14,389	4,172	-	-	4,178	-	-	4,599	27,338	*	3,747
2023	12,580	3,634	200	-	3,402	-	-	4,087	23,903	*	3,293
2024	10,747	3,075	1,152	-	2,604	-	-	3,558	21,136	*	2,947

* Information on personal income from these fiscal years was not available

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Tolleson, Arizona

Table 13
 Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years
 (Unaudited)
 (Dollars in Thousands, Except Per Capita)

Fiscal Year	General Obligation Bonds	WIFA General Obligation Loan	Net General Obligation Bonded Debt	Taxable Assessed Value of Property	Percentage of Actual Taxable Value of Property	Population	Per Capita
2015	\$ 29,976	\$ 4,521	\$ 34,497	\$ 168,630	20.46%	6,756	5,106
2016	26,438	4,283	30,721	199,661	15.39%	6,929	4,434
2017	22,703	4,038	26,741	239,606	11.16%	6,929	3,859
2018	18,799	3,784	22,583	271,257	8.33%	6,929	3,259
2019	25,877	3,522	29,399	295,958	9.93%	7,299	4,028
2020	24,383	3,251	27,634	328,932	8.40%	7,372	3,749
2021	21,037	2,971	24,008	368,719	7.00%	7,372	3,257
2022	18,567	2,683	21,250	395,196	5.38%	7,295	2,913
2023	15,982	2,384	18,366	405,870	4.53%	7,258	2,530
2024	10,233	2,076	12,309	510,162	2.41%	7,173	1,716

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 a See Schedule 7 for property value data.

City of Tolleson, Arizona

Table 14

Direct and Overlapping Governmental Activities Debt

June 30, 2024

(Unaudited)

Governmental Unit	General Obligation Debt Outstanding (a)	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt (b)
Debt Repaid With Property Taxes			
Tolleson Elementary School District No. 17	\$ 35,015,000	70.67	\$ 24,745,915
Fowler Elementary School District No. 45	5,800,000	9.29	538,825
Littleton Elementary School District No. 65	42,400,000	14.46	6,132,109
Tolleson Union High School District No. 214	258,395,000	17.05	44,056,907
Maricopa County Community College District	57,615,000	0.54	310,523
Maricopa County Special Health Care District	544,135,000	0.54	2,932,679
Western Maricopa Education Center District No. 402	98,510,000	1.44	1,414,400
Subtotal, overlapping debt			80,131,358
City of Tolleson, Arizona Direct Debt	14,974,914	100.00	14,974,914
Total direct and overlapping debt			<u>\$ 95,106,272</u>

(a) Includes total stated principal amount of general obligation bonds outstanding. Does not include outstanding principal amount of certificates of participation, revenue obligations or loan obligations outstanding for the jurisdictions listed above. Does not include outstanding principal amounts of various County and city improvement districts, as the bonds of these districts are presently being paid from special assessments against property within the various improvement districts.

(b) Proportion applicable to the City is computed on the ratio of Net Limited Assessed Property Value for 2022/23.

Source: The various entities, *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue, *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and the Assessor, Office of Budget and Finance and Treasurer of Maricopa County.

Prepared by: Stifel, Nicolaus & Company, Incorporated.

City of Tolleson, Arizona

Table 15
Calculation of Legal Debt Margin
June 30, 2024
(Unaudited)

Net Assessed Valuation		\$ 510,162,118
<u>Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds</u>		
Debt limit - 20% of secondary net assessed valuation		\$ 102,032,424
Debt applicable to limit		
General obligation bonds outstanding	\$ 9,641,686	
Less amount set aside for repayment of debt	-	
Net debt applicable to limit		<u>9,641,686</u>
20% legal debt margin		<u>92,390,738</u>
<u>All Other General Obligation Bonds</u>		
Debt limit - 6% of secondary net assessed valuation		30,609,727
Debt applicable to limit		
General obligation bonds outstanding	5,785,847	
Less amount set aside for repayment of debt	-	
Net debt applicable to limit		<u>5,785,847</u>
All other general obligation bonds debt margin		<u>24,823,880</u>
Total legal debt margin		<u><u>\$ 117,214,618</u></u>

Source: Maricopa County Assessor's Office

City of Tolleson, Arizona

Table 16
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net Secondary Assessed Valuation	\$ 168,629,759	\$ 199,662,057	\$ 239,605,939	\$ 271,256,677	\$ 295,958,429	\$ 328,931,929	\$ 368,719,284	\$ 395,196,343	\$ 405,870,380	\$ 510,162,118
Debt Limit	43,843,737	51,912,135	62,297,544	70,526,736	76,949,192	85,522,302	95,867,014	102,751,049	105,526,299	132,642,151
Total net debt applicable to limit	29,738,090	26,192,537	22,702,537	18,798,871	25,876,823	26,166,178	24,008,903	21,249,749	18,366,051	15,427,533
Legal debt margin	<u>\$ 14,105,647</u>	<u>\$ 25,719,598</u>	<u>\$ 39,595,007</u>	<u>\$ 51,727,865</u>	<u>\$ 51,072,369</u>	<u>\$ 59,356,124</u>	<u>\$ 71,858,111</u>	<u>\$ 81,501,300</u>	<u>\$ 87,160,248</u>	<u>\$ 117,214,618</u>
Total net debt applicable to the limit as a percentage of debt limit.	67.83%	50.46%	36.44%	26.65%	33.63%	30.60%	25.04%	20.68%	17.40%	11.63%

City of Tolleson, Arizona

Table 17
Pledged Revenue Coverage
Last Ten Fiscal Years
(Unaudited)
(Dollars in Thousands)

Fiscal Year	Revenue Bonds*						Special Assessment Bonds			
	Public Safety Sales Tax	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage	Special Assessment Collections	Debt Service Principal	Debt Service Interest	Coverage
2015	\$ 720	\$ -	\$ 720	\$ 360	\$ 345	1.02	\$ -	\$ -	\$ -	-
2016	720	-	720	375	332	1.02	-	-	-	-
2017	720	-	720	390	317	1.02	-	-	-	-
2018	720	-	720	405	301	1.02	-	-	-	-
2019	720	-	720	425	284	1.02	-	-	-	-
2020	720	-	720	440	267	1.02	-	-	-	-
2021	678	-	678	420	201	1.09	-	-	-	-
2022	476	-	476	455	167	0.77	-	-	-	-
2023	605	-	605	475	149	0.97	-	-	-	-
2024	626	-	626	495	130	1.00	-	-	-	-

*Revenue Bonds: Public Safety Sale Tax Bonds

City of Tolleson, Arizona

Table 18
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Population	Personal Income	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2015	6,756	\$ 32,196	\$ 12,934	N/A	N/A	N/A	4.80%
2016	6,929	34,485	13,391	N/A	N/A	N/A	4.50%
2017	7,178	31,388	13,588	N/A	N/A	N/A	4.50%
2018	7,205	39,714	16,267	N/A	N/A	N/A	4.50%
2019	7,299	39,714	16,267	N/A	N/A	N/A	4.50%
2020	7,372	42,935	17,269	N/A	N/A	N/A	9.70%
2021	7,372	45,952	17,998	N/A	N/A	N/A	6.60%
2022	7,295	54,494	21,402	N/A	N/A	N/A	2.90%
2023	7,258	48,002	20,173	N/A	N/A	N/A	3.40%
2024	7,173	47,875	20,563	N/A	N/A	N/A	3.40%

Sources: U.S. Department of Commerce for population and Homefacts (homefacts.com/unemployment/Arizona/Maricopa-County/Tolleson) for unemployment rate.

N/A - Information was not available for these fiscal years

Note: GASB Statement 44 requires that general purpose governments present, at a minimum, population, total and per capita personal income, and unemployment rate. Governments may add other demographic and economic statistics that are useful and relevant to the user of their financial reports, either in this or in additional schedules. *Median age, education level and school enrollment are optional statistics; however, they are among those most commonly presented by governments.*

City of Tolleson, Arizona

Table 19
Principal Employers
Current and Nine Years Ago
(Unaudited)

Taxpayer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
J.B. Packerland	1,750	1	10.49%	1,100	1	9.53%
Albertsons, Inc.	800	2	4.79%	-	-	-
Atlas Retail Services	660	3	3.95%	530	2	4.59%
Papa Johns Salads Produce	600	4	3.59%	480	3	4.16%
SK Food Group	550	5	3.30%	-	-	-
Pepsico	440	6	2.64%	440	4	3.81%
Carvana Co	440	6	2.64%	-	-	-
Sysco Food Services of Arizona	440	6	2.64%	270	10	2.34%
Salt River Project	360	9	2.16%	330	6	2.86%
Autozone	350	10	2.10%	-	-	-
Rousseau Farming Co.	-	-	-	400	5	3.46%
Ryder Inc. Hillshire Brands	-	-	-	320	7	2.77%
Quiktrip Corp.	-	-	-	280	9	2.43%
Total	6,390		38.30%	4,150		35.95%

Source: Maricopa Association of Governments (MAG), <http://geo.azmag.gov/maps/employment/>.

City of Tolleson, Arizona

Table 20
Full-Time Equivalent Employees by Function
Last Ten Fiscal Years
(Unaudited)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	46.5	41.0	47.0	48.0	60.0	56.0	55.0	54.0	61.0	79.5
Police	42.0	48.0	49.0	49.0	49.0	49.0	53.0	54.0	61.0	67.0
Fire	33.0	33.0	32.0	32.0	33.0	33.0	33.0	34.0	34.0	35.0
Public works	18.0	19.0	19.0	21.0	22.0	22.0	22.0	23.0	24.0	23.5
Community services	8.0	9.0	8.0	9.0	10.5	12.5	12.5	11.5	19.5	18.5
Water	8.0	11.0	12.0	12.6	14.0	14.0	14.0	14.0	14.0	12.0
Sanitation	1.5	3.0	2.0	-	-	-	-	-	-	-
Wastewater/sewer	24.0	28.0	28.5	27.4	28.5	29.0	28	28.0	30.0	31.0
Total	181.0	192.0	197.5	199.0	217.0	215.5	217.5	218.5	243.5	266.5

Source: City Records

City of Tolleson, Arizona

Table 21
Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Physical arrests	248	293	352	330	404	978	1,064	982	935	1,125
Call for services	11,712	14,650	15,428	15,942	16,560	15,507	17,376	17,901	17,068	17,007
Traffic violations	2,758	3,599	3,433	2,456	1,825	1,263	1,551	1,350	1,983	914
Fire										
Emergency responses	2,322	2,636	2,915	3,688	3,701	3,944	4,085	2,993	5,490	5,682
Fires extinguished	135	120	116	1,088	1,099	1,195	1,054	647	313	558
Inspections	116	633	52**	1	24	94	162	218	232	328
Planning and Building Safety										
Building permits issued	327	336	383	429	488	429	332	411	892	379
Building inspections conducted	1,460	694*	860*	1,286	1,565	984	1,090	788	1,110	5,776
Transit										
Total route miles	6	6	6	6	6	6	6	6	30	30
Sanitation										
Refuse collected (tons/day)	8.87	8.46	0.42***	0.54	0.76	11.00	12	7	7.85	5.98
Library										
Volumes in collection	23,172	22,894	24,337	23,809	25,210	24,244	42,311	43,886	25,522	28,709
Total volumes borrowed	33,183	29,166	34,419	31,110	39,211	36,281	16,415	19,213	43,716	82,021
Water										
New connections	35	19	26	8	59	35	17	36	42	22
Water main breaks					5	7	6	8	4	6
Average daily consumption (thousands of gallons)	3,000	3,823	3,082	3,940	3,774	4	4	4	4	4
Peak daily consumption (thousands of gallons)	6,000	7,100	6,480	5,602	5,721	6	5	6	7	5
Wastewater										
Average daily sewage treatment (thousands of gallons)	8,230	5,347	5,353	5,359	5,490	5,739	5,534	6,061	5,910	5,541

* Represents 8 months

** Represents 2 months

*** City outsourced collections to 3rd party in FY 17

Source: City Records

City of Tolleson, Arizona

Table 22
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	24	24	24	24	22	27	34	34	37	38
Fire Stations	1	1	1	1	1	1	1	1	1	1
Refuse Collection										
Collection trucks	6	6	2	2	2	2	2	2	2	2
Other Public Works										
Streets (miles)	34	34	34	34	34	34	34	30	30	30
Streetlights	778	778	778	778	944	965	1,071	955	955	955
Traffic signals	12	12	12	13	14	15	15	14	14	14
Parks and Recreation										
Acreage	20	20	20	20	24	24	24	29	29	29
Playgrounds	3	4	4	4	4	4	4	4	4	4
Baseball/softball diamonds	3	3	3	3	3	3	3	3	3	3
Soccer/football fields	2	2	2	2	2	2	2	2	2	2
Community/Youth Centers	2	3	3	3	3	2	2	2	2	2
Water										
Water mains (miles)	60	60	57	57.75	60	64	64	64.03	64.74	64.81
Fire hydrants	700	700	730	737	748	765	765	768	778	782
Storage capacity (thousands of gallons)		5,250		5,250	5,250	5,250	5,250	5,250	5,250	4,250
Wastewater										
Sanitary sewers (miles)	35.03	38.12	38.62	38.62	39.46	40.06	40.06	40.16	40.45	40.46
Storm sewers (miles)	2	2	2	2	2	2	2	2	2	2
Treatment capacity (thousands of gallons)	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500

Source: City Records

City of Tolleson, Arizona

Table 23

Property Valuations

Fiscal Year Ended June 30, 2024

(Unaudited)

	2023-2024
	Fiscal Year
Estimated actual valuation	\$ 3,493,141,193
Net primary assessed valuation	294,932,220

Source: Maricopa County Assessor's Office and Maricopa County Department of Finance

City of Tolleson, Arizona

Table 24
Secondary Valuations as a Percentage of Estimated Valuations
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Net Secondary Assessed Valuation	Estimated Actual Valuation	Net Secondary Assessed Valuations as Percentage of the Estimated Actual Valuation
2023-24	\$ 510,162,118	\$ 3,493,141,193	14.60%
2022-23	405,870,380	2,724,681,823	14.90%
2021-22	395,196,343	2,584,491,200	15.36%
2020-21	368,719,284	2,400,108,151	15.36%
2019-20	328,931,929	2,128,581,709	15.45%
2018-19	295,958,429	1,933,298,374	15.31%
2017-18	271,256,677	1,786,258,167	15.19%
2016-17	239,605,939	1,593,519,300	15.04%
2015-16	199,662,057	1,326,288,910	15.05%
2014-15	168,629,759	1,111,077,328	15.18%

Source: Maricopa County Assessor's Office and Maricopa County Finance Department

City of Tolleson, Arizona

Table 25

Secondary Valuations by Legal Class

June 30, 2024

(Unaudited)

Legal Class	Description	2022-2023 Secondary Assessed Valuation	2023 Percent of Total	2023-2024 Secondary Assessed Valuation	2024 Percent of Total
1	Utilities Telecommunication and Commercial and Industrial	\$ 357,892,686	88.17%	\$ 445,458,715	87.32%
2	Agricultural and Vacant	11,850,370	2.92%	13,722,612	2.69%
3	Residential (Owner occupied)	18,712,221	4.61%	26,061,836	5.11%
4	Residential (Rental)	15,220,764	3.75%	22,383,102	4.39%
5	Railroad	962,519	0.24%	1,062,182	0.21%
6	Non-commercials	1,231,820	0.30%	1,473,671	0.29%
	Total	<u>\$ 405,870,380</u>	<u>100.00%</u>	<u>\$ 510,162,118</u>	<u>100.00%</u>

Source: Maricopa County Assessor's Office

City of Tolleson, Arizona

Table 26

Secondary Valuations by Major Taxpayer

June 30, 2024

(Unaudited)

Taxpayers	Business	Estimated Secondary 2023 - 2024 Assessed Valuation	Estimated as a Percent of the City's 2023 - 2024 Net Secondary Assessed Valuation
SVC Manufacturing INC	Food Manufacture	\$ 14,858,394	5.04%
Smiths Food & Drug Centers Inc.	Grocery Retailer	14,075,990	4.77%
CLNC NNN Alberts AZ LLC (Albertsons)	Grocery Retailer	12,755,371	4.32%
FR CAL 3 Tolleson Buckeye LLC	Industrial Property	11,844,892	4.02%
Salt River Project (T&D)	Utility Provider	9,776,939	3.31%
Prologis-Exchange Westside Business Park LLC	Industrial Property	8,624,740	2.92%
JBS Tolleson Inc.	Food Manufacture	6,137,313	2.08%
SBSS W Jefferson LLC/CI448 W Jefferson LLC		6,081,825	2.06%
Tolleson 70 LLC		5,405,928	1.83%
Greater Arizona Auto Auctions Inc.	Auto Auctions	5,164,002	1.75%
Total		<u>\$ 94,725,394</u>	<u>32.10%</u>

Source: Maricopa County Assessor's Office

Reporting and insights from 2024 audit:

City of Tolleson, Arizona

June 30, 2024

Executive summary

December 18, 2024

The Honorable Mayor and City Council
City of Tolleson
Tolleson, Arizona

We have completed our audit of the financial statements of the City of Tolleson, Arizona (the "City") for the year ended June 30, 2024, and have issued our report thereon dated December 18, 2024. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your City's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

Additionally, we have included information on key risk areas the City of Tolleson, Arizona should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

- Brian Hemmerle, Principal: Brian.Hemmerle@bakertilly.com or +1 (480) 752 4307
- Cailee Lewis, Senior Manager: Cailee.Lewis@bakertilly.com or +1 (480) 752 4331

Sincerely,

Baker Tilly US, LLP

A handwritten signature in black ink, appearing to read "Brian Hemmerle, CPA". The signature is fluid and cursive, with the letters "B", "H", and "C" being particularly prominent.

Brian Hemmerle, CPA

Principal

THIS COMMUNICATION IS INTENDED SOLELY FOR THE INFORMATION AND USE OF THOSE CHARGED WITH GOVERNANCE, AND, IF APPROPRIATE, MANAGEMENT, AND IS NOT INTENDED TO BE AND SHOULD NOT BE USED BY ANYONE OTHER THAN THESE SPECIFIED PARTIES.

BAKER TILLY US, LLP, TRADING AS BAKER TILLY, IS A MEMBER OF THE GLOBAL NETWORK OF BAKER TILLY INTERNATIONAL LTD., THE MEMBERS OF WHICH ARE SEPARATE AND INDEPENDENT LEGAL ENTITIES.

Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the City's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of those charged with governance:
 - Are free from material misstatement
 - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Performing tests related to compliance with certain provisions of laws, regulations, contracts and grants, as required by *Government Auditing Standards*
- Considering internal control over compliance with requirements that could have a direct and material effect on major federal programs to design tests of both controls and compliance with identified requirements
- Forming and expressing an opinion based on our audit in accordance with OMB's *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) about the entity's compliance with requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs.
- Our audit does not relieve management or those charged with governance of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance, including:

- Internal control matters
- Qualitative aspects of City's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

Audit approach and results

Planned scope and timing

Audit focus

Based on our understanding of the City and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates
- Implementation of new accounting standards

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the City's current year results.

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Third party-maintained assets	Analytically test depreciation expense and recalculation of depreciation expense for third party-maintained assets.	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	Long-term debt
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures

Internal control matters

We considered the City's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

Required communications

Qualitative aspect of accounting practices

- **Accounting policies:** Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note 1 to the financial statements. Any new accounting policies adopted have been disclosed in Note 1 of the financial statements and the application of existing accounting policies was not changed during 2024. We noted no transactions entered into by the City during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- **Accounting estimates:** Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Accrued compensated absences	Evaluation of hours earned and accumulated in accordance with employment policies and average wage per hour rates	Reasonable in relation to the financial statements as a whole
Net pension liability and related deferrals	Evaluation of information provided by the Arizona Retirement System	Reasonable in relation to the financial statements as a whole
Subscription assets/liabilities	Evaluation of subscriptions by management and incremental borrowing rate used for present value calculation	Reasonable in relation to the financial statements as a whole
Depreciation/Amortization	Evaluate estimated useful life of the asset and original acquisition value	Reasonable in relation to the financial statements as a whole
Leased assets/liabilities and/or lease receivable and related deferral	Evaluation of leases by management and incremental borrowing rate used for present value calculation	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates, noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for the City or that otherwise appear to be unusual due to their timing, size or nature.

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management and completing our audit.

Disagreements with management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the basic financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial and to communicate accumulated misstatements to management. Management is in agreement with the misstatements we have identified, and they have been corrected in the financial statements. The schedule within the attachments summarizes the material corrected misstatements, that, in our judgment, may not have been detected except through our auditing procedures. In our judgment, none of the misstatements that management has corrected, either individually or in the aggregate, indicate matters that could have had a significant effect on the City's financial reporting process.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The attachments include copies of other material written communications.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit.

We will issue a separate document which contains the results of our audit procedures to comply with the Uniform Guidance.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the City's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

Independence

We are not aware of any relationships between Baker Tilly and the City that, in our professional judgment, may reasonably be thought to bear on our independence.

Related parties

We did not have any significant findings or issues arise during the audit in connection with the City's related parties.

Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the other information, which accompanies the financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Nonattest services

The following nonattest services were provided by Baker Tilly:

- Financial statement preparation
- Adjusting journal entries
- Assistance with preparation of the Data Collection Form

In addition, we prepared GASB No. 34 conversion entries which are summarized in the "Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position" and the "Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities" in the financial statements.

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

Audit committee resources

Visit our resource page for regulatory updates, trending challenges and opportunities in your industry and other timely updates.

Visit the resource page at <https://www.bakertilly.com/insights/audit-committee-resource-page>.

December 18, 2024

Baker Tilly US, LLP
2055 E Warner Rd Suite 101
Tempe, Arizona 85284

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of the City of Tolleson, Arizona as of June 30, 2024 and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Tolleson, Arizona and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America (GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 3, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the primary government required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable in accordance with U.S. GAAP.

Baker Tilly US, LLP
Page 2

- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of accounting principles generally accepted in the United States of America.
- 7) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.
- 8) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 9) All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.
- 10) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the appropriate accounts.
- 11) We are not aware of any known actual, possible, pending, or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with accounting principles generally accepted in the United States of America, or which would affect federal or state award programs, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 12) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 13) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 14) We have disclosed to you results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
- 17) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) There are no related parties or related party relationships and transactions, including side agreements, of which we are aware.

Other

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have a process to track the status of audit findings and recommendations.

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- 21) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 22) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 23) The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or fund balance or net position.
- 24) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 25) There are no:
 - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c) Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
 - d) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - e) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.
- 26) In regards to the nonattest services performed by you listed below, we acknowledge our responsibility related to these nonattest services and have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.
 - a) Financial statement preparation
 - b) Adjusting journal entries
 - c) SEFA assistance with preparation
 - d) Preparation of auditee sections of the data collection formNone of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.
- 27) The City of Tolleson, Arizona has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except for as required in the City's bond covenants.
- 28) The City of Tolleson, Arizona has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 29) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any. Component units have been properly presented as either blended or discrete.
- 30) The financial statements include all fiduciary activities required by GASB No. 84.
- 31) The financial statements properly classify all funds and activities.

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- 32) All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
- 34) The City of Tolleson, Arizona has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
- 35) Provisions for uncollectible receivables, if any, have been properly identified and recorded.
- 36) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 37) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 38) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 39) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
- 40) Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.
- 41) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 42) We have complied with the implementation of GASB No. 49 and believe that there is no liability to accrue related to pollution remediation at this time.
- 43) Tax abatement agreements have been properly disclosed in the notes to the financial statements, including the names of all governments involved, the gross amount and specific taxes abated, and additional commitments.
- 44) Tax-exempt bonds issued have retained their tax-exempt status.
- 45) The operations and rate setting process meet the condition for application of accounting for regulated operations as outlined in GASB No. 62. All regulatory items included in the financial statements have been approved and are being accounted for in accordance with specific action taken by the regulatory body and as such the expectation of future recovery or refund is reasonable.
- 46) We have appropriately disclosed the City of Tolleson, Arizona's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.
- 47) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 48) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 49) With respect to the supplementary information, (SI):
 - a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 50) With respect to the Combining Fund Financial Statements and Budgetary Annual Financial Report, Other Supplementary Information of the Annual Comprehensive Financial Report, and the statement that fulfills the HURF requirement pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2:
 - a) We acknowledge our responsibility for presenting the Combining Fund Financial Statements and Budgetary Annual Financial Report and Other Supplementary Information of the Annual Comprehensive Financial Report in accordance with accounting principles generally accepted in the United States of America, and we believe the other information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. We acknowledge our responsibility for presenting the other information (the statement that fulfills the HURF requirement pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2) in accordance with constitutional requirements, and we believe the other information (the statement that fulfills the HURF requirement pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2), including its form and content, is fairly presented in accordance with its constitutional requirements.
 - a) The methods of measurement and presentation of the other information listed above have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the other information.
- 51) We believe that the actuarial assumptions and methods used to measure pension liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 52) We assume responsibility for, and agree with, the information provided by the Arizona State Retirement System as audited by their independent auditors' relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.
- 53) We have evaluated and considered all potential tax abatements and believe all material tax abatements have been properly reported and disclosed.
- 54) We have evaluated and considered all debt reported as defeased in substance and believe all material amounts held in trust that are not expressly prohibited from substitution in monetary assets that are not essentially risk-free are properly disclosed.
- 55) We have implemented GASB Statement No. 87, *Leases*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 56) We have implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, and believe that all direct borrowings, direct placements, lines of credit or debt default clauses have been identified and properly disclosed in the financial statements in compliance with the Standard.
- 57) We have reviewed our long-term debt agreements and believe that all terms related to significant events of default with finance-related consequences, termination events with finance-related consequences and subjective acceleration clauses have been properly identified and disclosed.
- 58) Unused lines of credit, collateral pledged to secure debt and direct borrowings and private placements have been properly identified and disclosed.
- 59) We have implemented GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.

- 60) We have implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 61) We have identified any leases or other contracts that are required to be reported as leases and are in agreement with the key assumptions used in the measurement of any lease related assets, liabilities or deferred inflows of resources.
- 62) We have reviewed existing contracts and determined there are no items requiring accounting or reporting as leases.
- 63) We have implemented GASB Statement No. 98, *The Annual Comprehensive Financial Report*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 64) We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as the measurement date in accordance with the requirements of GASB 72 – *Fair Value Measurement*. In addition our disclosures related to fair value measurements are consistent with the objectives outlined in GASB 72. We have evaluated the fair value information provided to us by brokers, pricing services or other parties that has been used in the financial statements and believe this information to be reliable and consistent with the requirements.
- 65) The auditing standards define an annual report as “a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity’s operations and the financial results and financial position as set out in the financial statements.” Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditors’ report thereon. Our annual report is comprised of the other information included in the ACFR. We have provided you with the final version of the annual report. There are no material inconsistencies between the financial statements and any other information contained within the annual report.
- 66) With respect to federal award programs:
 - a) We are responsible for understanding and complying with and have complied with the requirements of the Single Audit Act Amendments of 1996, *OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards (SEFA).
 - b) We acknowledge our responsibility for preparing and presenting the SEFA and related disclosures in accordance with the requirements of the Uniform Guidance and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.
 - c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditors’ report thereon.
 - d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance and included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.

- e) We are responsible for understanding and complying with, and have complied with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations, and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major federal program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provide reasonable assurance that we are administering our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended. Also, no changes have been made in the internal control over compliance or other factors to the date of this letter that might significantly affect internal control, including any corrective action taken with regard to control deficiencies reported in the schedule of findings and questioned costs.
- g) We have made available to you all contracts and grant agreements (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to the programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements including when applicable, those set forth in the OMB Compliance Supplement relating to federal awards.
- j) We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- k) Amounts claimed or used for matching were determined in accordance with relevant guidelines in the Uniform Guidance.
- l) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- m) We have made available to you all documentation related to the compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- n) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- o) We are not aware of any instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- p) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the date as of which compliance was audited.
- q) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- r) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- s) We have charged costs to federal awards in accordance with applicable cost principles.
- t) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- u) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- v) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

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Sincerely,

City of Tolleson, Arizona

	CFO
Signature	Title

Dated: December 18, 2024

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

Completed by		Reviewed by	Reviewed by
MA28834 10/23/2024		CL28782 10/25/2024	
Partner Review		IR	
BH28807 11/6/2024			

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Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
GASB - 1	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M401		556,587.00				
GASB - 1	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M401						
GASB - 1	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M401						
GASB - 1	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401		1,107,821.00				
GASB - 1	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401						
GASB - 1	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401						
GASB - 1	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M401			235,832.00			
GASB - 1	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M401						
GASB - 1	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M401						
GASB - 1	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M401			9,549,287.00			
GASB - 1	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M401						
GASB - 1	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M401						
GASB - 1	6/30/2024	E	Net Position	000-0000-3000 GW	M401		8,120,711.00				
GASB - 1	6/30/2024	E	Net Position	000-0000-3000 GW	M401						
GASB - 1	6/30/2024	E	Net Position	000-0000-3000 GW	M401						
To post beginning net pension liabi lity of related deferrals (ASRS)									Recurring		Factual
GASB - 2	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M401						
GASB - 2	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M401		448,967.00				
GASB - 2	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M401						
GASB - 2	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401						
GASB - 2	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401						
GASB - 2	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401			1,107,821.00			
GASB - 2	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M401						
GASB - 2	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M401			91,831.00			
GASB - 2	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M401						
GASB - 2	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M401			1,207,916.00			
GASB - 2	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M401						
GASB - 2	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M401						
GASB - 2	6/30/2024	E	Pension Expense - General	000-1000-5000 GW	M401		743,200.00				
GASB - 2	6/30/2024	E	Pension Expense - ED	000-1500-5000 GW	M401		96,970.00				
GASB - 2	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M401						
GASB - 2	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M401		515,493.00				
GASB - 2	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M401						
GASB - 2	6/30/2024	E	Pension Expense - Highways & Streets	000-3000-5000 GW	M401		122,196.00				
GASB - 2	6/30/2024	E	Pension Expense - HW	000-4000-5000 GW	M401		146,157.00				
GASB - 2	6/30/2024	E	Pension Expense - CR	000-5000-5000 GW	M401		334,585.00				
To post the change in NPL, the rela ted deferrals and expenses in the CY (ASRS)									Recurring		Factual
GASB - 3	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401		1,211,085.00				
GASB - 3	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401						
GASB - 3	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M401						
GASB - 3	6/30/2024	E	Pension Expense - General	000-1000-5000 GW	M401			495,626.00			
GASB - 3	6/30/2024	E	Pension Expense - ED	000-1500-5000 GW	M401			60,669.00			
GASB - 3	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M401						
GASB - 3	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M401			306,714.00			
GASB - 3	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M401						

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

Completed by		Reviewed by	Reviewed by
MA28834 10/23/2024		CL28782 10/25/2024	
Partner Review		IR	
BH28807 11/6/2024			

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Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
GASB - 3	6/30/2024	E	Pension Expense - Highways & Streets	000-3000-5000 GW	M401			58,910.00			
GASB - 3	6/30/2024	E	Pension Expense - HW	000-4000-5000 GW	M401			91,605.00			
GASB - 3	6/30/2024	E	Pension Expense - CR	000-5000-5000 GW	M401			197,561.00			
			To reclassify employer pension contributions in the CY (ASRS)						Recurring		Factual
GASB - 4	6/30/2024	E	Non-depreciable capital assets	000-0000-0800 GW	U.908		7,973,065.00				
GASB - 4	6/30/2024	E	Depreciable capital assets	000-0000-0801 GW	U.908		127,097,210.00				
GASB - 4	6/30/2024	E	Accumulated depreciation	000-0000-0850 GW	U.908			55,584,379.00			
GASB - 4	6/30/2024	E	Net Position	000-0000-3000 GW	U.908			79,485,896.00			
			To record beginning capital assets						Recurring		Factual
GASB - 5	6/30/2024	E	Non-depreciable capital assets	000-0000-0800 GW	U.908		6,285,945.00				
GASB - 5	6/30/2024	E	Depreciable capital assets	000-0000-0801 GW	U.908		684,202.00				
GASB - 5	6/30/2024	E	Depreciable capital assets	000-0000-0801 GW	U.908		2,321,498.00				
GASB - 5	6/30/2024	E	Depreciable capital assets	000-0000-0801 GW	U.908						
GASB - 5	6/30/2024	E	Depreciable capital assets	000-0000-0801 GW	U.908						
GASB - 5	6/30/2024	E	Depreciable capital assets	000-0000-0801 GW	U.908			34,279.00			
GASB - 5	6/30/2024	E	Accumulated depreciation	000-0000-0850 GW	U.908		34,279.00				
GASB - 5	6/30/2024	E	Accumulated depreciation	000-0000-0850 GW	U.908						
GASB - 5	6/30/2024	E	General Government Expense	000-1000-5100 GW	U.908			1,429,764.00			
GASB - 5	6/30/2024	E	General Government Expense	000-1000-5100 GW	U.908						
GASB - 5	6/30/2024	E	Economic Development Expense	000-1500-5100 GW	U.908			44,175.00			
GASB - 5	6/30/2024	E	Public Safety Expense	000-2000-5100 GW	U.908			1,605,549.00			
GASB - 5	6/30/2024	E	Public Safety Expense	000-2000-5100 GW	U.908						
GASB - 5	6/30/2024	E	Highway and Street Expense	000-3000-5100 GW	U.908			667,482.00			
GASB - 5	6/30/2024	E	Health & Wellness Expense	000-4000-5100 GW	U.908			8,540.00			
GASB - 5	6/30/2024	E	Culture & Recreation Expense	000-5000-5100 GW	U.908			5,536,135.00			
			To record capital asset additions and deletions for the current FY						Recurring		Factual
GASB - 6	6/30/2024	E	Accumulated depreciation	000-0000-0850 GW	U.908			3,918,015.00			
GASB - 6	6/30/2024	E	General Government Expense	000-1000-5100 GW	U.908		1,243,412.00				
GASB - 6	6/30/2024	E	Economic Development Expense	000-1500-5100 GW	U.908			156,980.00			
GASB - 6	6/30/2024	E	Public Safety Expense	000-2000-5100 GW	U.908			1,079,290.00			
GASB - 6	6/30/2024	E	Highway and Street Expense	000-3000-5100 GW	U.908			954,178.00			
GASB - 6	6/30/2024	E	Health & Wellness Expense	000-4000-5100 GW	U.908			95,842.00			
GASB - 6	6/30/2024	E	Culture & Recreation Expense	000-5000-5100 GW	U.908			388,313.00			
			To record depreciation expense for the government-wide statements.						Recurring		Factual
GASB - 7	6/30/2024	E	DEFERRED REVENUE	1-0001-1333 1	C.3.500		236,374.00				
GASB - 7	6/30/2024	E	DEFERRED REVENUE	24-0024-1333 24	C.3.500		35,767.00				
GASB - 7	6/30/2024	E	DEFERRED REVENUE	26-0026-1333 26	C.3.500						
GASB - 7	6/30/2024	E	DEFERRED REVENUE	41-0041-1333 45	C.3.500						
GASB - 7	6/30/2024	E	DEFERRED REVENUE	45-0045-1333 45	C.3.500			2,210.00			

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

Completed by		Reviewed by	Reviewed by
MA28834 10/23/2024		CL28782 10/25/2024	
Partner Review		IR	
BH28807 11/6/2024			

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Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
GASB - 7	6/30/2024	E	DEFERRED REVENUE	46-0046-1333 45	C.3.500		7,954.00				
GASB - 7	6/30/2024	E	DEFERRED REVENUE	47-0047-1333 45	C.3.500		1,031.00				
GASB - 7	6/30/2024	E	DEFERRED REVENUE	48-0048-1333 45	C.3.500		358.00				
GASB - 7	6/30/2024	E	DEFERRED REVENUE	49-0049-1333 45	C.3.500		4,777.00				
GASB - 7	6/30/2024	E	Net Position	000-0000-3000 GW	C.3.500			288,471.00			
GASB - 7	6/30/2024	E	DEFERRED REVENUE	243-0243-1333 24	C.3.500						
To record beginning deferred revenue.									Recurring		Factual
GASB - 8	6/30/2024	E	DEFERRED REVENUE	1-0001-1333 1	C.5.300		235,886.00				
GASB - 8	6/30/2024	E	PRIMARY PROPERTY TAXES	1-1190-3001 1	C.5.300			7,344.00			
GASB - 8	6/30/2024	E	TOHONO O ODHAM	1-1190-5011 1	C.5.300		209,568.00				
GASB - 8	6/30/2024	E	TOHONO O ODHAM	1-1190-5011 1	C.5.300			82,906.00			
GASB - 8	6/30/2024	E	LAND LEASE	1-1190-5621 1	C.5.300			21,627.00			
GASB - 8	6/30/2024	E	SALE OF EQUIPMENT	1-1190-5720 1	C.5.300						
GASB - 8	6/30/2024	E	MISCELLANEOUS REVENUES	1-1190-5800 1	C.5.300			333,577.00			
GASB - 8	6/30/2024	E	DEFERRED REVENUE	24-0024-1333 24	C.5.300			10,595.00			
GASB - 8	6/30/2024	E	FEMA PA GRANT	24-2490-4540 24	C.5.300		10,595.00				
GASB - 8	6/30/2024	E	DEFERRED REVENUE	45-0045-1333 45	C.5.300		820.00				
GASB - 8	6/30/2024	E	PRP TXS BOND RED-DEBT SVC	45-4590-3003 45	C.5.300			820.00			
GASB - 8	6/30/2024	E	DEFERRED REVENUE	46-0046-1333 45	C.5.300		952.00				
GASB - 8	6/30/2024	E	PRP TXS BOND RED-DEBT SVC	46-4690-3003 45	C.5.300			952.00			
GASB - 8	6/30/2024	E	DEFERRED REVENUE	47-0047-1333 45	C.5.300		471.00				
GASB - 8	6/30/2024	E	PRP TXS BOND RED-DEBT SVC	47-4790-3003 45	C.5.300			471.00			
GASB - 8	6/30/2024	E	DEFERRED REVENUE	48-0048-1333 45	C.5.300			68.00			
GASB - 8	6/30/2024	E	PRP TXS BOND RED-DEBT S	48-4890-3003 45	C.5.300		68.00				
GASB - 8	6/30/2024	E	DEFERRED REVENUE	49-0049-1333 45	C.5.300		1,731.00				
GASB - 8	6/30/2024	E	PRP TXS BOND RED-DEBT SVC	49-4990-3003 45	C.5.300			1,731.00			
GASB Entry to record change in deferred revenue									Recurring		Factual
GASB - 9	6/30/2024	E	Net Position	000-0000-3000 GW			16,214,345.00				
GASB - 9	6/30/2024	E	Bonds	000-0092-1000 GW				14,945,141.00			
GASB - 9	6/30/2024	E	Premiums	000-0092-1500 GW				1,269,204.00			
To record beginning bonds payable									Recurring		Factual
GASB - 10	6/30/2024	E	INTEREST EXPENSE	41-4110-9004 45	KK.901			145,974.00			
GASB - 10	6/30/2024	E	INTEREST EXPENSE	41-4110-9004 45	KK.901						
GASB - 10	6/30/2024	E	PRINCIPAL	42-4210-9010 45	KK.901			495,000.00			
GASB - 10	6/30/2024	E	BOND PROCEEDS	42-4290-5866 45	KK.901						
GASB - 10	6/30/2024	E	PREMIUM ON REFUNDING	42-4290-5869 45	KK.901						
GASB - 10	6/30/2024	E	PRINCIPAL	46-4610-9010 45	KK.901			1,149,142.00			
GASB - 10	6/30/2024	E	PRINCIPAL	47-4710-9010 45	KK.901			176,000.00			
GASB - 10	6/30/2024	E	BOND PROCEEDS	47-4790-5866 45	KK.901						
GASB - 10	6/30/2024	E	PREMIUM ON REFUNDING	47-4790-5869 45	KK.901						
GASB - 10	6/30/2024	E	PRINCIPAL	49-4930-9010 45	KK.901			425,000.00			
GASB - 10	6/30/2024	E	PRO SERIES 2020	92-0092-1885 92	KK.901						

City of Tolleson, Arizona
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Completed by		Reviewed by	Reviewed by
MA28834 10/23/2024		CL28782 10/25/2024	
Partner Review		IR	
BH28807 11/6/2024			

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Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
GASB - 10	6/30/2024	E	Bonds	000-0092-1000 GW	KK.901		2,245,142.00				
GASB - 10	6/30/2024	E	Bonds	000-0092-1000 GW	KK.901						
GASB - 10	6/30/2024	E	Premiums	000-0092-1500 GW	KK.901		145,974.00				
GASB - 10	6/30/2024	E	Premiums	000-0092-1500 GW	KK.901						
To record change in governmental lo ng term debt									Recurring		Factual
GASB - 11	6/30/2024	E	Compensated Absences - Long Term	000-0000-2200 GW	DD.921			2,835,588.00			
GASB - 11	6/30/2024	E	Net Position	000-0000-3000 GW	DD.921		2,835,588.00				
To record beginning compensated abs ences									Recurring		Factual
GASB - 12	6/30/2024	E	Compensated Absences - Long Term	000-0000-2200 GW	DD.921			332,585.00			
GASB - 12	6/30/2024	E	Compensated Absences - Long Term	000-0000-2200 GW	DD.921		760,362.00				
GASB - 12	6/30/2024	E	Compensated Absences - Short Term	000-0000-2210 GW	DD.921			760,362.00			
GASB - 12	6/30/2024	E	General Government Expense	000-1000-5100 GW	DD.921		96,974.00				
GASB - 12	6/30/2024	E	Economic Development Expense	000-1500-5100 GW	DD.921		8,518.00				
GASB - 12	6/30/2024	E	Public Safety Expense	000-2000-5100 GW	DD.921		209,586.00				
GASB - 12	6/30/2024	E	Highway and Street Expense	000-3000-5100 GW	DD.921			3,625.00			
GASB - 12	6/30/2024	E	Health & Wellness Expense	000-4000-5100 GW	DD.921			6,830.00			
GASB - 12	6/30/2024	E	Culture & Recreation Expense	000-5000-5100 GW	DD.921		27,962.00				
To record the change in compensated absences for the FY and record the amount due within one year.											Factual
GASB - 15	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M410		1,365,887.00				
GASB - 15	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M410		1,709,672.00				
GASB - 15	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M410			863,153.00			
GASB - 15	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M410			3,297,436.00			
GASB - 15	6/30/2024	E	Net Position	000-0000-3000 GW	M410		1,085,030.00				
To post the beginning NPL and relat ed deferrals (PSPRS - Fire)									Recurring		Factual
GASB - 16	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M410		775,599.00				
GASB - 16	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M410			1,709,672.00			
GASB - 16	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M410		271,009.00				
GASB - 16	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M410			358,458.00			
GASB - 16	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M410		1,021,522.00				
To record the change in NPL in the CY for PSPRS - Fire									Recurring		Judgmental
GASB - 17	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M405		1,723,677.00				
GASB - 17	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M405			1,723,677.00			
To reclassify employer pension cont ributions for PSPRS - Fire									Recurring		Factual

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Completed by		Reviewed by	Reviewed by
MA28834 10/23/2024		CL28782 10/25/2024	
Partner Review		IR	
BH28807 11/6/2024			

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Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
GASB - 18	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M420		1,533,133.00				
GASB - 18	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M420		1,662,921.00				
GASB - 18	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M420			72,529.00			
GASB - 18	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M420			2,808,475.00			
GASB - 18	6/30/2024	E	Net Position	000-0000-3000 GW	M420			315,050.00			
To post beginning NPL and related d eferrals for PSPRS - Police									Recurring		Factual
GASB - 19	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M420			75,229.00			
GASB - 19	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M420			1,662,921.00			
GASB - 19	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M420		47,953.00				
GASB - 19	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M420		775,746.00				
GASB - 19	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M420		914,451.00				
To properly state change in NPL in CY for PSPRS - Police									Recurring		Factual
GASB - 20	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M420		1,641,380.00				
GASB - 20	6/30/2024	E	Pension Expense - PS	000-2000-5000 GW	M420			1,641,380.00			
To reclassify employer pension cont ributions for PSPRS - Police											Factual
GASB - 21	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M405		7,637.00				
GASB - 21	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M405		66,771.00				
GASB - 21	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M405			55,737.00			
GASB - 21	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M405			845,699.00			
GASB - 21	6/30/2024	E	Net Position	000-0000-3000 GW	M405		827,028.00				
To post beginning NPL and related d eferrals - EORP									Recurring		Factual
GASB - 22	6/30/2024	E	Deferred outflow of resources related to pens	000-0000-1000 GW	M405			5,900.00			
GASB - 22	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M405			66,771.00			
GASB - 22	6/30/2024	E	Deferred inflow of resources related to pensi	000-0000-2000 GW	M405			142,316.00			
GASB - 22	6/30/2024	E	Net pension Liabilities	000-0000-2100 GW	M405		431,679.00				
GASB - 22	6/30/2024	E	Misc revenue (EORP)	000-0000-5878 GW	M405			73,205.00			
GASB - 22	6/30/2024	E	Pension Expense - General	000-1000-5000 GW	M405			143,487.00			
To post the change in NPL, the rela ted deferrals and expenses in the CY (EORP)									Recurring		Factual
GASB - 23	6/30/2024	E	Deferred outflow of employer contributions	000-0000-1100 GW	M405		75,967.00				
GASB - 23	6/30/2024	E	Pension Expense - General	000-1000-5000 GW	M405			75,967.00			
To reclassify employer pension cont ributions in the CY (EORP)									Recurring		Factual
GASB - 24	6/30/2024	E	MISC CONTRACTUAL SERVICES	1-1030-8069 1							
GASB - 24	6/30/2024	E	MISC CONTRACTUAL SERVICES	1-1064-8069 1							

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Date: 7/1/2023 To 6/30/2024

Completed by		Reviewed by	Reviewed by
MA28834 10/23/2024		CL28782 10/25/2024	
Partner Review		IR	
BH28807 11/6/2024			

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Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
GASB - 24	6/30/2024	E	COMPUTER SOFTWARE	1-1171-8518 1							
GASB - 24	6/30/2024	E	Other Financing Source : SBITA	1-1190-5863 1							
GASB - 24	6/30/2024	E	Subscription Asset	000-0000-0802 GW			332,328.00				
GASB - 24	6/30/2024	E	Accumulated Amortization	000-0000-0851 GW				134,533.00			
GASB - 24	6/30/2024	E	Subscription Liability	000-0000-2500 GW				200,425.00			
GASB - 24	6/30/2024	E	Net Position	000-0000-3000 GW			2,630.00				
Entry to record begining balances for SBITAs											Factual
GASB - 25	6/30/2024	E	SBITA Principal Expense	1-1030-9010 1				21,389.00			
GASB - 25	6/30/2024	E	SBITA Principal Expense	1-1050-9010 1				10,454.00			
GASB - 25	6/30/2024	E	SBITA Principal Expense	1-1056-9010 1				42,243.00			
GASB - 25	6/30/2024	E	SBITA Principal Expense	1-1062-9010 1				84,237.00			
GASB - 25	6/30/2024	E	SBITA Principal Expense	1-1064-9010 1				177,158.00			
GASB - 25	6/30/2024	E	SBITA Principal Expense	1-1171-9010 1				37,934.00			
GASB - 25	6/30/2024	E	Accumulated Amortization	000-0000-0851 GW				276,719.00			
GASB - 25	6/30/2024	E	Subscription Liability	000-0000-2500 GW			373,415.00				
GASB - 25	6/30/2024	E	General Government Expense	000-1000-5100 GW			111,395.00				
GASB - 25	6/30/2024	E	Public Safety Expense	000-2000-5100 GW			165,324.00				
To record CY activity for SBITA's											Factual
GASB - 26	6/30/2024	E	MISC CONTRACTUAL SERVICES	1-1030-8069 1				69,256.00			
GASB - 26	6/30/2024	E	MISC CONTRACTUAL SERVICES	1-1064-8069 1				1,141,539.00			
GASB - 26	6/30/2024	E	COMPUTER SOFTWARE	1-1171-8518 1				122,755.00			
GASB - 26	6/30/2024	E	Other Financing Source : SBITA	1-1190-5863 1			1,324,675.00				
GASB - 26	6/30/2024	E	Subscription Asset	000-0000-0802 GW			1,333,550.00				
GASB - 26	6/30/2024	E	Subscription Liability	000-0000-2500 GW				1,324,675.00			
To record new SBITA agreements for FY24.											Factual
GASB - 27	6/30/2024	N	Subscription Asset	000-0000-0802 GW				163,185.00			
GASB - 27	6/30/2024	N	Accumulated Amortization	000-0000-0851 GW			163,185.00				
To remove asset no longer in service											Factual
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	61-0061-0791 61	M401		51,406.00				
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	61-0061-0791 61	M401			126,843.00			
CLIENT - 1	6/30/2024	N	DEFERRED INFLOW-PENSION	61-0061-1601 61	M401			10,514.00			
CLIENT - 1	6/30/2024	N	NET PENSION LIABILITY	61-0061-1899 61	M401			138,304.00			
CLIENT - 1	6/30/2024	N	GASB 68 PENSION EXPENSE	61-6110-6503 61	M401		224,255.00				
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	62-0062-0791 62	M401		1,785.00				
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	62-0062-0791 62	M401			4,405.00			
CLIENT - 1	6/30/2024	N	DEFERRED INFLOW-PENSION	62-0062-1601 62	M401			365.00			
CLIENT - 1	6/30/2024	N	NET PENSION LIABILITY	62-0062-1899 62	M401			4,803.00			
CLIENT - 1	6/30/2024	N	GASB 68 PENSION EXPENSE	62-6210-6503 62	M401		7,788.00				
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	63-0063-0791 63	M401		89,784.00				

City of Tolleson, Arizona
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Date: 7/1/2023 To 6/30/2024

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Completed by	Reviewed by	Reviewed by
MA28834 10/23/2024	CL28782 10/25/2024	
Partner Review	IR	
BH28807 11/6/2024		

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	63-0063-0791 63	M401			221,542.00			
CLIENT - 1	6/30/2024	N	DEFERRED INFLOW-PENSION	63-0063-1601 63	M401			18,364.00			
CLIENT - 1	6/30/2024	N	NET PENSION LIABILITY	63-0063-1899 63	M401			241,558.00			
CLIENT - 1	6/30/2024	N	GASB 68 PENSION EXPENSE	63-6311-6503 63	M401		391,680.00				
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	64-0064-0791 63	M401		17,565.00				
CLIENT - 1	6/30/2024	N	DEFERRED OUTFLOW PENSION	64-0064-0791 63	M401			43,342.00			
CLIENT - 1	6/30/2024	N	DEFERRED INFLOW-PENSION	64-0064-1601 63	M401			3,593.00			
CLIENT - 1	6/30/2024	N	NET PENSION LIABILITY	64-0064-1899 63	M401			47,258.00			
CLIENT - 1	6/30/2024	N	GASB 68 PENSION EXPENSE	64-6410-6503 63	M401		76,628.00				
			Client Entry to post the change in GASB68						Recurring		
CLIENT - 2	6/30/2024	N	DEFERRED OUTFLOW PENSION	61-0061-0791 61	M401		158,214.00				
CLIENT - 2	6/30/2024	N	GASB 68 PENSION EXPENSE	61-6110-6503 61	M401			158,214.00			
CLIENT - 2	6/30/2024	N	DEFERRED OUTFLOW PENSION	62-0062-0791 62	M401		4,115.00				
CLIENT - 2	6/30/2024	N	GASB 68 PENSION EXPENSE	62-6210-6503 62	M401			4,115.00			
CLIENT - 2	6/30/2024	N	DEFERRED OUTFLOW PENSION	63-0063-0791 63	M401		271,975.00				
CLIENT - 2	6/30/2024	N	GASB 68 PENSION EXPENSE	63-6311-6503 63	M401			271,975.00			
CLIENT - 2	6/30/2024	N	DEFERRED OUTFLOW PENSION	64-0064-0791 63	M401		54,811.00				
CLIENT - 2	6/30/2024	N	GASB 68 PENSION EXPENSE	64-6410-6503 63	M401			54,811.00			
			Client Entry to reclassify employee pension contribution for GASB68						Recurring		
CLIENT - 3	6/30/2024	R	DEPRECIATION EXPENSE	64-6410-9003 63				25,765.00			
CLIENT - 3	6/30/2024	R	Loss on disposal of asset	64-6410-9032 63			25,765.00				
			Client Entry- to reclass loss on disposal of asset to its own account rather than the depreciation expense.								
CLIENT - 4	6/30/2024	N	LEASE RECEIVABLE	1-0001-0298 1	V		274,156.00				
CLIENT - 4	6/30/2024	N	DEFERRED INFLOWS - LEASES	1-0001-1380 1	V			274,156.00			
CLIENT - 4	6/30/2024	N	LAND LEASE	1-1190-5621 1	V						
CLIENT - 4	6/30/2024	N	MISCELLANEOUS EXPENSES	29-2915-8499 1	V						
			Client Entry to record changes in lease balances during the year.								
CLIENT - 5	6/30/2024	N	LEASE RECEIVABLE	1-0001-0298 1	V			59,643.00			
CLIENT - 5	6/30/2024	N	LEASE RECEIVABLE	1-0001-0298 1	V						
CLIENT - 5	6/30/2024	N	DEFERRED INFLOWS - LEASES	1-0001-1380 1	V		73,415.00				
CLIENT - 5	6/30/2024	N	LAND LEASE	1-1190-5621 1	V		71,790.00				
CLIENT - 5	6/30/2024	N	GASB 87 Lease Revenue	1-1190-5622 1	V			73,415.00			
CLIENT - 5	6/30/2024	N	GASB 87 Interest Revenue	1-1190-5623 1	V			12,147.00			
			Client Entry to record balances for new leases entered into during the FY.								
CLIENT - 6	6/30/2024	N	MISC CONTRACTUAL SERVICES	1-1030-8069 1			34,438.00				
CLIENT - 6	6/30/2024	N	MISC CONTRACTUAL SERVICES	1-1030-8069 1			34,818.00				

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

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Completed by	Reviewed by	Reviewed by
MA28834 10/23/2024	CL28782 10/25/2024	
Partner Review	IR	
BH28807 11/6/2024		

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
CLIENT - 6	6/30/2024	N	MISC CONTRACTUAL SERVICES	1-1064-8069 1			1,141,539.00				
CLIENT - 6	6/30/2024	N	COMPUTER SOFTWARE	1-1171-8518 1			122,755.00				
CLIENT - 6	6/30/2024	N	Other Financing Source : SBITA	1-1190-5863 1				34,438.00			
CLIENT - 6	6/30/2024	N	Other Financing Source : SBITA	1-1190-5863 1				32,963.00			
CLIENT - 6	6/30/2024	N	Other Financing Source : SBITA	1-1190-5863 1				115,735.00			
CLIENT - 6	6/30/2024	N	Other Financing Source : SBITA	1-1190-5863 1				1,141,539.00			
CLIENT - 6	6/30/2024	N	REVENUE N O C	1-1190-5878 1				1,855.00			
CLIENT - 6	6/30/2024	N	REVENUE N O C	1-1190-5878 1				7,020.00			
Client entry- To record new SBITA Activity for the year.											
CLIENT - 7	6/30/2024	N	MISC CONTRACTUAL SERVICES	1-1030-8069 1				22,642.00			
CLIENT - 7	6/30/2024	N	SBITA Interest Expense	1-1030-9004 1			1,253.00				
CLIENT - 7	6/30/2024	N	SBITA Principal Expense	1-1030-9010 1			21,389.00				
CLIENT - 7	6/30/2024	N	MISC CONTRACTUAL SERVICES	1-1050-8069 1				11,000.00			
CLIENT - 7	6/30/2024	N	SBITA Interest Expense	1-1050-9004 1			546.00				
CLIENT - 7	6/30/2024	N	SBITA Principal Expense	1-1050-9010 1			10,454.00				
CLIENT - 7	6/30/2024	N	MISC CONTRACTUAL SERVICES	1-1064-8069 1				190,000.00			
CLIENT - 7	6/30/2024	N	SBITA Interest Expense	1-1064-9004 1			12,842.00				
CLIENT - 7	6/30/2024	N	SBITA Principal Expense	1-1064-9010 1			177,158.00				
CLIENT - 7	6/30/2024	N	COMPUTER SOFTWARE	1-1171-8518 1				38,898.00			
CLIENT - 7	6/30/2024	N	SBITA Interest Expense	1-1171-9004 1			964.00				
CLIENT - 7	6/30/2024	N	SBITA Principal Expense	1-1171-9010 1			37,934.00				
Client Entry - To record activity for existing leases.											
CLIENT - 8	6/30/2024	N	COMPUTER MAINT SERVICE	1-1056-8052 1				43,259.00			
CLIENT - 8	6/30/2024	N	SBITA Interest Expense	1-1056-9004 1			1,016.00				
CLIENT - 8	6/30/2024	N	SBITA Principal Expense	1-1056-9010 1			42,243.00				
CLIENT - 8	6/30/2024	N	MISC CONTRACTUAL SERVICES	1-1062-8069 1				86,675.00			
CLIENT - 8	6/30/2024	N	SBITA Interest Expense	1-1062-9004 1			2,438.00				
CLIENT - 8	6/30/2024	N	SBITA Principal Expense	1-1062-9010 1			84,237.00				
Client Entry - To record activity for existing leases (Continued).											
CLIENT - 3132	6/30/2024	N	POLICE SUPPLIES	26-2611-8037 26			1,812.00				
CLIENT - 3132	6/30/2024	N	RADIO EQUIPMENT	26-2611-8508 26				1,812.00			
Client Entry- To reclass asset to o/m accounts.											
CLIENT - 3133	6/30/2024	N	MISC CONTRACTUAL SERVICES	61-6110-8069 61			22,000.00				
CLIENT - 3133	6/30/2024	N	WATER SYSTEM	61-6170-8503 61				22,000.00			
Client Entry- JE to reclass assets to o/m accounts											
CLIENT - 3134	6/30/2024	N	POLICE SUPPLIES	26-2611-8037 26				6,600.00			

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

310-8

Completed by	Reviewed by	Reviewed by
MA28834 10/23/2024	CL28782 10/25/2024	
Partner Review	IR	
BH28807 11/6/2024		

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
CLIENT - 3134	6/30/2024	N	RADIO EQUIPMENT	26-2611-8508 26			6,600.00				
			Client Entry- To recalss assets to o/m accounts								
CLIENT - 3135	6/30/2024	N	LAND	61-0061-0800 61			3,012,248.00				
CLIENT - 3135	6/30/2024	N	BUILDINGS	61-0061-0810 61			101,818.00				
CLIENT - 3135	6/30/2024	N	MACHINERY & EQUIPMENT	61-0061-0830 61			1,210,169.00				
CLIENT - 3135	6/30/2024	N	VEHICLES & LIFT STATIONS	61-0061-0840 61			241,745.00				
CLIENT - 3135	6/30/2024	N	CAPITAL OUTLAY UNDER 5K	61-6110-8550 61				112,079.00			
CLIENT - 3135	6/30/2024	N	LAND & IMPROVEMENTS	61-6170-8501 61				3,012,248.00			
CLIENT - 3135	6/30/2024	N	BUILDINGS & IMPROVEMENTS	61-6170-8502 61				101,818.00			
CLIENT - 3135	6/30/2024	N	MOTOR VEHICLES	61-6170-8509 61				241,745.00			
CLIENT - 3135	6/30/2024	N	MACHINES AND TOOLS	61-6170-8510 61				16,221.00			
CLIENT - 3135	6/30/2024	N	EQUIPMENT	61-6170-8517 61				1,081,869.00			
			Client Entry- To capitalize expenditures related to business assets fund 0061.								
CLIENT - 3136	6/30/2024	N	CONSTRUCTION IN PROGRESS	63-0063-0801 63			1,007,209.00				
CLIENT - 3136	6/30/2024	N	BUILDINGS	63-0063-0810 63			112,029.00				
CLIENT - 3136	6/30/2024	N	IMPROV OTHER THAN BLDGS	63-0063-0820 63			1,004,563.00				
CLIENT - 3136	6/30/2024	N	MACHINERY & EQUIPMENT	63-0063-0830 63			880,419.00				
CLIENT - 3136	6/30/2024	N	MACHINERY & EQUIPMENT	63-0063-0830 63			1,062,689.00				
CLIENT - 3136	6/30/2024	N	WASTE WATER TRTMNT EQUIP	63-6370-8506 63				105,834.00			
CLIENT - 3136	6/30/2024	N	EQUIPMENT	63-6370-8517 63				774,585.00			
CLIENT - 3136	6/30/2024	N	BUILDINGS & IMPROVEMENTS	63-6380-8502 63				112,029.00			
CLIENT - 3136	6/30/2024	N	WWTP FACILITY CONSTRUCTN	63-6380-8521 63				1,004,563.00			
CLIENT - 3136	6/30/2024	N	WWTP FACILITY CONSTRUCTN	63-6380-8521 63				1,062,689.00			
CLIENT - 3136	6/30/2024	N	WWTP FACILITY CONSTRUCTN	63-6380-8521 63				1,007,209.00			
			Client Entry to capitalize expenditures related to business assets fund 0063.								
CLIENT - 3137	6/30/2024	N	CONSTRUCTION IN PROGRESS	64-0064-0801 63			1,543.00				
CLIENT - 3137	6/30/2024	N	BUILDINGS	64-0064-0810 63			19,309.00				
CLIENT - 3137	6/30/2024	N	MACHINERY & EQUIPMENT	64-0064-0830 63			118,073.00				
CLIENT - 3137	6/30/2024	N	BUILDINGS & IMPROVEMENTS	64-6470-8502 63				19,309.00			
CLIENT - 3137	6/30/2024	N	BUILDINGS & IMPROVEMENTS	64-6470-8502 63				1,543.00			
CLIENT - 3137	6/30/2024	N	SEWER SYSTEM	64-6470-8504 63				118,073.00			
			Client Entry- To capitalize expenditures related to business assets fund 0064.								
CLIENT - 3138	6/30/2024	N	ACC DEP - VEH & LIFT STAT	61-0061-0841 61			92,025.00				
CLIENT - 3138	6/30/2024	N	INV CAP ASSET/NET RE DEBT	61-0061-2032 61				92,025.00			
			Entry provided by client after TB import (amount different then client provided amount due to rounding/equity)								
CLIENT - 3140	6/30/2024	N	ACCRUED COMPENS ABSENCES	61-0061-1478 61				6,644.00			

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

310-9

Completed by	Reviewed by	Reviewed by
MA28834 10/23/2024	CL28782 10/25/2024	
Partner Review	IR	
BH28807 11/6/2024		

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
CLIENT - 3140	6/30/2024	N	ACCR COMP ABSENCE-CURRENT	61-0061-1479 61				2,716.00			
CLIENT - 3140	6/30/2024	N	WAGES - FULL TIME	61-6110-6001 61			8,000.00				
CLIENT - 3140	6/30/2024	N	FICA TAXES	61-6110-6501 61			612.00				
CLIENT - 3140	6/30/2024	N	AZ ST LONG TRM DISABILITY	61-6110-6506 61			748.00				
CLIENT - 3140	6/30/2024	N	ACCRUED COMPENS ABSENCES	63-0063-1478 63				15,918.00			
CLIENT - 3140	6/30/2024	N	ACCR COMP ABSENCE-CURRENT	63-0063-1479 63				6,876.00			
CLIENT - 3140	6/30/2024	N	WAGES - FULL TIME	63-6311-6001 63			19,482.00				
CLIENT - 3140	6/30/2024	N	FICA TAXES	63-6311-6501 63			1,490.00				
CLIENT - 3140	6/30/2024	N	AZ ST LONG TRM DISABILITY	63-6311-6506 63			1,822.00				
CLIENT - 3140	6/30/2024	N	ACCRUED COMPENS ABSENCES	64-0064-1478 63							
CLIENT - 3140	6/30/2024	N	ACCR COMP ABSENCE-CURRENT	64-0064-1479 63							
CLIENT - 3140	6/30/2024	N	WAGES - FULL TIME	64-6410-6001 63							
Client Entry- To record compensated absence balance for FY24											
CLIENT - 3141	6/30/2024	N	Construction in Progress	61-0061-0801 61			437,892.00				
CLIENT - 3141	6/30/2024	N	Construction in Progress	61-0061-0801 61			34,238.00				
CLIENT - 3141	6/30/2024	N	BUILDINGS	61-0061-0810 61			67,580.00				
CLIENT - 3141	6/30/2024	N	BUILDINGS	61-0061-0810 61				101,818.00			
CLIENT - 3141	6/30/2024	N	MACHINERY & EQUIPMENT	61-0061-0830 61				437,892.00			
Client Entry - To correct capitalize expenditures related to business assets fund 0061											
CLIENT - 3142	6/30/2024	N	CONSTRUCTION IN PROGRESS	63-0063-0801 63				350,709.00			
CLIENT - 3142	6/30/2024	N	BUILDINGS	63-0063-0810 63				112,029.00			
CLIENT - 3142	6/30/2024	N	IMPROV OTHER THAN BLDGS	63-0063-0820 63			328,908.00				
CLIENT - 3142	6/30/2024	N	MACHINERY & EQUIPMENT	63-0063-0830 63			133,830.00				
Client Entry- To correct capitalize expenditures related to Business Assets fund 0063											
CLIENT - 3143	6/30/2024	N	CONSTRUCTION IN PROGRESS	64-0064-0801 63				152,155.00			
CLIENT - 3143	6/30/2024	N	MACHINERY & EQUIPMENT	64-0064-0830 63			152,155.00				
Client Entry- To correct capitalize expenditures related to business assets fund 0064.											
CLIENT - 3144	6/30/2024	N	VEHICLES & LIFT STATIONS	64-0064-0840 63				25,765.00			
CLIENT - 3144	6/30/2024	N	DEPRECIATION EXPENSE	64-6410-9003 63			25,765.00				
Client Entry- JE to record business disposal of a vehicle.											
CLIENT - 3145	6/30/2024	N	BUILDINGS	61-0061-0810 61				67,580.00			
CLIENT - 3145	6/30/2024	N	IMPROV OTHER THAN BLDGS	61-0061-0820 61			67,580.00				
CLIENT - 3145	6/30/2024	N	BUILDINGS	64-0064-0810 63				19,309.00			
CLIENT - 3145	6/30/2024	N	IMPROV OTHER THAN BLDGS	64-0064-0820 63			19,309.00				
Client Entry- To correct											

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

310-10

Completed by	Reviewed by	Reviewed by
MA28834 10/23/2024	CL28782 10/25/2024	
Partner Review	IR	
BH28807 11/6/2024		

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
capitalize expenditures related to business assets fund 0061 & 0064											
CLIENT - 3146	6/30/2024	N	ACCUM DEP - BUILDINGS	61-0061-0811 61			1,147.00				
CLIENT - 3146	6/30/2024	N	ACC DEP-LAND IMPROVEMENTS	61-0061-0821 61				3,585.00			
CLIENT - 3146	6/30/2024	N	ACCUM DEP - MACH & EQPMT	61-0061-0831 61				129,858.00			
CLIENT - 3146	6/30/2024	N	ACC DEP - VEH & LIFT STAT	61-0061-0841 61				48,159.00			
CLIENT - 3146	6/30/2024	N	DEPRECIATION EXPENSE	61-6110-9003 61			180,455.00				
CLIENT - 3146	6/30/2024	N	ACCUM DEP - BUILDINGS	63-0063-0811 63				180,496.00			
CLIENT - 3146	6/30/2024	N	ACC DEP-LAND IMPROVEMENTS	63-0063-0821 63				33,315.00			
CLIENT - 3146	6/30/2024	N	ACCUM DEP - MACH & EQPMT	63-0063-0831 63				389,436.00			
CLIENT - 3146	6/30/2024	N	ACC DEP - VEH & LIFT STAT	63-0063-0841 63			27,000.00				
CLIENT - 3146	6/30/2024	N	DEPRECIATION EXPENSE	63-6311-9003 63			576,247.00				
Client Entry- To record accumulated depreciation											
CLIENT - 3147	6/30/2024	N	LAND	91-0091-0800 91			5,009,681.00				
CLIENT - 3147	6/30/2024	N	CONSTRUCTION IN PROGRESS	91-0091-0801 91			1,276,264.00				
CLIENT - 3147	6/30/2024	N	IMPROVEMENTS	91-0091-0805 91			684,203.00				
CLIENT - 3147	6/30/2024	N	ACCUM DEP - BUILDINGS	91-0091-0811 91				1,206,595.00			
CLIENT - 3147	6/30/2024	N	AACUM DEP-IMPROVEMENTS	91-0091-0815 91				1,145,458.00			
CLIENT - 3147	6/30/2024	N	MACHINERY & EQUIPMENT	91-0091-0830 91			2,321,498.00				
CLIENT - 3147	6/30/2024	N	MACHINERY & EQUIPMENT	91-0091-0830 91				34,279.00			
CLIENT - 3147	6/30/2024	N	ACCUM DEP - MACH & EQPMT	91-0091-0831 91				1,565,965.00			
CLIENT - 3147	6/30/2024	N	ACCUM DEP - MACH & EQPMT	91-0091-0831 91			34,279.00				
CLIENT - 3147	6/30/2024	N	INVSMT IN GFA - GEN FUND	91-0091-2100 91				5,373,628.00			
Client Entry - To record general fixed asset activity.											
CLIENT - 3148	6/30/2024	N	FUND BALANCE	61-0061-2025 61			3,685,036.00				
CLIENT - 3148	6/30/2024	N	INV CAP ASSET/NET RE DEBT	61-0061-2032 61				3,685,036.00			
CLIENT - 3148	6/30/2024	N	FUND BALANCE	63-0063-2025 63			17,948.00				
CLIENT - 3148	6/30/2024	N	INV CAP ASSET/NET RE DEBT	63-0063-2032 63				17,948.00			
CLIENT - 3148	6/30/2024	N	FUND BALANCE	64-0064-2025 63			278,620.00				
CLIENT - 3148	6/30/2024	N	INV CAP ASSET/NET RE DEBT	64-0064-2032 63				278,620.00			
Client Entry - To adjust the capital assets net of related debt account.											
CLIENT - 3150	6/30/2024	N	DUE FR FEDERAL GOVT GRNTS	1-0001-0502 1	C.IGR.1			1,214,793.00			
CLIENT - 3150	6/30/2024	N	DUE FR ST AZ CITY SALE TX	1-0001-0520 1	C.IGR.1		1,214,793.00				
Entry provided by client after TB entry. Original entry was due to transpose error.											
CLIENT - 3151	6/30/2024	N	A/R MISC GENERAL FUND	1-0001-0286 1			65,665.00				
CLIENT - 3151	6/30/2024	N	BUS SERVICES	1-1097-7029 1				65,665.00			
Client JE to perform Valley Metro refund.											Factual

City of Tolleson, Arizona
Year End: June 30, 2024
Normal adjusting journal entries
Date: 7/1/2023 To 6/30/2024

310-11

Completed by	Reviewed by	Reviewed by
MA28834 10/23/2024	CL28782 10/25/2024	
Partner Review	IR	
BH28807 11/6/2024		

Number	Date	Type	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Difference	Misstatement
CLIENT - 3152	6/30/2024	N	A/R MISC GENERAL FUND	1-0001-0286 1			21,627.00				
CLIENT - 3152	6/30/2024	N	DEFERRED REVENUE	1-0001-1333 1				21,627.00			
			Client Entry- To record deferred revenue for Verizon Land Lease Period 7-12.								
CLIENT - 3153	6/30/2024	N	ACCOUNTS PAYABLE	1-0001-1010 1			1,900.00				
CLIENT - 3153	6/30/2024	N	ACCOUNTS PAYABLE	1-0001-1010 1			229.00				
CLIENT - 3153	6/30/2024	N	LEGAL SERVICES	1-1010-7001 1				1,900.00			
CLIENT - 3153	6/30/2024	N	MISC CONTRACTUAL SERVIC	1-1010-8069 1				229.00			
			Client Entry to correct AP balance for check issued and voided within their system and then issued again within their new system								
CLIENT - 3140-1	6/30/2024	N	ACCRUED COMPENS ABSENCES	64-0064-1478 63	DD.921			4,252.00			
CLIENT - 3140-1	6/30/2024	N	ACCR COMP ABSENCE-CURRENT	64-0064-1479 63	DD.921			2,590.00			
CLIENT - 3140-1	6/30/2024	N	WAGES - FULL TIME	64-6410-6001 63	DD.921		5,848.00				
CLIENT - 3140-1	6/30/2024	N	FICA TAXES	64-6410-6501 63	DD.921		447.00				
CLIENT - 3140-1	6/30/2024	N	AZ ST LONG TRM DISABILITY	64-6410-6506 63	DD.921		547.00				
			Client Entry- To record compensated absence balance for FY24								
CLIENT - 3147-1	6/30/2024	N	ACCUM DEP - BUILDINGS	64-0064-0811 63	U			755.00			
CLIENT - 3147-1	6/30/2024	N	ACC DEP-LAND IMPROVEMENTS	64-0064-0821 63	U			46,135.00			
CLIENT - 3147-1	6/30/2024	N	ACCUM DEP - MACH & EQPMT	64-0064-0831 63	U			38,472.00			
CLIENT - 3147-1	6/30/2024	N	DEPRECIATION EXPENSE	64-6410-9003 63	U		85,362.00				
			Client Entry - To record accumulated depreciation.								
							233,958,177.00	233,958,177.00			
Net Income (Loss)			34,465,609.00								



Reporting and insights from 2024 audit:

City of Tolleson, Arizona

June 30, 2024

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Executive summary



We have completed our audit of the financial statements of the City of Tolleson for the year ended June 30, 2024 and have issued our report thereon dated December 18, 2024.

- Financial Statement Audit Report
 - Unmodified opinion
- *Government Auditing Standards* Compliance Report
 - No instances of noncompliance or other matters
 - No identified material weaknesses

This presentation supplements our letter to governance dated December 18, 2024 as required by our professional standards.



Our responsibilities



As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. Reasonable assurance is a high level of assurance, but not an absolute level of assurance.
- Assessing the risks of material misstatement of the basic financial statements whether due to fraud or error. Included in that assessment is a consideration of the City's internal control over financial reporting
- Performing appropriate procedures based upon our risk assessment
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management
- Forming and expressing an opinion based on our audit about whether the basic financial statements prepared by management, with the oversight of those charged with governance:
 - Are free from material misstatement
 - Present fairly in all material respects and in accordance with accounting principles generally accepted in the United States of America
 - -Performing tests related to compliance with certain provisions of laws, regulations, contracts and grants, as required by Government Auditing Standards
- Our audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities.

Our responsibilities



We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance including:

- Internal control matters – Various controls have been tested with no reportable findings.
- Qualitative aspects of the City's accounting practice including policies, accounting estimates and financial statement disclosures – This can be found on Note 1 of the financial statements
- Significant unusual transactions – All significant and unusual transactions have been audited with no reportable issues.
- Significant difficulties encountered – No difficulties to report
- Disagreements with management – No disagreements to report
- Circumstances that affect the form and content of the auditors' report and key audit matters – None noted
- - Audit consultations outside the engagement team – None noted
- Corrected and uncorrected misstatements – No misstatements identified
- Other audit findings or issues – No audit findings or issues identified





Required communications

Management's consultations with other accountants

- In some cases, management may decide to consult with other accountants about auditing and accounting matters.
 - Management informed us that and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit.

Fraud

We did not identify any instances of known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the City's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the basic financial statements including the effects on the basic financial statements and the adequacy of the related disclosures and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement.

Related parties

We did not have any significant findings or issues arise during the audit in connection with the City's related parties.

Nonattest services



The following nonattest services were provided by Baker Tilly:

- Financial statement preparation
- Adjusting journal entries

In addition, we prepared GASB No. 34 conversion entries which are summarized in the, “Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position” and the, “Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities” in the financial statements.

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

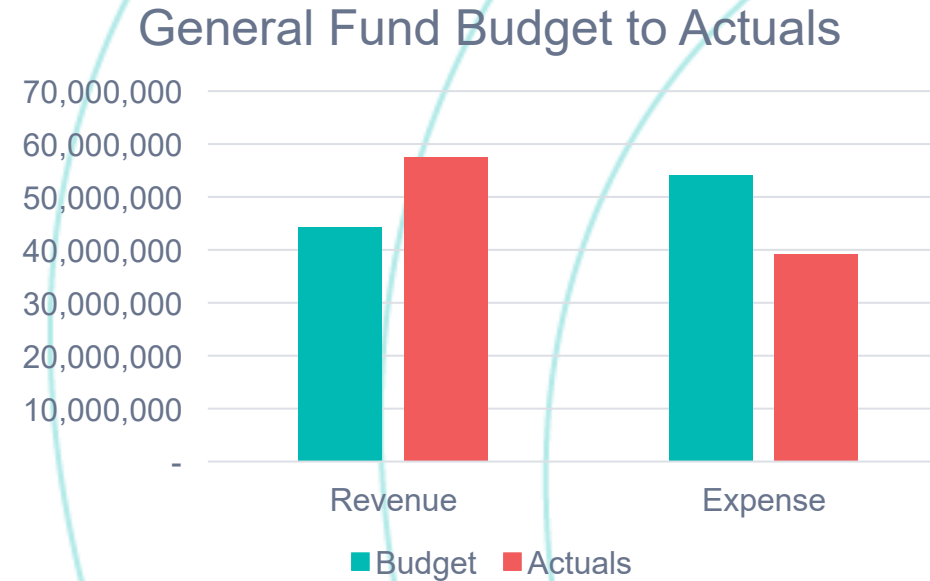
Communications with City Council and Management



- Expenditure Limitation Report
 - City was \$112.01 million dollars under the Home Rule Expenditure Limitation
 - Issued to the Arizona State Auditor General timely

Voter-Approved Expenditure Limitation	\$188,769,614
City Expenditures Subject to Limitation	<u>76,760,346</u>
Amount under the expenditure Limitation	\$112,009,268

Communications with City Council and Management



- Fund balance increased by \$29.6 million during the current fiscal year, with the increase primarily due to an increase in intergovernmental revenues and interest income.
- Actual revenues were \$13.2 million more than budget
- Actual expenditures were \$14.9 less than budget

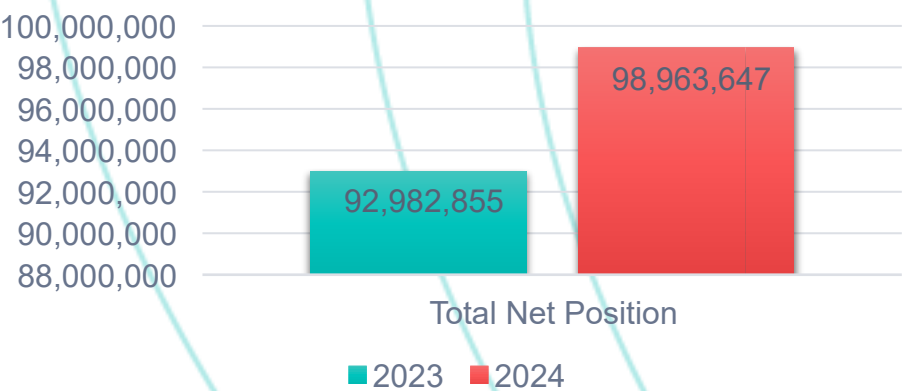
Communications with City Council and Management



Enterprise Funds

- Water fund - Charges for services exceeded operating expenses by \$506K, leading to an increase in net position of \$2.1M.
- Wastewater and Sewer - Charges for services exceeded operating expenses by \$154, leading to an increase in net position of \$3.7M.
- Sanitation – Charges for services exceeded operating expenses by \$67K, leading to an increase in net position of \$85K.

Business-Type Activities - Net Position



Questions?



Brian Hemmerle, CPA, CFE
Partner

E: Brian.Hemmerle@bakertilly.com





CITY COUNCIL REPORT

SUBJECT: Regular City Council Meeting Minutes January 14, 2025

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Crystal Zamora, City Clerk

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

The City Clerk Department is requesting the approval of the Regular City Council Meeting Minutes of January 14, 2025.

BACKGROUND:

It is the public policy of the State of Arizona that meetings of public bodies be conducted openly and that notices and agendas be provided for such meetings which contain such information as is reasonably necessary to inform the public of the matters to be discussed or decided. Minutes serve a historical purpose, but just as important, they serve a legal purpose, documenting Council's adherence to the proper procedures, city code and state law. The approved minutes are a permanent record.

DISCUSSION:

The minutes provide an outlet for residents to connect with the City of Tolleson in order to stay informed of Mayor and Council's actions, and they are posted on the City's website and filed in the City Clerk's Office. Transcription is provided in order to facilitate communication accessibility and may not be a totally verbatim record of the proceedings.

BUDGET IMPACT:

This item has no additional budget impact.

RECOMMENDATION:

Staff recommends the City Council approve the Regular City Council Meeting Minutes of January 14, 2025.

ATTACHMENTS:

None



CITY OF TOLLESON

9055 W. Van Buren St., Tolleson, AZ 85353 • (623) 936-7111 • TTY users, dial 711 for Relay • www.tolleson.az.gov

**TOLLESON CITY COUNCIL MEETING ACTION MINUTES
TOLLESON CIVIC CENTER
9055 WEST VAN BUREN STREET, TOLLESON, AZ 85353
ZOOM WEBINAR ID: 840 6967 9194
TUESDAY, JANUARY 14, 2025
6:00 PM**

Doors open to Council Chambers at 5:45 PM for public seating. The public may be asked to temporarily relocate if an executive session occurs. The public will be invited back into Council Chambers when the Council returns from executive session.

Members of the public may also participate in the meeting via [Zoom Webinar](https://us02web.zoom.us/j/84069679194) (<https://us02web.zoom.us/j/84069679194>) with a computer or cell phone.

A. CALL TO ORDER

Mayor Rodriguez called the Tolleson City Council Meeting to order at 6:00 PM.

B. INVOCATION/PLEDGE OF ALLEGIANCE

The Invocation was delivered by City Attorney Arnson, and the Pledge of Allegiance was led by Vice Mayor Davis.

C. ROLL CALL

City Council: Mayor Juan Rodriguez, Vice Mayor Jimmy Davis, Council Members Christine Chavira, Clorinda Erives, Adolfo Gámez, Linda Laborin and Cruzita Mendoza.

Department Directors: City Manager Reyes Medrano Jr., Deputy City Manager/Employee Resources Director Wendy Jackson, Deputy City Manager/Chief Government Affairs Officer Pilar Sinawi, Chief Financial Officer Kevin Artz, Chief Preparedness Officer George Good, Chief Technical Officer Steve Holliday, City Clerk Crystal Zamora, Development Services Director Jason Earp, Field Operations/Parks & Recreation Director Randy Babchuk, Fire Chief Michael Young, Human Services Director Santiago Cornejo, Library Director Mandy Carrico, Public Safety Director Rudy Mendoza and Utilities Director Jamie McCracken.

City Representative: City Attorney Aaron Arnson

D. FINAL CALL TO SUBMIT SPEAKER REQUESTS



All citizens and interested parties wishing to speak before the Council regarding non-agenda items or during a public hearing shall fully complete a Speaker Request Form and submit the form(s) to the City Clerk prior to the meeting being convened. Citizens must complete one form for each item they want to address. Speaker Request Forms are located at the entrance of the Council Chambers. For Zoom participants, click the chat button, and enter your name and the item you would like to address. Submissions should be made no later than the Mayor announcing the “Final Call to Submit Speaker Requests”. All speakers will be limited to 3 minutes unless otherwise noted by the Mayor. Speakers are not required to disclose their identities or personal information. You may also submit an online speaker request form at <https://www.tolleson.az.gov/speakerrequest> at least one hour prior to the meeting.

E. CALL TO THE PUBLIC (NON-AGENDA ITEMS)

This is the time for the public to comment on non-agenda items. Members of the Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01.H, action taken as a result of public comment will be limited to (1) responding to criticism; (2) directing staff to review the matter; or (3) asking that a matter be put on a future agenda.

F. SCHEDULED PUBLIC APPEARANCES AND PROCLAMATIONS – FOR DISCUSSION

1. Proclamation declaring January 2025 as Speak Up, Stand Up, Save a Life Month in the City of Tolleson, encouraging Arizona schools, students, parents, educators, fire and police departments and community organizations to coordinate a variety of awareness and prevention activities designed to make our communities safer and promote a healthy environment for all children and adolescents. – Gina Godbehere, Cofounder of Speak Up, Stand Up, Save a Life

The Speak Up, Stand Up, Save a Life Month proclamation is being postponed to a later date at the request of the Tolleson Union High School District.

2. Sound the Alarm Event and Red Cross Tolleson Blood Drive – George Good, Chief Preparedness Officer
3. Tolleson Aquatic Center Update – Randy Babchuk, Field Operations Director and Adaptive Architects
4. MAG 101 for Elected Officials – Ed Zuercher, Executive Director, John Bullen, Chief Transportation Officer, and Samantha Klakulak, Government Relations Project Manager of Maricopa Association of Governments
5. Proclamation declaring January 14-20, 2025 as Community Risk Reduction Week in the City of Tolleson, in recognition of the dedication and efforts of our local fire department, emergency services, and community partners in preventing emergencies and protecting lives and property through education, training, and innovative

programs. – Michael Young, Fire Chief and George Good, Chief Preparedness Officer

Mayor Rodriguez proclaimed January 14-20, 2025 as Community Risk Reduction Week in the City of Tolleson.

G. BUSINESS FROM THE FLOOR – PUBLIC HEARINGS AND ACTION ITEMS

H. CONSENT AGENDA – ACTION ITEMS

Items on the Consent Agenda are of a routine nature and are intended to be acted upon in one motion. Council Members may pull items from Consent if they would like them considered separately.

1. Approve Regular City Council Meeting Minutes of December 10, 2024. (City Clerk Department)
2. Approve Claims and Bills Report for the period of December 4, 2024 to January 7, 2025. (Finance Department)
3. Appoint Council Members Christine Chavira, Linda Laborin and Cruzita Mendoza as members of the Tolleson Community Grant Program Subcommittee to serve from January 14, 2025 until December 8, 2026. (City Council)
4. Adopt Resolution No. 2593 of the Mayor and Council of the City of Tolleson, Arizona, approving the Intergovernmental Agreement between the City of Tolleson and the State of Arizona, acting by and through its Department of Transportation (ADOT), for the construction of a pedestrian bridge system over Van Buren Street at 96th Avenue. The City has received Fiscal Year 2023 Highway Infrastructure Programs (HIP) Congressionally Directed Spending Projects funding for this Project, including federal aid in the amount of \$3,500,000 and a City match of \$256,559 as detailed in the Agreement. (Development Services Department)
5. Approve Replat of Tolleson Landing as submitted by Maria Grishina with Sunstone Two Tree, on behalf of the owner, STT 99th and Van Buren, LLC, for a final plat located at the southeast corner of Van Buren Street and 99th Avenue in Tolleson, AZ. The site is approximately 7.64 acres and zoned General Commercial (C-2). The APN surrounding the parcel is 101-09-678 and also includes all subdivided lots. (Development Services Department)
6. Approve Sixth Amendment to the Lease Agreement between the City of Tolleson and Cellco Partnership d/b/a Verizon Wireless, represented by American Tower Delaware Corporation, and authorize the City Manager to execute and deliver said Agreement. This Amendment extends the current lease term and provides for seven additional five-year renewal terms. The Agreement includes updated terms for rent escalation, a one-time administrative fee payment of \$15,000, and provisions for revenue sharing from additional sublease agreements. (Finance Department)

7. Approve First Amendment to the Professional Services Agreement between the City of Tolleson and Extrication Concepts, LLC for Holmatro rescue equipment and maintenance services, and authorize the City Manager to execute and deliver said Agreement. The City desires to amend the existing Agreement to increase the annual aggregate amount from \$100,000 to \$130,000 for additional equipment and services. (Fire Department)
8. Approve First Amendment to the Cooperative Purchasing Agreement between the City of Tolleson and CDW Government, LLC for Software Value Added Reseller Services, and authorize the City Manager to execute and deliver said Agreement. The City desires to amend the existing Agreement to increase the annual aggregate amount from \$200,000 to \$250,000 for additional services. (Information Technology Department)
9. Approve the Professional Services Agreement between the City of Tolleson and Unplugged Performance, Inc. for the procurement, assembly, and upfit of electric police vehicles, and authorize the City Manager to execute and deliver said Agreement. The City shall pay the Contractor an annual aggregate amount not to exceed \$300,000 for equipment and services. This Agreement shall remain in full force and effect until June 30, 2025 and shall automatically renew for four successive one-year terms. (Police Department)
10. Approve the Chemical Purchase Agreement between the City of Tolleson and PureOps, LLC for the emergency procurement of equipment for the Tolleson Wastewater Treatment Plant (chlorine room), and authorize the City Manager to execute and deliver said Agreement. The City shall pay the Contractor an annual aggregate amount not to exceed \$200,000 for the equipment. This Agreement shall remain in full force and effect until June 30, 2025 and shall be renewed for up to three successive one-year terms. (Utilities Department)

Council Member Gámez moved to approve Consent Agenda items 1. through 10.; the motion was seconded by Council Member Laborin. The motion carried 7 to 0.

Mayor Rodriguez – Aye

Vice Mayor Davis – Aye

Council Member Chavira – Aye

Council Member Erives – Aye

Council Member Gámez – Aye

Council Member Laborin – Aye

Council Member Mendoza – Aye

I. REGULAR AGENDA – ACTION ITEMS

1. Approve/Deny the Professional Services Agreement between the City of Tolleson and LEA Architects, LLC for architectural and engineering services for the design of a new utility operations building, and authorize the City Manager to execute and deliver said

Agreement. The City shall pay the Consultant an amount for the services at the rates set forth in the Fee Proposal. The maximum aggregate amount for this Agreement shall not exceed \$860,943. This Agreement shall remain in full force and effect until June 30, 2025 and shall be renewed for up to two successive one-year terms. (Development Services Department)

Council Member Laborin moved to approve the Professional Services Agreement; the motion was seconded by Council Member Gámez. The motion carried 7 to 0.

Mayor Rodriguez – Aye

Vice Mayor Davis – Aye

Council Member Chavira – Aye

Council Member Erives – Aye

Council Member Gámez – Aye

Council Member Laborin – Aye

Council Member Mendoza – Aye

2. Adopt/Deny Ordinance No. 613 N.S. of the Mayor and City Council of the City of Tolleson, Arizona, amending the Tolleson City Code, by amending Chapter 9 Animals, Article 9-1 General Rules and Regulations, Section 9-1-20 Control of Cats; and Article 9-2 Cruelty and Neglect of Animals, Section 9-2-4 Neglect Prohibited and Section 9-2-7 Impounding and Disposing of Dogs and Cats; Reclaiming Impounded Dogs and Cats; Pound Fees; providing for repeal of conflicting ordinances; providing for severability; and providing for penalties. (Police Department)

Vice Mayor Davis moved to adopt Ordinance No. 613 N.S.; the motion was seconded by Council Member Chavira. The motion carried 7 to 0.

Mayor Rodriguez – Aye

Vice Mayor Davis – Aye

Council Member Chavira – Aye

Council Member Erives – Aye

Council Member Gámez – Aye

Council Member Laborin – Aye

Council Member Mendoza – Aye

J. WORK STUDY AND PRESENTATIONS – FOR DISCUSSION

1. Discussion pertaining to the potential development of an extended stay hotel, Echo Suites Extended Stay by Wyndham, on the property located at the southeast corner of 91st Avenue and McDowell Road. – Jason Earp, Development Services Director

K. MAYOR AND CITY MANAGER’S REPORT OF CURRENT EVENTS – FOR DISCUSSION

1. Notice of cancellation of the City Council Meetings scheduled on Tuesday, July 22, 2025 and August 12, 2025 for summer recess, Tuesday, November 25, 2025 for fall recess and Tuesday, December 23, 2025 for winter recess.

The City Council Meeting scheduled on Tuesday, November 11, 2025 will be rescheduled to Wednesday, November 12, 2025 due to Veterans Day. The City Hall holiday closure is scheduled from December 22, 2025 to December 26, 2025.

L. CONVENE INTO EXECUTIVE SESSION

1. Motion to go into executive session.

Council Member Gámez moved to convene into executive session at 7:52 PM; the motion was seconded by Council Member Erives. The motion carried 7 to 0.

Mayor Rodriguez – Aye

Vice Mayor Davis – Aye

Council Member Chavira – Aye

Council Member Erives – Aye

Council Member Gámez – Aye

Council Member Laborin – Aye

2. Convene into an executive session pursuant to A.R.S. § 38-431.03(A)(3) and (A)(4) to receive legal advice and discuss and consult with the City Attorney regarding the City's position relating to negotiations for a development agreement.
3. Convene into an executive session pursuant to A.R.S. § 38-431.03(A)(1) and (A)(3) for discussion or consultation for legal advice with the City Attorney regarding the findings of an investigation related to a complaint received against a public officer.

M. RECONVENE INTO PUBLIC MEETING

N. ADJOURNMENT

Council Member Gámez moved to adjourn the Regular City Council Meeting; the motion was seconded by Council Member Mendoza. The motion carried 7 to 0.

Mayor Rodriguez – Aye

Vice Mayor Davis – Aye

Council Member Chavira – Aye

Council Member Erives – Aye

Council Member Gámez – Aye

Council Member Laborin – Aye

Council Member Mendoza – Aye

The meeting was adjourned at 9:02 PM.

Pursuant to A.R.S. § 38-431.01 and A.R.S. § 38-431.02, notice is hereby given to the members of the Tolleson City Council and to the general public that the Council of the City of Tolleson will hold a meeting open to the public. Council Members of the City of Tolleson will attend by telephone/video conference call.

Note: The City Council of the City of Tolleson, by a duly passed motion, may vote in public session to adjourn to executive session on any agenda item in conformation with A.R.S. § 38.431.03 for legal advice from the City Attorney.

Zoom's live transcription feature can provide automatic captioning by clicking on the Closed Caption (CC) button during the meeting.

THE CITY OF TOLLESON ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO INDIVIDUALS WITH DISABILITIES. With at least two business days advance notice, accommodations can be provided at this meeting for individuals with vision, hearing and/or speech disabilities, including a transcriber, large print, an interpreter, an assistive listening device, etc. Please call the City Clerk at (623) 936-7111, or TTY users may dial 711 for Arizona Relay Service (AZRS), to request an accommodation to participate in this public meeting. The City will try its best to accommodate any last minute requests.

LA CIUDAD DE TOLLESON SE ESFUERZA PARA HACER TODAS LAS REUNIONES PÚBLICAS ACCESIBLE PARA INDIVIDUOS CON DISCAPACIDADES. Con al menos dos días laborables de previo aviso, se pueden proporcionar adaptaciones en esta reunión para personas con discapacidades visuales, auditivas o del habla, incluido un transcriptor, letra grande, un intérprete, un dispositivo de asistencia auditiva, etc. Llame a la Secretaría Municipal al (623) 936-7111, o los usuarios de TTY pueden marcar 711 para el Servicio de Retransmisión de Arizona (AZRS), para solicitar un alojamiento para participar en esta reunión pública. La Ciudad hará todo lo posible para satisfacer cualquier solicitud de último minuto.

City of Tolleson

Checks Recorded

Check Dates: December 4, 2024 to January 7, 2025

PAYMENTS OVER \$50,000

CHECK NUMBER	CHECK DATE	VENDOR NAME	AMOUNT
183027	12/12/2024	PIERCE COLEMAN PLLC	148,500.00
183068	12/19/2024	AZ MUNICIPAL RISK RETENTION POOL P & C	131,879.13
182959	12/10/2024	PEORIA FORD	95,332.43
182962	12/10/2024	PEORIA FORD	95,332.43
182958	12/10/2024	PEORIA FORD	89,507.70
183073	12/19/2024	ASR CONSTRUCTION GROUP LLC	88,346.31
182960	12/10/2024	PEORIA FORD	87,456.82
182961	12/10/2024	PEORIA FORD	87,456.82
182963	12/10/2024	PEORIA FORD	87,456.82
183031	12/12/2024	PUREOPS LLC	80,925.14
182952	12/10/2024	ADAPTIVE ARCHITECTS INC	77,785.00
183127	12/19/2024	SAN TAN AUTO PARTNERS LLC	67,668.93

City of Tolleson

Checks Recorded

Check Dates: December 4, 2024 to January 7, 2025

PAYMENTS FOR \$10,000 - \$49,999

CHECK NUMBER	CHECK DATE	VENDOR NAME	AMOUNT
183146	12/19/2024	VEOLIA WTS SOLUTIONS USA, INC.	47,382.40
182978	12/12/2024	SUPERION LLC	47,268.34
182937	12/05/2024	SAGUARO SUMMIT, LLC	43,012.84
100167	12/20/2024	AZ PUBLIC SAFETY RETIREMENT, FIRE	42,319.02
100137	12/09/2024	AZ PUBLIC SAFETY RETIREMENT, FIRE	41,943.27
100178	01/03/2025	AZ PUBLIC SAFETY RETIREMENT, FIRE	39,083.88
100172	12/20/2024	KIMLEY-HORN AND ASSOCIATES, INC.	34,930.50
100179	01/03/2025	AZ PUBLIC SAFETY RETIREMENT, POLICE	34,667.36
100168	12/20/2024	AZ PUBLIC SAFETY RETIREMENT, POLICE	33,882.96
100138	12/09/2024	AZ PUBLIC SAFETY RETIREMENT, POLICE	33,282.39
182940	12/05/2024	ECONOLITE CONTROL PRODUCTS, INC.	29,161.04
183068	12/19/2024	AZ MUNICIPAL RISK RETENTION POOL P & C	27,482.36
183068	12/19/2024	AZ MUNICIPAL RISK RETENTION POOL P & C	27,296.85
182936	12/05/2024	CDW-GOVERNMENT INC	23,224.85
183067	12/19/2024	ADAPTIVE ARCHITECTS INC	21,050.00
183120	12/19/2024	PIERCE COLEMAN PLLC	20,250.00
183120	12/19/2024	PIERCE COLEMAN PLLC	20,250.00
182956	12/10/2024	FACILITEQ AZ LLC	19,998.00
100180	01/03/2025	DH PACE COMPANY, INC.	19,977.04
183149	12/19/2024	WACO LLC	19,742.03
183012	12/12/2024	LYFT, INC.	19,714.32
182912	12/04/2024	LYFT, INC.	18,256.01
183077	12/19/2024	BROWN AND CALDWELL	17,923.80
100163	12/17/2024	KIMLEY-HORN AND ASSOCIATES, INC.	17,180.00
100146	12/09/2024	MATLICK ENTERPRISES INC	17,074.79
182964	12/10/2024	TRANSACT COMMERCIAL FURNISHINGS INC	16,619.78
182926	12/04/2024	VAN LOON INDUSTRIES	15,824.15
100180	01/03/2025	DH PACE COMPANY, INC.	15,673.36
100180	01/03/2025	DH PACE COMPANY, INC.	15,673.36
183151	12/19/2024	WEST TECH LLC	15,550.35
183117	12/19/2024	Metropolitan Life Insurance	15,496.54
182953	12/10/2024	ANDRUS PROPERTIES INC	15,235.00
183172	01/02/2025	HILL BROTHERS CHEMICAL CO.	13,774.00
183120	12/19/2024	PIERCE COLEMAN PLLC	13,500.00
183094	12/19/2024	FERGUSON US HOLDINGS INC	12,290.05
100166	12/20/2024	ARMOR PROTECTION GROUP INC	12,000.00
183192	01/02/2025	VERIZON WIRELESS SERVICES LLC	11,474.76
182902	12/04/2024	CONTAINER CANOPIES LLC	10,765.76
100133	12/05/2024	CITY OF TOLLESON-MEDICAL	10,561.01
183118	12/19/2024	MOBILE CONCEPTS TECHNOLOGY LLC	10,321.94
182957	12/10/2024	HAYDON BUILDING CORP	10,048.50

Post-Production File

City of Tolleson
City Council Meeting Minutes
January 14, 2025

Transcription Provided By:
eScribers, LLC

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Transcription is provided in order to facilitate communication accessibility and may not
be a totally verbatim record of the proceedings.

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MAYOR RODRIGUEZ: All right, folks. I think my green light's on. It is. Good evening. Today is January 14th, 2025. And I'd like to welcome everybody here to our Tolleson City Council Meeting. I am your Mayor, Juan F. Rodriguez. And we're going to get started with our invocation and our Pledge of Allegiance. I'm going to ask our city attorney if he will please provide us with the invocation, and then we'll follow with Vice Mayor Davis giving us the Pledge of Allegiance.

ARNSON: Lord in Heaven, with gratitude we approach thee in prayer, thank thee for this time to gather as a public body, as elected officials, as staff, as citizens, as residents of this good city. We ask thee for thy blessing and guidance, that thy Holy Spirit might direct our paths. Bless us that we will be able to act in accordance with thy will and in the best interest of those whom we serve and love. Bless our families, bless those who are experiencing struggles and challenges, especially in times of strife and war, of times of fire and natural disaster. We pray that we might be inspired with the ability to see ways that we can assist and provide aid. And grant us these blessing we pray, in thy son's name, in the name of Jesus Christ, amen.

DAVIS: Amen.

MAYOR RODRIGUEZ: Amen.

ALL: I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

MAYOR RODRIGUEZ: All right. City Clerk, please let the record reflect that all councilmembers are present. Roll call is complete.

Final Call to Submit Speaker Requests. That was a final call to submit speaker requests to the City Clerk. All speakers will be limited to three minutes for comments only. Actions taken as a result of public comments will be limited to one, responding to criticism; directing staff to review the matter; or three, asking that a matter be put on a future agenda.

City Clerk, do we have any at this time?

ZAMORA: We do not, Mayor.

MAYOR RODRIGUEZ: All right. Moving on to Call to the Public. This is for non-agenda

action items, or non-agenda items. It's now time to Call to the Public. City Clerk, do we have any submissions for non-agenda items?

ZAMORA: We do not, Mayor.

MAYOR RODRIGUEZ: All right. Scheduled Public Appearances. The first one is on our agenda, but just for general purposes, it was going to a Speak Up, Stand Up, Save a Life Month proclamation at the request of the -- the people that filed it. They want to postpone to a later date. So it's still a great cause; we're just not going to be proclaiming it right now.

So we're going to watch a Sound the Alarm Event and the Red Cross Tolleson Blood Drive. I want to turn it over to our Chief Preparedness Officer, Chief Good. I turn the floor over.

GOOD: Council, we have a couple big events coming up with the Red Cross this Saturday and the following Saturday, the 18th and the 25th. And here to tell us more about it tonight is Jim Olson; he's the director of the American Red Cross, the Central Region, the Board Chair. So Jim, if you would please share it with them?

OLSON: Thank you so much. I appreciate the time today, and, you know, everybody on the council and leaders within the City of Tolleson, you guys have been great partners for us already.

And little bit more background, we're working on community resilience across the country, the American Red Cross is. And we're very proud that the City of Tolleson is working with us hand in hand to make your community more resilient. God forbid there is a, you know, any kind of natural disaster that would happen here like what's going on in California. Our hearts go out to everybody there. But that's a part of what we're trying to build.

So I just wanted to talk briefly about two upcoming events. The first one, as was mentioned, was a Sound the Alarm event. And it's a canvassing event that we're doing in cooperation with the fire department to put smoke alarms in homes of people that otherwise don't have the means to get them. So we're going to canvas the community, we're going to put smoke alarms into people's homes, and give them opportunities to

basically, you know, save lives, if God forbid something happens to their home.

The location of the event is here. We are taking volunteers. We have about 60 different people that are be -- going to come out here for that particular event. But more the merrier. So if anybody on the council or anybody on the City is still interested in helping and coming, you're more than welcome to be there. The event is scheduled to start at 7 a.m. with registration and breakfast at 8. And then we're going to conclude at about 11:30 with the fire department making hot dogs for us. So very excited about that cooperative effort.

Secondly, on the 25th, so the following Saturday, we're actually doing a community blood drive. And that's something that the Red Cross obviously desperately needs too, is blood, so that we can service our community and the greater community around us in Phoenix and quite frankly, the region.

So thank you for your partnership. It's truly appreciated by us at the American Red Cross, and we look forward to continuing to work with you to help your city be resilient in the event that there is a disaster. So thank you very much.

MAYOR RODRIGUEZ: Well, thank you, Mr. Olson.

UNIDENTIFIED SPEAKER: Yeah.

MAYOR RODRIGUEZ: Obviously, partnerships is a two-way street, so we want to thank the Red Cross for picking our city and our fire department and our staff to partner with, and we look forward to really good things coming out of this effort.

OLSON: Yeah, thank you, Mayor.

MAYOR RODRIGUEZ: Thank you.

GOOD: Mayor, if I could just finish this up and that is that we've always asked and leaned on council because of your leadership in the community and you -- people look up to you folks. If we can ask you guys to recruit for the blood drive for the 25th, that would be great. I know we did that before and we got kind of a -- we had -- well, we had a great turnout the day we did it. And any input or advice that you guys have or encouragement to other people in the community to sign up for the -- that blood drive, would be greatly appreciated. We've talked about it before, how it's Latin Gold, that

Hispanic blood, that O plus. So let's get all we can. We never know when we're going to need it. So if you guys can do that, that would be greatly appreciated. Thank you.

MAYOR RODRIGUEZ: And I did see some stuff on Facebook for the upcoming event this Saturday. And so, if you have Facebook or other types of social media, please share it, get it out to the community so we have a really good turnout and we can benefit the maximum amount of residents, especially when it comes to the fire department, that's pretty awesome.

GOOD: They're looking, very humbly -- he didn't say, but they're looking 800 to 1,000 (indiscernible).

MAYOR RODRIGUEZ: Oh.

UNIDENTIFIED SPEAKER: Oh, wow.

GOOD: (Indiscernible) get our fire department cooking, but they'll also be out there patrolling during the event, making sure everybody is safe in the street and so forth. So yeah, here they are now, so.

MAYOR RODRIGUEZ: Wonderful.

GOOD: They'll be out there for that event.

GAMEZ: Good.

MAYOR RODRIGUEZ: All right.

CHAVIRA: George, if someone wants to sign up, how can they do that?

GOOD: We will get you the link, their QR code, and we'll get that to all of you when you --

CHAVIRA: Okay. Right.

GOOD: We'll get it shared on social media and get it out to you.

CHAVIRA: Okay. Perfect.

UNIDENTIFIED SPEAKER: Mayor -- Mayor (indiscernible).

CHAVIRA: Perfect.

UNIDENTIFIED SPEAKER: (Indiscernible).

CHAVIRA: Awesome. Thank you.

UNIDENTIFIED SPEAKER: (Indiscernible).

CHAVIRA: Okay. Perfect.

MAYOR RODRIGUEZ: Other Council Members, any questions, comments?

GAMEZ: Just really quickly. Now, the Red Cross is also coordinating the efforts in terms of raising funds for the wildfire in L.A., is that correct?

OLSON: Yes, that's correct. So there's many ways that you can donate. If you just go to AmericanRedCross.org, you can donate specifically to that fire event. And we're doing that clearly all across the county. But --

GAMEZ: (Indiscernible).

OLSON: -- there is a big need there. We do have shelters set up there currently, so we're housing people that are otherwise unhoused as a result of losing their home. And we'll typically be there for 30, 60, 90 days, quite frankly however long it takes. Just as an example, I had mentioned this just earlier, but the Maui fire that happened, we just recently left there. We were there that long. So we're there as long as we need to be to help cities recover. But that's why we want to build resiliency so that the recovery is quicker.

ERIVES: Great.

GAMEZ: Well, Mr. Mayor, I just -- I would like to know if it's possible, maybe consider the city maybe giving some kind of donation to help L.A. and then pose a challenge to the West Valley Cities to do the same.

I'm sure we have family in L.A. and California, people on the council, people in the community have relatives. Any help they can get I'm sure they'd appreciate it. We go through the Red Cross, if we can put it on our website, have our community members say you guys want to give, give to the Red Cross and make sure that you want it -- it goes to L.A. to help them out out there, that'd be great. Just to get the word out. And I don't know if we can in this city or not, but I think if we could, I would love for us to do that and challenge others. Because they do need the help. You look at the fire, watch TV, it just -- it just unbelievable. And these people are left with nothing. Nothing. So, you know, anyway we can help, and I -- I think that we -- if we can, we should. That's just, again, me saying it.

OLSON: Yeah, very much appreciate that.

MAYOR RODRIGUEZ: Good idea. Yeah, it's unfortunate what's happening and hopefully they get control of it sooner than later. But yeah, the staff can look into it, see what possibilities we can -- if it's possible to do a West Valley challenge or even a valley-wide challenge, and then of course we can get with the finance folks and our attorneys to figure out how --

GAMEZ: Yeah.

MAYOR RODRIGUEZ: -- how to work all that out. But great suggestion. We should definitely look into it.

OLSON: Yeah, we can talk more about that for sure.

GAMEZ: That's great, thank you.

OLSON: Thank you.

ERIVES: Thanks.

MAYOR RODRIGUEZ: Thank you, Mr. Olson, appreciate it.

OLSON: You're welcome.

MAYOR RODRIGUEZ: Thank you. We're going to move on to Item Number 3. This is a presentation on the Tolleson Aquatic Center update, Adaptive Architecture. And where's Mr. Randy Babchuk?

BABCHUK: Thank you, Mayor and Members of Council. Back in September, if you remember, we came to you guys with four different layouts that we presented. And then you guys did have some recommendations that you guys would like to see. We have Vince Di Bella here tonight with us with Adaptive Architects, and he'll be going over some of those requests and how they incorporated that for you guys.

MAYOR RODRIGUEZ: Awesome.

DI BELLA: Hello, Mayor and City Council, thank you. I have a brief presentation tonight for you on the Aquatic Center. But I want to give a shoutout to your staff; they've been fantastic to work with, especially Randy and Chris (ph.). We bug them constantly for information, and -- and they've been great, great response to them -- for them.

All right. So the Aquatic -- Tolleson Aquatic Center -- oops, go in advance here. So the

site, obviously on Van Buren Street, the police station is to the east, there's a water conservation canal on the west. The site access is from Van Buren. You can see that, kind of, swoop and swerve of the driveway as well as the building form. On the east is all the parking. On the west are the two aquatic pieces, the competition pool on the north, the recreational pool on the south. And is -- and it's kind of divided with this center pavilion piece that we've been working on as well. It's all consistent with the plans you've seen before; we just have more detail for that. On the right is an enlarged floorplan of the building.

So is there a pointer on this? No.

UNIDENTIFIED SPEAKER: No, is there a pointer on there?

UNIDENTIFIED SPEAKER: No.

DI BELLA: Okay. So the center -- center where the red spot is there on the -- on the plan on the right is the main entry. To the left of that is the main pool house, bath house that takes you out to the aquatics deck area. And then to the right we have a classroom space, interior concession space, as well as administrative offices in the yellow.

As you progress further to the -- up to the north, there's another bath house that serves the competition pool. And that purple space is the fitness center as it relates to fitness component to the facility. The orange pieces on the two endcaps of the building is all the pump equipment and filtration equipment that serves the -- the competition pool and the recreational pool respectively.

Kind of a bird's-eye view, it helps you out and visualizes more of the recreation pool on the lower right, competition pool on the -- on the upper left. That center pavilion piece is where -- it's a turf area, artificial turf. The idea of the area, it's a completely shaded area. And that'd be also a location for we would hold the movie nights. That was kind of a big piece in the programmal [sic] -- program space of the -- of what the community wanted to see was the opportunity to have movie nights in the pool -- in the pool area. We have a fantastic slide, two-structured slide for the recreational pool. Still a work in progress. But again, that's two slide pieces, one's higher, one's lower. One for the -- for the older kids, one for the younger kids in the -- in the dive -- in the pool area.

We have rock outcroppings and as well as play features that relates to the zero entry side of the pool. So you don't see a lot of detail yet, but there's a lot of play features related to the zero entry. And zero entry is on the kind of north end of the recreational pool where you can just walk right in and there's all kinds of play features for smaller kids. And then it -- then it goes into the lazy river piece where more of your teenager-style or adults would -- would frequent.

So another view from, kind of, at the recreation pool looking towards the slide. Sorry. Kind of gives you an idea on how high the slide is, the nature and character of the lazy river, the rock outcroppings where water would be filtering over that edge as it relates to that, and kind of looking towards the pavilion and the entry of the -- to the -- to the deck area.

A view from the other side looking towards the lazy river. There's the -- again, you see a slide piece, gives you orientation. And then you kind of see a glimpse of the -- of the pavilion piece as it relates to the lazy river.

From the competition pool looking towards that center pavilion space. So this is where the comp area is; the diving wall is off the screen to the left. And as you look down, you can see the kind of pavilion structure, that's kind of the center -- center showcase of -- of bridging the space between the two pools. The idea there is that when the competition pool is not in use or when the lazy river pool is not in use, we have garage door-like structures that come down. You can separate the two -- the two bodies of water so that if you have a competition pool in the wintertime where they usually have the tournaments, you can separate out from the recreational pool and not have to worry about maintaining and/or staffing that area of the pool. So it's -- it's provided you those dual functions.

And this is kind of underneath the canopy over the centerpiece of the pavilion space. Looking out towards the lazy river gives you a sense of how that is covered and shaded. We also have a lot of other shade elements along the pool deck that we're working on. This is kind of the key area; as you come out of the bathhouse or the main entry, you're walking underneath this pavilion space. And it bridges -- again, it's transition between

the competition pool to the left and the recreational pool to the right.

That concludes the presentation as to where we're at. It's a work in progress; we're still working on it. And Randy, turn it over to you.

BABCHUK: Thank you, Vince. You know what, Adaptive Architect's been really good with changes and everything that we've been throwing at them. So they've done a lot of work to this point. I know we have Jason to talk about some of the timeline for you guys from Chase (ph.). I know that's what you guys are all, you know, in tune for, so we'll give it over to Jason.

MAYOR RODRIGUEZ: Before we go, I did have a question. Is there any part of the pool that's going to be heated?

BABCHUK: The competition pool will be heated, yes.

MAYOR RODRIGUEZ: So we can train lifeguards in the wintertime for example.

BABCHUK: Absolutely. Yep.

MAYOR RODRIGUEZ: Okay. Good to know. Thank you. If there's any other questions, Council Members?

EARP: Thank you, Mayor, Members of the Council.

UNIDENTIFIED SPEAKER: What'd you say?

EARP: I said thank you.

UNIDENTIFIED SPEAKER: Oh.

UNIDENTIFIED SPEAKER: Oh.

MAYOR RODRIGUEZ: So no questions at this time?

UNIDENTIFIED SPEAKER: I had questions.

MAYOR RODRIGUEZ: Yes, go ahead.

UNIDENTIFIED SPEAKER: Lockers. How many -- I mean, you're going to have enough lockers for people to come and when they have competition and stuff for everybody?

BABCHUK: Yeah, we will have lockers on both sides in -- in both sets of restrooms, yeah.

MAYOR RODRIGUEZ: Sorry about that, Jason.

EARP: Try it again. Thank you, Mayor, Vice Mayor, Members of Council. So before I go into schedule, I just wanted to say a few things about this project.

So we came to you several times, and remember we had all the concepts, and we think we kept -- we don't think, we know we captured everything that you wanted in the design that Vince just portrayed.

Now, we have all the bells and whistles in this building. So we just got a -- an updated number today, which is -- is a lot more than what our budget allows for. So just a question since we're -- now we're going into budget, is it something that we want to -- this is -- we want this to be our one and only chance, you know, feature here in Tolleson. Keep as is. Then we'll figure it out during the budget season, or --

MAYOR RODRIGUEZ: Wait, what did you say?

EARP: -- do we want to do some value engineering, start changing some things, keep all the same basic functions obviously?

MAYOR RODRIGUEZ: What are we talking about as far as numbers? I mean, how big of a difference are we talking about? Because I know we have some reserves, but I just -- we talking 30 million extra or?

UNIDENTIFIED SPEAKER: (Indiscernible).

EARP: What was our original budget?

22, so you're looking about \$15 additional million dollars.

MAYOR RODRIGUEZ: Additional million?

EARP: Correct. Which we knew. For example, Avondale, their initial budget was 16 million, and they ended up spending 30. Casa Grande was the same way.

MAYOR RODRIGUEZ: My thought is, we got -- we got one opportunity to make this a great facility. And that's great for our community, but it's also great for our staff. So the bells and whistles a lot of times, you know. But really, it makes the functioning of the building that much greater. And if the building is easier to manage, the service to the community is that much greater as well.

So I think we do it right the first time and if we have to do some -- some smart moving the money or whatever we need to do, we have the right person to figure that out. And we can certainly look into it. But I would like to build it as it's supposed to be.

EARP: Okay. Then so, the reason why we wanted to bring it up tonight was so now we

can start working with Vince now if there was going to be any kind of changes and stuff.

GAMEZ: I agree with the Mayor. I think that if you're going to do it, do it right, do it now. Also think that down the road, we'll be able to have competition state-wide to come to Tolleson because we'll have state-of-the-art pool. The competition will happen here. Something that probably doesn't happen in the West Valley right now. So we'd have a corner of the market on that sucker.

EARP: Absolutely Councilmember. And that's one of our goals is to bring Olympic trials to the West Side. So our -- our facility would be an Olympic size. Everything matches up. We've been working with the best of the best to make sure that the requirements are met so we can bring those types of events to our city. So.

GAMEZ: Perfect.

EARP: I mean, yes, the -- the cost did go up, but we went from a three-acre area to a seven acre. So a lot of things, kind of, were able to be pushed out a little more, and made a little more comfortable for -- for the community as well.

MAYOR RODRIGUEZ: And when we started this, our revenues were much lower, and those have increased as well. So other comments from -- Jimmy?

DAVIS: Let's do it. I mean, well, our community wants this, let's do it right, let's give them the best because they deserve it.

MAYOR RODRIGUEZ: Absolutely.

EARP: Thank you, Mayor. So on the schedule, we're -- on the design, sixty-five percent submittal is planned for early February, ninety percent early April, and final, sometime in May. Right?

And then, more than likely, right in June we'll jump into construction, and Chase has given us about a 16-month buildout time. So 16 months from -- from June.

Unless you have any other questions, that's all we have.

MAYOR RODRIGUEZ: About three years out from -- two years from June? So about three years. Okay. Questions, comments? No. A year and four months from June.

GAMEZ: Good job.

MAYOR RODRIGUEZ: Okay. Well, we just need to get it done, yeah.

As far as the design goes, I like the shade. I mean, a lot of people don't -- don't -- they think of a pool they think, oh, you know, you can cool down and stuff. But the reality is, a lot of people that fall out in public pools, is because of the heat exposure. So the fact that we have incorporated heat that's not a plant, so if a tree falls down, you lose your shade. You know, not to mention the trees would cause a lot of debris to fall into the pool, but to have it incorporated where it's going to be consistent, it's a really good -- it's a really good thing.

I like the lazy river, you know, we got to get people away from the canal, so this would be a good place to put them. And I like the fact that it has a turnoff at the top where the pumps are at, so if -- if we are going to do, let's say a chlorine system or whatever -- whatever chemicals need to be delivered, it's -- it's kind of on its own and it's -- it's a secure area, separate from the programming element.

So I like it the way it -- the way you guys have redesigned it. So I thank you for your efforts.

And I will open it up to Council if there's any other comments --

DAVIS: I have kind of a silly question; doesn't that artificial turf stuff get kind of hot in the summertime?

BABCHUK: It does. What you can do to mitigate that too is you rinse it off and then it's -- it'll be shaded too. So --

DAVIS: Okay.

BABCHUK: -- it won't get as hot.

DAVIS: Okay.

MAYOR RODRIGUEZ: Good question. Other questions, comments?

CHAVIRA: I just want to say thank you. I think we had some concerns about how it was going to look from the street and safety with a canal and with a street, and you did a beautiful job. And I think it's just -- it's going to be wonderful to have that buffer in between and just really makes it look park-like.

So thank you, it was a great job. And the changes that were made.

MAYOR RODRIGUEZ: All right. Last call. All right. Thanks again, sir, appreciate it.

Thank you, folks. Look forward to swimming pretty soon here.

All right. We're going to move on to Item Number 4. This is MAG 101 for Elected Officials. And our executive director of MAG, Ed Zuercher, you will have the floor, sir.

Thank you for coming out and joining us today.

ZUERCHER: Thank you, Mayor Rodriguez, Members of the Council, good to be here with you this evening. As the Mayor said, I'm Ed Zuercher, I am the Executive Director of the Maricopa Association of Governments. We were invited to come here tonight to just give you a little bit of information about MAG. You maybe hear about it or read about it occasionally, and this will just kind of help give some context.

I want to thank Mayor Rodriguez; he's a faithful attendee and participant in our MAG meetings. Also, your city manager. And I'll show you a couple of slides here where they fit into that. Also, with me this evening is Assistant Executive Director Audra Koester Thomas. She'll talk to you about some of the substantive programmatic issues at MAG. And also, Samantha Klakulak, who is our Government Relations Director, is here.

With that, I'll just jump into it.

So the MAG region is one of the largest regions of this type in the county. MAG was almost -- is almost 60 years old. Councilmember Gamez, I know you had experience at MAG and had been down to the building more times than you wanted to probably as well. It is a voluntary association of all the governments in the region. It serves several functions, which I'll get in to. But it was formed on the idea that the local governments together were the best ones to serve the residents of the region. And so, we'll talk a little bit about some of the things that happened through MAG and how they benefit Tolleson and the region as well.

It is a forum for cities, the counties, and Native nations to get together to talk about issues that are important. MAG was actually formed to -- when some -- when mayors got together and said, you know what, we need to have a way to have consistent street construction guidelines across the region. That was some of the first work at MAG was designing consistent street construction guidelines, and it's grown since then.

This is the region; there's 32 members of MAG. All 27 cities and towns in the region,

including in northern Pinal County and Pinal County, Florence, and the City of Maricopa are members. As well as Queen Creek and Apache Junction, which are in both Maricopa and Pinal. Pinal County itself is a member. And then all the cities and towns in Maricopa County plus the Maricopa County Government itself. In addition, our three Native nations, Salt River Pima-Maricopa, Gila River, and Fort McDowell Yavapai are also members. So those are the 32 members. There's actually now about 5 million residents in the region. So I always say by size, if this were a state, it would be the twenty -- it would be the -- it's larger than the State of New Jersey by size. And by population it would be the 25th largest state in the United States. So this is a big area, and these are the members who come together to work on issues at MAG.

This is a structure, which is -- I won't get into the details. But the yellow are the committees that staff members sit on. And I want to commend your staff for being very careful and deliberate that Tolleson staff members are on all the committees that are relevant to you. You've been very good about having your staff members attend. They work on issues and then they -- we -- we send them up the chain.

As you see the chain sort of goes through the Management Committee. Mr. Medrano is a long-standing member of the Management Committee. The Management Committee sends it on to the Regional Council. Mayor Rodriguez is a member of the Regional Council. Every city, county, and Native nation has one vote, so there's 32 equal votes on the council and on the Management Committee to pass things. And that's really, I think, the secret of success for MAG. As regardless - whether your Phoenix, with 1.8 million people, or Gila Bend with 1800 people, the mayors and leaders come together with one vote each and they make things work. And it's -- it's worked out very well.

There are responsibilities. MAG is both a Council of Governments, which is where governments get together and talk about things that are important, like building codes. We are also a Metropolitan Planning Organization; that's a more technical and legal construct that really has to do with transportation funding. So the Federal Government in the 1970's said that for any region of 50,000 people or more, there had to be one of these Metropolitan Planning Organizations to plan transportation. Because they didn't

want to give -- have to give money -- figure out how to give money to Scottsdale and also then to Phoenix, and then Tolleson, and then Gila Bend. They wanted us to figure it out, and they'll give money in one batch to one group, and then we figure it out. And so that's what's happened here.

So largely what -- what MAG spends a great deal of its time on is transportation. This map just shows in the State of Arizona there are a few metropolitan planning organizations in Prescott, in Flagstaff, MetroPlan, here in MAG in the Phoenix region, Tucson, Yuma, Bullhead City, Lake Havasu City. Those are the -- the Metropolitan Planning Organizations, but everywhere is represented by a Council of Government. We happen to be both at once; it's more efficient that way. Tucson is the same with PAG doing the -- the same thing.

Our responsibilities from the Federal Government designation as the Metropolitan Planning Organization, it's really about transportation. We also do water quality management planning. That's not water supply; that's others. This is water quality, which is sewer related. So we work with your staff on water quality management, which is sewer plants and making sure that they're supplied and serviced throughout the region.

The air quality has become more and more important for us as we do planning for air quality, which impacts your economic development. And we've talked more than Mayor Rodriguez probably ever wanted to hear and learn about ozone and particulate matter, but we are responsible to do the air quality planning here.

And solid waste management planning as well. So all the solid waste jurisdictions come together at MAG to talk about planning that as well.

From the State, we have responsibility for freeway planning, arterial streets, and transit. We also help population projections. We are the ones who develop what's the growth rate this year, how many people live in which -- which part of the region. And then we do some human services planning as well.

With that, I'm going to turn it over to Audra. She'll walk you through the -- the main areas that we do, and a little bit of how that impacts Tolleson on a daily basis. So Audra.

KOESTER THOMAS: Thank you, Ed. So I'll start with transportation. That largely our core business, we spend a lot of time talking about the work that we do in transportation guided by these three core documents.

The first is our Regional Transportation Plan. That's a federally required document that's intended to articulate a vision or a blueprint long range for the region, looking at least 20, 25 years out into the future.

Also guided by the Transportation Improvement Program, which is similar to a near-term program, not dissimilar to your Capital Improvements Program here at the local city level; it's a nearer term, so the next five years the specific projects and investments that we see on the horizon.

And then this is all guided ultimately here in this region by the Regional Strategic Transportation Infrastructure Investment Plan, which is a really long name for the document that guides now the successful Proposition 479 program for the next 20 years here in the Maricopa region for transportation improvements.

This is that Prop 479 plan for which was developed at MAG over the course of five years with the leadership direction provided by each of our communities. Ultimately successful at the legislature a few years later, and then, of course, November 5th with an overwhelming amount of support from Maricopa County voters two months ago. We won't spend a lot of time on the discreet projects here, but this is another way of looking at that exact same plan.

As Ed had already mentioned, there's three major components to that plan. A freeway component, an arterial program component, as well as a transit component. The map I showed you previous shows the geographic distribution of some of those projects. This is looking at that exact same program with kind of a quantitative element to it. You see here the miles of freeway investment or transit investment that we have in that 20-year program.

Key issues in transportation right now, of course, was the extension of the dedicated half-cent sales tax, which was successful in November from voters. What we're doing now is completing the existing Proposition 400 program. It will conclude its collections

at the end of this year with collections for Prop 479 starting January 1st of 2026.

So we're concluding one major program, a 20-year cycle of investments, and we'll be initiating another 20 years of investments for the region.

So the implementation work associated with Proposition 479 quite frankly is filling our Management Committee and Regional Council agendas really for the remainder of this year as we identify the policies to guide development and implementation -- excuse me -- of that program.

Another core area of focus is our environmental work. Ed has touched on several of these components for which we have a federal authority received. Our Air Quality Planning is taking a lot of attention right now as it has over the course of the last 25 years' worth of regional work to improve our air quality. That includes developing -- or having the responsibility to develop air quality plans to address air pollutants that we are in what's called "nonattainment" for. We exceed a threshold set by the Environmental Protection Agency. We have several of those pollutants for which we exceed; that includes ground-level ozone, as well as particulate matter in the sizes of 10 and 2.5. We also do the conformity analyses associated with our transportation plan. In other words, all of our transportation plans as well as the individual projects themselves, because we're in a nonattainment area for air quality must go through an air quality conformity process that inquires very sophisticated air quality modeling as well as sophisticated transportation modeling to ensure that we're in conformance with federal air quality standards. And so that work takes up a considerable amount of energy at MAG and for which we have been doing proficiently for decades.

As Ed mentioned, we're also the Water Quality Management Planning Agency. And this is associated with 208 permitting and addressing the Federal Water Quality Control -- or Pollution Control Act, excuse me. As well as working with members of staff on our Solid Waste Management Planning, addressing solid waste and landfill activities throughout the region.

Key issues as it relates to environmental work right now. As I mentioned, ground-level ozone, it's probably our highest level of concern. We recently -- well, 40 years' worth

success in decreasing ground-level ozone, just in the last five years or so we're seeing a spike or an increase in ground-level ozone even though the contributing pollutants and emissions are going down in this region.

So we've been working heavily with EPA as well as research faculty from both ASU and the University of Arizona to better understand what might be happening here. But not just here in this region, something we're seeing throughout the Intermountain West or the Western part of this county. We suspect wildfires and the increasing prominence of wildfires has something to do with this matter.

As well as addressing particulate matter 2.5, we have now just exceeded that standard and are working with member agencies as a new nonattainment area is developed here in our region. So which we've been providing updates, of course, to our management committee and Regional Council as well.

Final area of major focus at MAG is Human Services. Chief amongst those is addressing those experiencing homelessness in our region, which continues year over year to increase. As part of that, the overseeing body is the Maricopa Continuum of Care; that's the policy making body in charge of our work with the health and -- or HUD division and the funding that comes directly to MAG to help address homelessness. That's guided by our Pathways Home Plan that addresses and endeavors to reduce the number and ultimately relieve the region of homelessness altogether.

That work also is in partnership across the region as we address heat, which continues to become a bigger concern here in our region. Certainly, exacerbated or addressing -- excuse me. Certainly, our population's experiencing homelessness have a bigger impact when it relates to our -- our summer heat issues. So obviously, carrying that conversation forward both from an environmental perspective as well as those experiencing homelessness.

Other activities in Human Services including domestic violence, for which that work has been at MAG for several decades. In partnership throughout the state addressing aging and how we can enable folks aging in place. And that includes addressing ways of transportation for folks to get to medical appointments or other needs. And then,

continuing to address emerging issues in Human Services.

Big issues on Human Services right now continue to be homelessness. At the end of this month, we'll be participating in the annual required HUD Point-In-Time Count where we send folks out, volunteers throughout Maricopa County, to count the number of those experiencing homelessness both in the street as well as those in shelter. That is an annual number that helps to measure and guide our decisions associated with homelessness.

Continuing to address housing, not only the availability but of course the affordability of housing in our region. As other -- as well as an ongoing assessment as it relates to Human Services and the work that we're doing at MAG. Working with staff as well as leadership to better identify how MAG can best address homeless -- excuse me -- Human Services matters here in our region.

So with that, I'll turn the podium back over to Ed.

ZUERCHER: Thanks Audra. Among the more, you know, direct things in relation to what does Tolleson get from being in MAG. We, in the last several years, have funded a street sweeper. You all have a relatively brand-new street sweeper, which MAG funds probably ninety-five percent of that for you. Also, we know there's been some funding of transit vans, improvements to bus stops.

But the big one is of course, what's going on I-10, 101 interchange. There's a big construction project coming, and we're working very closely with Reyes and the staff on ensuring the 91st Avenue connector is part of that. All that funding and planning goes on through MAG. Mayor Rodriguez is ultimately on the policy body that directs that work, and Mr. Medrano is part of that as well. So we know that's really important to you all and that is something that is planned at MAG and funding comes through MAG as we work with ADOT to get that project done.

So Mayor, with that, we're happy to answer questions that you or the council may have.

MAYOR RODRIGUEZ: Well, first of all, thank you for the presentation; that was very thorough. It gives true breadth to the enormity of what MAG actually does. You know, people hear MAG and they're like, oh, yeah, it's another organization, you know, it's

government. But the reality is, you guys are in everything. And in many ways, as elected officials, A-type personalities, it's sometimes very difficult to get somebody to be the glue that holds us together. And I think MAG in many cases -- you know, the East Valley has their priorities, the West Valley has their priorities, each city has their priorities; someone's got to referee that. And it is -- its surgical when it comes to refereeing. You know, and we sit down, and we hash things out and we come up with regional plans.

But most recently 479 is a perfect example. I mean, that's -- our transportation funding was going to run out. As mentioned, it was going to run out next year. And the fact that MAG got behind it and started pushing it, all the cities did, and the chambers of commerce, all kinds of them, we got enough to push it through. And so now with 479 we're good for another 20 years.

And so, how does that impact our region? Well, nobody wants to build a business where the transportation is terrible. My employees can't get to work. You know? And so, so now, with a better transportation system, we have a better economic system because people want to relocate here in our valley. And so, I think MAG has been a tremendous game changer. And I haven't been involved with it too long; I've been there since I've been the mayor. And I got to say, a lot of the initiatives that start at MAG have ripple effects all the way down to every single city, every single region in the entire valley, including the Native American tribes, and in the county itself. So I'm very thankful for the work that you guys do.

Questions or comments from the Council?

GAMEZ: Great job. Fantastic job. Whatever you do, you cover everything from A to Z.

MAYOR RODRIGUEZ: Clorinda.

ERIVES: I just wanted to say thank you for -- we hear from outside (indiscernible) the other companies (indiscernible) are (indiscernible) they're part of that, they're part of that, but I didn't realize all the (indiscernible). How (indiscernible). I just, for some reason, thought it was plain transportation, just like that. But the homelessness that goes with that.

And then you said something about counting, right? So they're going to go through and not just -- we think about this many. Well, this is an actual count of how many. Because those are true representative numbers. So yeah, appreciate that. Thank you. Thank you. (Indiscernible).

MAYOR RODRIGUEZ: Thank you. And the last pitch I'll give, this is something that Mayor Tovar did at the time, she -- I was her Vice Mayor. She goes, which MAG council would you like to be on? I'm like, what are you talking about? But again, you know, it's MAG and, you know, there's all these councils. So everything you see on there, there's a council and have good representation on the MAG councils is critical. Sometimes the staff, but a lot of times it's elected officials. And so you guys literally become -- we become the voice for our city on these MAG councils. Sometimes there's funding that is allotted because of it, sometimes there's not. But ultimately, being an active advocate for our community through MAG is very critical. So if you guys ever have a desire to want to sit on a MAG board or council, talk to Pilar, talk to Reyes, talk to me; we'll try to figure out the best way to do it. And we'll hook you with Mr. Ed Zuercher, who, by the way, is a former city manager of the City of Phoenix. And never fired me, so that was good.

[Laughter].

MAYOR RODRIGUEZ: I just hit 25 years, so I'm very happy with that. But no, thank you for all the work that you do. Pleasure meeting you. Thanks for coming out. And Tolleson is always a place where you guys are welcome. So.

ZUERCHER: Thank you. Yeah, I want to come back when the Aquatic Center opens, man, it's beautiful. Congratulations on that.

MAYOR RODRIGUEZ: Yeah, bring your trunks.

ZUERCHER: Yeah. Thank you.

MAYOR RODRIGUEZ: Thank you, sir.

ERIVES: Thank you very much.

UNIDENTIFIED SPEAKER: Thank you.

MAYOR RODRIGUEZ: Okay. We're going to move on to Number 5, which is a

proclamation declaring January 14th through 20th, 2025, as Community Risk Reduction Week in the City of Tolleson. In recognition of the -- the dedication and efforts of our local fire department, emergency services, and community partners in preventing emergency and protecting lives and property through education, training, and innovative programs. So our Chief, Michael Young, and our other Chief, George Good, Chief Preparedness Office, you have the floor.

YOUNG: Mayor Rodriguez, Vice Mayor Davis, Members of the Council. Community Risk Reduction is a plan that includes the various initiatives to minimize the risk associated with emergencies and disasters that happen in our community. These initiatives include public education, fire prevention programs. And the key piece of this is collaboration with our community partners, especially our residents, to identify those potential hazards.

One of the Community Risk Reductions pillars is the importance of smoke detectors. It is very vital for our residents to have working smoke detectors, not only for their safety, but for the safety of our public safety officers as well, like, the fire -- excuse me, like the firefighters and the police officers. Not only do they alert the residents to get out if there's a fire, okay, when our police officers and fire get on scene, we can try to confirm that everybody's out of the residence. If they're not, I know the police officer that we have, they're going to attempt to go in there. When we show up that's our primary goal is life safety is to do that search. And so, this is extremely important.

I'm extremely proud of the work that we've done the past couple years. We've installed a little over 250 smoke alarms in our residences throughout the past two years. I'm extremely proud of the work that our fire department has done. I appreciate the sentiments from Mr. Olson from the Red Cross. But this smoke detector walk that's coming up I think truly shows the power and strength of the City of Tolleson when we collaborate. And I have to give that credit, that would go to Chief Good. His relationships, his work with the Red Cross has brought this to our city, and like I said, although I'm proud of the work that we've done, the fact that their goal is to do 800 to a thousand smoke alarms this Saturday alone, is monumental for our city in terms of

Community Risk Reduction. So.

GOOD: Thank you, Chief Young. Well, it kind of goes in line with Mayor and members of the Council with what we saw the fires in California, the preparedness. So later this year our fire department and police department and public affairs folks will be getting out information about how we can make our homes safer in our community. How you clear brush around your house. How you don't have trees that are going to serve as ladders to take fire from the tree to your house, that type of thing. So it will indeed make our community safer.

And again, this is just such a huge thing, and we're seeing it now primarily in California, but again, it crosses over to the other natural disasters we saw. And he mentioned Lahaina and also the East Coast, the Southeast part of the country where we had these hurricanes and so forth. There's always something going on. Red Cross is responding; they're very involved in all of these. And so, we're lucky to be able to partner with them.

But one of the other things that I think -- it's an opportunity for me to share something with you that where we helped another community be prepared. And that's thanks to Chief Young and Public Safety Director Mendoza. And I'm going to ask Steve Holliday if you could roll a tape, and I'll give a -- it's a 40-second video that I took here on Saturday night. And this is in Rocky Point, they had a large fire.

[Video]

GOOD: And so, what we saw was a fire that was out of control. That burned for over a half an hour before I took that video because I have the other video also. So they had a lot of problems down there in terms of infrastructure and equipment. One of the things that Chief Young did was last week he got some equipment to me, and I took it to their fire department on Friday morning. That fire was on Saturday night. Those firefighters used equipment that was donated by the City of Tolleson, so they were more prepared, they were doing the best they could. But they did a better job and those firefighters were safer because of the equipment that Chief Young donated. I was just the Uber equipment guy delivering it to them.

But it came from the fire department and then with Chief Young and Chief Mendoza's approval. And this goes back to something that we've been doing for many years with council approval, legal approval, finance director approval. So we're helping out not just people in Tolleson, but people in other areas also. I know then Vice Mayor Laborin and I went to the fire department one time and donated a bunch of equipment. So we've been doing this for a while. But those people benefitted Saturday night directly because of something that Chief Young did. So I just wanted to give them a shoutout because they deserve it.

Also, Steve, Steve's always -- he's -- we couldn't do these things without Steve's input, so thank you, Steve, for always being prepared and helping us with the presentation. So if you have any questions for Chief Young or me, we're here.

GAMEZ: I have a question. What exactly did we donate? I mean, were they hoses, were they Jaws of Life? What did we give them?

GOOD: Mayor Rodriguez and Councilmember Gamez, we donated personal protective equipment that they wear during the fire.

MAYOR RODRIGUEZ: No, I think that's great work. And when there's opportunities to help a neighboring community, and I know this is in Rocky Point, I'm glad that we have that relationship and we're able to help everybody. I mean, that's, to the end, I mean, if -- what that equipment if it can't help our guys anymore because we got new equipment, let's find a place that we can get a home for it and make it work. So I think that's awesome. So thank you folks for doing that.

Comments or questions from council?

GAMEZ: Just a quick history. We've been doing this for a long time. We would give equipment to sister cities and then were seal, we'd take stuff over there when Chief -- what's his name?

GOOD: We -- Pickett (ph.).

GAMEZ: Pickett.

GOOD: Yes.

GAMEZ: Jaws of life. I mean, they couldn't use it here, it didn't meet the standards, but

they used them over there. So and if they can use it, save lives, this will be it. That's great. So we've been doing it for a long, long time, and I just want the people to know that we've always been a giving city. And I think we'll continue doing that. Thanks.

MAYOR RODRIGUEZ: Council. Others? Council? Clorinda?

ERIVES: I just wanted to say the -- you know you see these -- these images of these fires, right, and it's been on the news; that's all we've been watching for the last week it feels like, and I have high-school students that are nervous, like, what's -- is the -- can the fire come this way? Are we safe? Will the smoke come over it? And so, they have lots of questions because that's all their seeing (indiscernible) fires. And then there's our -- I have family in California. I have family in California. And so, you know, what's going to happen to them.

But I can easily say we have family in Rocky Point as well. A lot of my family go down there, they go visit, they go travel, they go tour, like, they -- that could -- that fire that you showed, could be -- could have been larger in the restaurant next door. So, you know, these fires are happening, they're around us. But I love to hear stories that say how we can help one another, how we can support one another. How in times when we're in need, we give out that hand.

And so, what Mayor -- Councilmember Gamez, when you're mentioning that we need to help out California, we absolutely need to do something, right. We need to reach out. Thank you for taking this equipment down. Thank you, Chief Young, for donating and making sure that what was -- what we couldn't use could help and benefit someone else --

UNIDENTIFIED SPEAKER: That's right.

ERIVES: -- and that they can find ways. And it's evident in the video that they put it to great use. And so, I see firefighters as well; thank you for your service. Fellow brothers and sisters that are fighting those fires, we're praying for all of them. I know your hearts with them as well. So thank you again for your all around services.

GOOD: Mayor, one last thing. I would be remiss if I didn't mention that I've also taken down equipment a number of times from the Tolleson Police Department. So it's not

just the fire department; police department is helping as well. And the people down there are so appreciative when we show up and we have equipment that they don't have; you have no idea until you see their faces. So it's all made possible by the support of the council and city manager level. But then the folks that are making it happen outside of your support are, you know, are Chief Mendoza and Chief Young. So.

MAYOR RODRIGUEZ: Both do great work. That's awesome.

DAVIS: That'd be a great story to share on social media even, you know, so our community knows that we're doing that.

GOOD: Yes.

MAYOR RODRIGUEZ: I mean, they call Rocky Point -- I hate to say this -- but they call it Arizona's Beach.

DAVIS: Yeah, it is.

MAYOR RODRIGUEZ: So it's a lot of people from Arizona, a lot of people from Tolleson that go down there on a year-round basis.

DAVIS: My family vacations there every year.

MAYOR RODRIGUEZ: So do we. So this is great. Yeah, but -- Colinda.

GAMEZ: Excuse me.

ERIVES: (Indiscernible) I don't know if it's possible, or I don't even know if --

GAMEZ: I'm okay.

ERIVES: -- it would be staffed or how, but you know we're always trying to learn something from these disasters. And so, I've seen a lot of posts on social media about preparedness, which is where I'm going with this. They were talking about, like, to-go bags or to-go -- like, in case of an emergency we need a to-go bag. To-go bag. I know we're just doing the smoke alarms, but maybe in the future thinking of, you know, that's one step, you know, to prevent you from getting injured. But in an emergency and there's a fire, like, your house is -- next door to your home or something, where's your to-go bag that has that birth certificate, that has a copy of, you know, your driver's license. So if they're in an emergency and you need to flee, you know, you've got somewhere to go safe, but those documents, a copy of the -- and I've seen that, like, on

a social media that they're saying that this is like a to-go bag where you -- where you -- you've got them, you don't have to scramble and look, where did I put my -- where, you know, you're able to grab and go. I don't know, maybe that could be like a follow up or something with --

GOOD: Mayor Rodriguez and Councilmember, we'll address that also. We've talked about it a little bit in the past, but it always is worth mentioning, and there's a website called Ready.gov, which tells you what to put in your -- in your to-go bag. What are you doing with your prescriptions, your pictures, your pets; if you have pets where are they going, who's going to take care of them. What about feeding them. Who's taking care of your plants. Just all kinds of different things.

And in this area especially, we have certain areas where there's large livestock. So it's not taking someone's cat; it's a horse. Right? So it's, you know, a larger animal. So we have a lot of information regarding that, and we'll be sure to get that out here through our social media folks and our public affairs professionals here as well.

MAYOR RODRIGUEZ: Awesome. Well, thank you both.

UNIDENTIFIED SPEAKER: Thank you.

MAYOR RODRIGUEZ: We appreciate the presentation. Great work.

UNIDENTIFIED SPEAKER: Thank you.

MAYOR RODRIGUEZ: So now, therefore, I, Mayor Juan F. Rodriguez, will hereby proclaim January 14th through the 20th, 2025 -- and of course I had to put a candy in my mouth right before I read this, right -- as Community Risk Reduction Week in the City of Tolleson, be it proclaimed.

I do have a proclamation. Pilar, did you want folks to come up here? Come on up, guys. Let's take a picture. Yeah, come on up.

Yes, sir, there. Stand up here. Hi. How you doing man?

UNIDENTIFIED SPEAKER: Good.

MAYOR RODRIGUEZ: How's it going guys?

ERIVES: So who was the video? There was somebody with video. Very nice. Thank you for coming out. Thank you for coming out. Thank you for coming.

GAMEZ: (Indiscernible)

MAYOR RODRIGUEZ: A tall guy.

ERIVES: How you doing, man?

UNIDENTIFIED SPEAKER: Good, how are you?

GAMEZ: Fine, thank you.

UNIDENTIFIED SPEAKER: How you doing?

UNIDENTIFIED SPEAKER: (Indiscernible).

ERIVES: Okay. I've got to move some chairs around too. Oh, wait, we're going to move this way. This way. There she goes.

UNIDENTIFIED SPEAKER: (Indiscernible).

UNIDENTIFIED SPEAKER: Perfect, thank you.

MAYOR RODRIGUEZ: Thank you, again, folks, for all your work.

ERIVES: Thank you, guys.

LABORIN: Thank you.

CHAVIRA: So good to see you.

LABORIN: Thank you for your service too.

CHAVIRA: Thank you, guys.

MAYOR RODRIGUEZ: Have a good night. Thank you. (Indiscernible).

CHAVIRA: Thank you.

LABORIN: Thank you.

MAYOR RODRIGUEZ: All right. We'll see you guys.

UNIDENTIFIED SPEAKER: Goodnight.

ERIVES: It's the famous video guy. I saw you on that one. That was adorable. That was adorable. Have a good night. Have a good night, hun. Tyler (ph.), it was you on the video.

UNIDENTIFIED SPEAKER: (Indiscernible).

ERIVES: No?

UNIDENTIFIED SPEAKER: Yeah.

ERIVES: Today it was both of you, right? Yeah. I saw the fingers that go like --

DAVIS: Some of them are as tall as we are, from the floor.

MAYOR RODRIGUEZ: I think that's more a matter of how short we are.

DAVIS: Yeah.

MAYOR RODRIGUEZ: But I mean, it was good. It was the first time, I think we've had an item with the fire department where the -- some of them didn't have to leave to respond to a call, so.

DAVIS: Yeah, that's true. That's true.

MAYOR RODRIGUEZ: That was cool. All right. Moving on on the agenda, we're going to go on to G; this is Business From the Floor, Public Hearings and Action Items. We don't have any, so we're going to move on to H. Consent Agenda, Action Items. I think we have ten items on here.

DAVIS: Yep.

MAYOR RODRIGUEZ: I can either entertain a motion or we can call out individual, but --

GAMEZ: Motion -- move to approve.

MAYOR RODRIGUEZ: We have a motion to approve all ten items. We have a second. Is that Linda?

DAVIS: Um-hum.

MAYOR RODRIGUEZ: Linda gave us a second. So all those in favor approving item 1 through 10 on the Consent Agenda item, please signify by saying "Aye".

ALL: Aye.

MAYOR RODRIGUEZ: All those opposed please say, "Nay". Not hearing any, this motion passes unanimously. Thank you very much.

We're going to move on to I, Regular Agenda Action Items. This is to approve or deny the Professional Service Agreement between the City of Tolleson and LEA Architects, LLC for architectural and engineering services for the design of a new utility operating building and authorize the City Manager to execute and deliver said Agreement. The City shall pay the Consultant an amount for the services as the rate set forth in the Fee Proposal. The maximum aggregate amount for this Agreement shall not exceed \$860,946. This Agreement shall remain in full force and effect until June 30th, 2025,

and shall be renewed for up to two successive one-year terms.

Are we saying that it can be renewed for that amount twice or it can be renewed but that amount is going to be the maximum expense?

UNIDENTIFIED SPEAKER: Exceed.

EARP: Not to exceed that amount, yeah.

MAYOR RODRIGUEZ: Okay. So --

EARP: It's just if it took longer than it should have or some --

MAYOR RODRIGUEZ: -- if expenses (indiscernible) --

EARP: Some kind of delay or whatever.

MAYOR RODRIGUEZ: Okay. Okay, but we know what it won't exceed -- okay, cool.

Development Services, Jason Earp, you have the floor.

EARP: Mayor, Vice Mayor, and Members of the Council, if you have any questions, I'm here to -- as it's for our utilities building, it's the architect for our utilities building. So.

MAYOR RODRIGUEZ: But where's it going to go?

EARP: We don't have a specific spot, but obviously at the plant somewhere. That's going to be part of the design and figuring out where the best spot for it to be, but.

MAYOR RODRIGUEZ: Okay. So it's got to be over across the water.

EARP: At the treatment plant.

MAYOR RODRIGUEZ: Okay. Any questions or comments from council?

GAMEZ: How much land are we talking about to build this?

EARP: For the actual building, I'd have to ask Councilmember Gamez and get back to you. We have a total of 80, right?

UNIDENTIFIED SPEAKER: 83 exactly.

EARP: 83 acres. So.

MAYOR RODRIGUEZ: All right. Thank you. Okay. Well, having said that, I will entertain a motion to approve or deny. We have a hand up. We have a motion to approve Item Number 1 on the Regular Agenda Action Item. Do we have a second?

GAMEZ: Second.

MAYOR RODRIGUEZ: We have a second by Councilmember Gamez. All of those in favor

please signify by saying "Aye". Aye.

ALL: Aye.

MAYOR RODRIGUEZ: All those opposed. All right. Regular Agenda Action Item 1 passes unanimously.

We're going to move on to Number 2. Adopt or Deny Ordinance No. 613.

UNIDENTIFIED SPEAKER: Good job, Jason.

EARP: Yeah.

MAYOR RODRIGUEZ: Good job, Jason. I just figured I would go along with everyone else. All right. Adopt or Deny Ordinance No. 613 N.S. of the Mayor and City Council of the City of Tolleson, Arizona, amending the Tolleson City Code, by amending Chapter 9 Animals, Article 9-1 General Rules and Regulations, Section 9-1-20 Control of Cats; and Article 9-2 Cruelty and Negligence [sic] -- negligent [sic] of Animals, Section 9-2-4 Negligent [sic] Prohibited and Section 9-2-7 Impounding and Disposing of Dogs and Cats; Reclaiming Impounding [sic] Dogs and Cats; Pound Fees; providing for repeal of conflicting ordinances; providing for severity [sic]; providing for penalties.

Police Chief Mendoza, you have the floor.

MENDOZA: Thank you. Good evening, Mayor and Council. So I know I was in most of the one-on-ones, but -- and I did miss some. I had -- I've been having a very busy week. So I apologize for that. So it is very convoluted and -- if you just read it like this. So I kind of wanted to break it down so we can actually have like a visual of what we're asking for the amendments to be.

MAYOR RODRIGUEZ: Thank you.

MENDOZA: So let's start with the 9-1-20, Control of Cats. This is the whole city code here. And what we're asking for, the part that is in yellow is to be -- to strike that from -- we're adding for city code for screaming during the city council -- no, I'm just kidding. To strike the language portion (C) and (D). (C) it says, "It shall be the duty of the enforcement agent to impound all cats found at large" -- that's the important part because it's talking about the cats that are not owned by anybody or don't have an identified owner -- "in violation of this chapter, or not in charge or under the care of

control of some person in the street, alleys or other public places or vacant or enclosed lots in the city".

And the other part that we're asking to be struck is, (D), "The city may: by resolution, require the payment of appropriate fees, vaccinations and licenses for cats".

So the reasoning behind removing (C) is that there is no place that will take in a stray cat. So we have no place to impound that animal. So what we like to do is what we call a trap and --

UNIDENTIFIED SPEAKER: Neuter return.

MENDOZA: Trap, neuter, return. And that's kind of how we deal with stray cats. If we were to impound them, there's nowhere to take them. We would essentially have to become the animal shelter ourselves and keep them for eternity until we find new owners, right? So we don't want to get in that business. So that's kind of what we do with -- with stray cats or -- or cats that we find at large. There's just no place to impound them, so that's why we're asking for that to be removed.

The second part talks about licensing. You don't have to do that in Maricopa County with cats. So there's no reason for us to -- there's nowhere to house that information or keep it or send it forth. They're not going to get anything in the mail that's requiring them to get tags for their -- for their cats, and that's been pretty much for forever. So we don't -- we don't need to have that language in there any longer.

MAYOR RODRIGUEZ: Yes.

GAMEZ: Thank you. Now I have a question.

MAYOR RODRIGUEZ: Councilmember Gamez.

GAMEZ: You know, years ago we had a lady who was on Council. And she had, like, a trillion cats. And these cats were all over the place. As a matter of fact, right east of the fire department.

MENDOZA: Right.

GAMEZ: And they were causing all kinds of havoc. So we had to tell this lady, you got to get rid of these cats. And she said, they're not my cats. Do you feed them? Well, yeah. Then they're your cats. And that was -- that was a, you know, back and forth, back and

forth. The thing is, there are people that feed cats but will not claim ownership.

UNIDENTIFIED SPEAKER: Um-hum. Um-hum.

GAMEZ: But the cats are there and they're doing their business all over the place. So if they were to trap them, and you guys would take them away and but they -- after you do what you have to do with them, you bring them back. Doesn't solve the problem; they're still here. There has to be a better solution, because it's like the cats are here, they're over there, you don't get rid of them. You know, what do you do?

MAYOR RODRIGUEZ: Well, I will say this, it will control the population moving forward.

MENDOZA: Yeah, so --

GAMEZ: But they still (indiscernible).

MENDOZA: But Councilmember Gamez, yeah -- yeah. No, no, and I -- prior to bringing this city code and these changes up, I did not have a grasp of the cat situation. I've been in the law enforcement side of it, not dealing with cats. Maybe the fire department might have to deal with cats more than we had to, so I -- I did not know.

But yes, there are alternative methods. It's not one that we are on board with. There is a -- basically a trap and euthanize; some other cities have tried to go down that road. It doesn't look good in the public eye. It doesn't really pass the headline test. And so, we don't really bring that option forward. But that is an option. And ultimately, you know, a call that you guys would have to make. I would be reluctant to go down that path.

The trap and neuter, it does help with the reproduction of new cats, and then we basically have to wait out the natural life of the cat, which can definitely be frustrating.

No doubt about it.

GAMEZ: Well, we can ship them up to Ohio. No, I'm just kidding.

MENDOZA: Now, in -- go ahead, I apologize.

UNIDENTIFIED SPEAKER: (Indiscernible).

DAVIS: My number one constituent, my mom, is up in arms about this. So we need some type of solution for dealing with the cat problem because it's pretty terrible. Particularly where my mom lives. Garfield Street is -- they run the street. They're everywhere.

GAMEZ: (Indiscernible) too.

DAVIS: They're like a -- they're like a gang over there.

GAMEZ: They're pretty bad on Monroe too.

DAVIS: And it smells -- it smells like a litter box, like a dirty litter box. It's -- so it's got to be -- there's some health issues there as well. You know, unfortunately one of her neighbors, like you described, feeds the cats. And they literally follow her across the street, like 20 of them. I'm not exaggerating. So there needs to be a solution because I know on many of the streets in Tolleson there's the same problem going on.

So if we're not going to be impounding them, and I get, you know, we can't just kill the cats, you know, we can't. So at least if we catch them and we fix them and we put them back, at least they're not going to procreate so there won't be more of them.

So what's the solution? What do we do?

MENDOZA: So Councilmember Davis, again, this has brought up a lot of good dialogue and a lot of good conversation. I -- again, I had -- I did not -- I was somewhat taken aback by the amount of problems that we have been having with cats, and shame on me for that. But I will say this, it has a lot of dialogue at the police department, specifically with myself and Becca (ph.) and Chief Grow, we've been talking about maybe looking at other city codes to address people feeding animals. Maybe that's something that we can write in specifically to cats and to stray cats, that we're not feeding them. And you're right, they will congregate to food. Any animal will move to where the food is, and if it's humans, they will become attached to that food source and they will remain in that area.

So I'm sure somewhere out there somebody is addressing this issue, and that's probably how we should look at trying to address it. But I'm hearing you guys loud and clear.

DAVIS: Yeah, I think in the past the cats helped with controlling mice because there were fields everywhere. We don't really have that anymore. So yeah, the cats is literally on my list to talk to management about. It was funny that it was on the agenda this time around. So yeah, please fix it.

MAYOR RODRIGUEZ: Clorinda?

ERIVES: Question. And just, I didn't know this Chief Mendoza. My dog has to have a license, my dog has to have a tag or some weird microchip, but that's because I want my dogs back if something happens. Why are cats not? So let's just role the reverse because I love my dogs, I'm not a cat person. But if a pack of dogs was running around the neighborhood because somebody's feeding them or doing -- would they get, you said spayed and neutered, so I guess that was another -- because you said neutered, but I didn't hear spayed. Why are the -- you know, anyways, I'm just saying.

UNIDENTIFIED SPEAKER: (Indiscernible).

ERIVES: If there was a wild pack of dogs, we would be treating this different. I don't know enough about cats that they're not licensed and -- like, you should have a -- know who to give this back to so that you can say your cat got out of -- we found him in the street and you need to get your cat back.

MENDOZA: So Councilmember Erives and Mayor and Council, I think it has to -- I don't know, my best guess, it has to do with the number of cats versus the number of dogs as far as licensing and impounding. There's just more cats. I think by sheer volume is probably the major part. I know that you can get your cat chipped, correct?

UNIDENTIFIED SPEAKER: (Indiscernible).

MENDOZA: So owners can still chip their cat; it's just never been something that Maricopa County -- and I talked to Becca and she said, you know, for as long as she's known and she's been in this world like, you know, probably the majority of her adult life, I'm guessing, Maricopa County is just not -- is just something that they've never sought after, licensing cats. I didn't know that either until we started this discussion.

MAYOR RODRIGUEZ: Well, Chief, why don't we do this, I mean, I think you've heard council; they have some cat concerns. If we can do some cat research and come back and report findings about potential direction. Because I think there might be a variety of options out there; we're just not -- that's not kind of what we're here to do right now. But maybe if he comes back and you can present a couple of different options of other cities or counties or whatever are using, it would -- maybe one of those may be a good fit for us or it'll trigger a thought where we can develop our own resolution for our

community. Because I don't think -- I don't think we're going to have that today. I think what I'm hearing is either spay and neuter or put them down right now, and that's night and day. That's two completely different things. I think there's something in between. We just got to do some research.

MENDOZA: So Mayor and Council, yes, so we'll definitely do that. And again, anybody that has an issue with cats, this doesn't mean we're not going to respond to them. What we're asking for to be removed is that we -- that we're impounding them. Because there's literally no place to take them. We can't take them to the Maricopa County Animal Shelter; they won't take them. So by keeping this in here saying that it's -- they shall be their duty to do this, it's basically telling Becca that she needs to pick up stray cats and impound them, and we don't want to do that. We'll fill our kennel really, really quickly. So that's what we're asking too.

But yes, I'm in agreement with you. Based on all the conversation that we've been having tonight and in the one-on-ones, I think we have to go back to the drawing board and figure out a solution because I have heard a lot of people that are dealing with this issue.

GAMEZ: (Indiscernible).

MAYOR RODRIGUEZ: We'll call this Make Jimmy's Mom Happy Initiative.

[LAUGHTER]

DAVIS: So I have a question. Is it possible to maybe table this until we have, like, a game plan for -- so we don't change the code again?

MAYOR RODRIGUEZ: I think the stuff that's being presented is code specific, right?

MENDOZA: Correct.

MAYOR RODRIGUEZ: So we would have to -- potentially we'd have to vet with our attorney and then either add to the code or create a procedure to that's the direction we're going to go in. In other words, what I'm trying to say is, creating a new direction in the future doesn't impede including or adopting the changes that you want to make today.

MENDOZA: Mayor and Council, I don't think so. I think this is a completely separate

from what we're trying to work on on the other side of it. This is, again, dealing with impounding at-large cats, and we just can't impound them. And this also is speaking to licensing cats, which nobody does.

MAYOR RODRIGUEZ: Okay, well let's continuing and then we can come back and have that discussion at a later date.

DAVIS: I guess my question is, so then who's responsible for it? It just -- they just hang out on Garfield Street or whatever street until we figure out what the plan is? Is that what I'm hearing?

MENDOZA: Councilmember Davis and Mayor, yeah, the truthful answer is that stray cats are just roaming our streets. And there is -- and I -- again, without doing any research into what other cities are doing or what the county is doing about them, I know from just limited experience, we have been trapping cats here for some time, even prior to Becca being here. And that's the program that we've been a part of. But anything in addition to that (indiscernible).

DAVIS: And we continue to do that?

UNIDENTIFIED SPEAKER: Oh, yeah, for sure.

DAVIS: Okay.

MENDOZA: In fact, we're in the process of trapping some at the fire station.

MAYOR RODRIGUEZ: Well, if the Chief would stop feeding them. We'd be (indiscernible).

UNIDENTIFIED SPEAKER: (Indiscernible).

CHAVIRA: I have another question.

MAYOR RODRIGUEZ: Hold on, we have a question -- we have a comment over here.

CHAVIRA: Well, just a comment. That I think that, you know, we don't want to become a cat shelter either. We don't want to go into that business. I don't think we do, at least for myself. That's not a business we want to go into. So I don't think we want to euthanize them all, but there is a problem, we need to address the problem, but we don't want to be a shelter either. So we'll see -- we'll see what other cities are doing maybe, and.

MAYOR RODRIGUEZ: I think it's an option. I mean, I hate to say it, but euthanasia, that's an option. But that could be one of many options --

CHAVIRA: Option, not a nice one.

MAYOR RODRIGUEZ: -- they could present to us partnering with a non-profit that maybe does take them. You know, maybe Maricopa County doesn't, but maybe there's a non-profit or a couple non-profits that are open to that. I don't know. I think we have to do a little bit of research and scratch beyond the surface.

Colinda, do you have a comment or question?

ERIVES: So when you -- so tomorrow, right, when the cat gets trapped and you -- because he was at the fire station and you got him, who pays for the neuter or spay? Who's we?

UNIDENTIFIED SPEAKER: (Indiscernible) Department (Indiscernible).

ERIVES: The Police Department. So we're currently paying the vet, I don't know, \$150 to -- did you say neuter and spay or is it just the female --

MENDOZA: Or spayed.

UNIDENTIFIED SPEAKER: Sorry.

ERIVES: I can't see you. Sorry.

ERIVES: It's okay.

MENDOZA: It's neuter or spayed.

UNIDENTIFIED SPEAKER: Yeah, it's -- the price I think is \$25 a cat for the program we go through. And it -- yes, the name is trap, neuter, return, but it's spay and neuter.

ERIVES: Okay. Okay.

UNIDENTIFIED SPEAKER: If it gets in the trap, it gets fixed.

ERIVES: Thank you.

MENDOZA: Mayor and Council, I just think it reduces the acronym. Right? I think that's probably what it's for.

DAVIS: So just to be clear, you're going to continue catching the cats and fixing them? Yes.

UNIDENTIFIED SPEAKER: (Indiscernible).

MENDOZA: Correct. Yeah. That program is completely separate from this.

DAVIS: It's on the record.

UNIDENTIFIED SPEAKER: Yes, absolutely, it's on the record. And again, and as far as ownership of cats and number of cats, subsection (E), which is in red here, that will become the new (C) that is still standing. And that talks about only owning four cats, I believe, and anything over than that -- and that's if, you know, we get a complaint or call and we find -- we go into houses that have a high number of cats, we're able to use that part. So that part is not changing. But cats that are at-large, again, we're not going to impound them, we're not going to require licensing; that's what we're asking to go away. But yes, we'll continue the trapping, and I can tell you we will go back and we're going to try to find alternative solutions as well. There has to be something out there, I'm convinced of it.

GAMEZ: So do you cite individuals that continue to have large amounts of cats, even though they don't claim to be the owners, and they're going back and they're feeding them because they're feeding them?

MENDOZA: Mayor and Councilmember Gamez and the rest of the Council at this -- we do not. That is something that I'm saying that maybe we have to look at is, like, feeding animals, right? Like Game and Fish has laws that you can't feed wildlife. It's very clear, like, you're not supposed to feed wildlife. People will put feeders out there or water troughs and they'll attract elk, deer in all these neighborhoods, and it's very strict rules. Maybe that's something that we look at, like, no feeding stray cats.

GAMEZ: But with the cats, you can find -- we can have them go somewhere else. Have them go to Avondale or (Indiscernible). No. I'm just saying --

UNIDENTIFIED SPEAKER: Mayor and Council, I'm a proponent of sending them to Buckeye. It's closer to the sunset I always say.

MAYOR RODRIGUEZ: There's a lot of coyotes out there too.

GAMEZ: Oh my God. Okay, sir.

CHAVIRA: Put them on a trip to the wetlands.

DAVIS: All right. PETA's going to love this meeting.

MENDOZA: Okay. So moving on to the next code. So this the -- this is quite a bit shorter and probably not as much conversation. But this is under the neglect portion of our Animal City Codes. And basically, if you look at subsection (C), the part in yellow is what we're asking to be removed. In subsection (C), it says, "Provide access to natural or artificial shelter to the animal throughout the year. The shelter must be maintained in good repair to protect the animal from injury and the elements and must be sufficient size to permit the animal to enter, stand, turn around and lie down in a natural manner." Previously, the city code had "Livestock and fowl are not included in this subsection". We're asking that be removed.

I can just -- well we all know, we've been having a lot of dry, hot summers. And to see any animal be out where there's no opportunity for shade, it's just -- it's just not a good thing. And this is probably something that when we had better weather was probably okay. But given our circumstances and our heat, we would just like to have that removed to make sure that all animals are provided some type of shelter, some type of relief from the heat, specifically.

MAYOR RODRIGUEZ: Okay.

MENDOZA: And this last portion is 9-2-7. And this is -- what we're asking to have is additional language. And in 9-2-7 it's impounding and disposing of dogs and cats. And right now, let me get to where it's -- I have my notes. So 9-2-7 addresses the impounding of stray dogs and cats, but it doesn't provide for the impounding and disposition of animals abandoned as the result of the owner being arrested, hospitalized, eviction or death, in which no other person is identified or available to take custody of the animal. So we're asking for that additional language to be added to the city code.

So basically, giving -- the enforcement agent will have the authority to seize and impound for 72 hours any animal that becomes abandoned as a result of the owner being arrested, hospitalized, eviction or death, in which no other person is available to exercise the property rights of the owner. That and code will provide direction for the disposition of the animal whether or not the owner makes arrangements for reclaiming

the impounded animal.

So believe it or not, we have run into this several times. Either having an impounded animal via arrest. We had an owner who passed away in their vehicle and had a cat that was with them. So we also took that cat; that comes to mind is one of our previous cases, but this is happening. We don't have any direction that's given us the authority to do that. We're asking that to be codified now. Because we want to be able to do that. We can't just leave the animal.

We have had people that have been hospitalized; that is definitely one that's been fairly recent, right? So a long stay in the hospital, there's nobody to take care of the animal. So we'll be able to take care of that animal, and keep it for 72 hours. And then deal with whoever can take the animal or figure it out where we can get that animal to.

And those are the changes that we're asking for.

DAVIS: So --

MAYOR RODRIGUEZ: Question?

DAVIS: Yes. So let's say somebody is in the hospital and they don't have anybody else to take the dog, what happens after -- or the cat -- what happens after the 72 hours?

UNIDENTIFIED SPEAKER: So Becca's -- obviously she's -- she does a great job for us. I don't -- I think our animal control -- our Mayor and Council, our animal control is never been in a better spot than when Becca's been here. In fact, I think last year she was our employee of the year. She does a great job of reconnecting animals with their owners. And so we're always trying to work towards that goal. So she would probably make visits to the hospital and figure out a timeline. In the event that they can no longer take the animals, so we had them stay in the hospital and not come out, then she figures what we can do with that, and that's through non-profits, animal shelters and adoption. Am I about right on that? Okay.

MAYOR RODRIGUEZ: All right. I did have one item, and I'm not sure if it's related to codifying or what, but I noticed recently there's been people that have been building shelters in their backyard, and I'm thinking of Tolleson Farms in particular. And it makes me think that they are going to start to use their backyards to house other people's

animals. And I've seen this in different parts of the Valley, and I mean, I've driven by those parts and literally a horse dies that's being -- what's the word I'm looking for?

ERIVES: Boarded.

MENDOZA: Boarded.

UNIDENTIFIED SPEAKER: Boarded.

MAYOR RODRIGUEZ: Boarded at a house, and the horse dies, they literally tie -- get it from the hind legs and they drag it out and leave it dead on the corner, and it's like (indiscernible), and then they act like it wasn't theirs. And of course, somebody else has to take care of that horse or get rid of the corpse.

But is there something that we can consider -- again, I don't know if it's part of this or maybe code enforcement -- to prevent boarding in Tolleson Properties? Because it's technically a business, and all they got to say is I'm just keeping the dog -- I'm just keeping the horse for my friend. But there's got to be something that prevents that kind of activity before it becomes a problem.

MENDOZA: Well, Mayor and Council, yeah, none of the changes addresses boarding, but if that's something that you guys would like us to look into, I don't -- again, Becca has a pretty extensive list of contacts, so I'm sure she can reach out to people and see where other cities are sitting on boarding animals. And yeah, we can definitely get an answer back to you about that.

MAYOR RODRIGUEZ: I would want that (indiscernible). I mean, what do you guys think?

ERIVES: (Indiscernible). My dad knows where to take place -- the horses, so he would come around and pick up horses and take it somewhere. But, yeah, where -- what do you do with that, how do you dispose of it. But even dogs, I remember we did bulk trash. Dogs, their body would be in the bulk trash. And when people went to go pick it up there was --

MAYOR RODRIGUEZ: Oh.

ERIVES: -- oh, we got this issue. So I mean --

MAYOR RODRIGUEZ: I think the issue is more superficial. Boarding animals in general in residential areas that are not designed to be businesses. And so, I think we can look

at -- see what we can do to prevent that from happening and becoming a problem. Because the reality is, Tolleson Farms has nice -- nice land. I mean, half an acre, five-eighths of an acre, one acre, acre and a quarter, that's a lot of money making. If you get a 500 or \$300 a horse a month and you can put ten of them back there, I mean, you can do the math really quick, you know. I don't have to work, I've just got to feed these horses and keep them alive and their owner comes by and rides them around and then, you know, this become my income. That's what I'm trying to prevent. And if we can prevent that, then we don't have to worry about horses being left on the edge of the road dead or any other kind of issues that come along with it.

MENDOZA: Mayor and Council, yeah, you know what, just as you were saying that I was just thinking there's an app called Rover where people sign up to be -- to watch other people's animals either at their own home or at the owner's home. So maybe that's -- it's a fairly new thing, and it's -- is pretty actually robust. There's a lot of people that are signed up to be dog sitters. So maybe that's what we're seeing the uptick in, and maybe it -- maybe it goes on to horses. I don't know, but we'll look into it.

MAYOR RODRIGUEZ: Well, that'd be great. Other than that, I think the recommendations are good. Any questions for the Chief? No?

GAMEZ: Have a good night.

MAYOR RODRIGUEZ: So a little bit of homework, Chief.

MENDOZA: Not a problem. No problem. Happy to do it.

MAYOR RODRIGUEZ: But at this time, I will entertain a motion, call it "Meow".

DAVIS: I'm not meowing. But I guess I just did. A motion to adopt.

MAYOR RODRIGUEZ: We have a motion to adopt; we have a second by Christine, Councilwoman Chavira. All those in favor, please signify by saying "Aye".

ALL: Aye.

MAYOR RODRIGUEZ: All those opposed? All right. Motion passes unanimously.

Thanks, Chief.

We're going to move on to Work Study and Presentations for Discussion.

Number 1, Discussion pertaining to the potential development of an extended stay

hotel, ECHO Suites Extended Stay by Wyndham, on the property located at the southeast corner of 91st Avenue and McDowell Road.

EARP: Thank you, Mayor, Vice Mayor, Members of the Council. So yes, 91st and McDowell. This is between the Fairfield Inn, the office building, and it's not the hard corner, but it'll be next to the office building. And then we're saving the hard corner for some kind of -- hopefully some kind eatery or restaurant of the sort.

But I'm just going to pass it on -- again, this is just for discussion and feedback -- to Mr. Jeff Hunt to present his project.

HUNT: Mayor and Council, thanks for having me here today. Very nervous.

MAYOR RODRIGUEZ: (Indiscernible).

HUNT: Not a lot of presentations here and to Mayor and Council, kind of caught me off guard, but that's all right. I have my own notes here, so as we present, I'll take feedback and capture that here. Not sure who to direct to scroll through the presentation if that's -- Crystal, thank you.

So we also have on the Zoom call, couldn't be here today, Carter Rise. So we may hear from him if he chimes in from a place that I don't actually know where the speaker will come in, but if we hear from Carter, just be prepared for that. But I'll do my best to present the project.

So this particular project, ECHO Suites, it is extended stay. Wyndham is the overarching, kind of, owner of the brand; it's a subset of Wyndham. Everybody knows the Wyndham name. But the ECHO brand is intended to be sort of a premier version of extended stay hotel. They feel there's a need to service that clientele, but they want to do it in a high-end and respectful way.

So if we want to go through just a couple of the renderings here, just to give you a flavor of the project. Probably doesn't look a whole lot different than a lot of newer hotel architecture. Keep going through, I think the important part might be, Crystal, to get into some of the interior shots of the project. And just present, I think the finish. I think this is really critical for you guys to understand the expectation that's being set with the hotel, right. That the experience and how people are going to work within the hotel and

what's going to service them if they need to be in town for four or five days, or a little over a week for business. And have an opportunity to be here where you would have those amenities that are going to be critical for you to have in that extended stay sort of opportunity.

So let me move on to -- we have a narrative that was included. And we can go to -- the site plan is going to be two more pages down. And here's sort of a site plan to give you guys a visual. Not too far down the road, obviously, is 91st Avenue and McDowell; everybody's familiar with the location. There is another hotel that's not the same type of brand, nor are they servicing the same type of clients immediately east of here. The intent here is to kind of sit back off of McDowell Road, east of 91st Avenue, and present well from as you come across the freeway; the RID canal provides a nice little buffer from the freeway. But certainly it lets us get back off of 91st Avenue and allow future users to, sort of, live between the hotel and McDowell, so you can have higher turnover sort of establishments that would supplement kind of the hotel being there behind it as what would look like a place you might be, like I said, for a handful of days and you might need to have those amenities at your fingertips.

RISE: Thanks, Jeff. Can everyone hear me okay? This is Carter Rise; I'm from a developer Sandpiper.

HUNT: Yes, (indiscernible).

MAYOR RODRIGUEZ: Yeah, we can hear you.

RISE: Yeah. Jeff, thank you, that's a great intro. You know, I think you hit the nail on the head. Just to kind of provide a little more context before we get into any questions about who we are as Sandpiper. We're a national developer who has a pretty wide range of portfolio of hotels. A lot of it is extended stay though, and ECHO Suites is a brand that we have really gravitated towards in the last couple years as something that can be sort of an industry leader in the mid-scale extended stay space. Particularly for the business traveler. The traveler who's in town for a length of stay probably over seven days, that's generally our target.

You know, these are not going to be run necessarily like apartments, which I know can

be a concern with extended stay. But really, our concept is high-quality FF&E, right-in-room entertainment systems, really spacious, clean kitchens, for the traveler who's coming into town, doesn't want to eat out every night, wants to cook. But also, is not going to spend a lot of time in the hotel. They're going to be using it as a living space, a place for them to rest. But they're going to be in town for travel nursing, you know, construction and development, work conferences, you name it. But they're going to be out of the room, generally, and that is sort of our model where we have the amenities that people need and not the ones they don't. We have a fitness center, we have guest laundry, and like I said, a very spacious lobby.

But I think really what sets us apart from a lot of other extended stay brands is what we think is the look and feel of the hotel. You know, these are all -- nationwide as a new brand, these are a hundred percent new construction. And that means we feel like the consumer is going to associate it with a higher class of brand here. And we hope that the exterior signage, the interior cased goods is really going to drive up a very high quality of customer coming into the City of Tolleson.

The only other thing I would want to highlight before I turn it over is we have at Sandpiper an internal management company which we believe is excellent at ensuring things like hotel cleanliness and safety. We are experienced in the extended stay world, and we feel like we can run a really tight ship and a clean property here. So look forward to your questions. Thank you for hearing us out today.

HUNT: Thanks, Carter. And I didn't have anything else to add. And open to any questions and comments.

MAYOR RODRIGUEZ: So thank you for the presentation first of all. I'm going to take a question from Councilman Gamez.

GAMEZ: Yes.

MAYOR RODRIGUEZ: Yeah.

GAMEZ: How many rooms are you going to have?

HUNT: Carter, can you confirm the total number of rooms real quick?

RISE: Yes, it will be 124 rooms.

HUNT: Great.

RISE: Mix of singles and doubles.

GAMEZ: The rate? What kind of rates are we talking about?

RISE: So it varies by market. I believe we are looking to try to get into the sort of upper-\$80-range for a weekly rate. Generally, the business model we're going to run is that if you're staying for seven nights, that will be a lower rate than just staying for nightly. We generally try to optimize a business model where we have a certain percentage of extended stay guests, which would be defined as seven days or longer. So generally, we're looking for an averaged-out rate of probably in the high 80's, but a nightly rate would be more than say maybe a weekly rate, which may be in the low 80's.

GAMEZ: Thank you.

HUNT: For the record, clarify that's nightly rate. The metrics that you were stating were pay day.

RISE: Yes, that is correct.

HUNT: Yeah. Just so that it's on record.

RISE: And actually, I can pull up our latest projections, which have been kind of -- if you bear with me for one second -- that we've sort of forecast based on how we feel we'll sit into the competitive set -- yeah, that one. Basically, obviously, there'll be a small ramp up, but by the time we are fully ramped up, our hope is to be in the mid to high 80's.

UNIDENTIFIED SPEAKER: Clarification.

HUNT: Yeah, I just -- I sensed -- you're not here Carter; I just sensed there might be a clarification question coming. So I figured get it out of the way.

RISE: Yep.

HUNT: All right.

GAMEZ: Another question I have, is what type of an employment opportunities will be available there for the community, if any?

HUNT: That's a great question. So if we're -- if Sandpiper is managing it, do you see hiring local resource pool to assist with that or on site facilities, Carter?

RISE: Oh, absolutely. I mean, we are not necessarily in the business of relocating our

folks to Tolleson or any other city where we're developing. So we would definitely be looking to recruit locally. We don't have a massive staff at these hotels as we don't have a restaurant. But definitely something where, you know, assistant GMs, managers, maintenance, you know, whatever -- whatever you can think of in terms of daily staff, that is definitely something we are -- we'd be looking for, local area staffing there.

GAMEZ: Thank you. One more question.

MAYOR RODRIGUEZ: Go ahead.

GAMEZ: Do you guys allow cats? Just kidding.

RISE: I actually -- I was ready for that joke. We do not allow -- we do allow dogs under a certain size, but I think this -- the Council will be happy to hear, no cats.

GAMEZ: Thank you. Jimmy?

DAVIS: I don't want to see another cat for a while. So our community has a pretty rough history when it comes to extended stays. So I guess, Jason, my question is to you, this is comparable to the one on 99th Avenue I'm going to assume?

EARP: Yes, that's correct. So the \$80, 89, \$90, you know, if you calculate that, that's anywhere between 600 and \$700 a week.

DAVIS: Yeah.

EARP: The one that was converted to an apartment thing was about \$200 a week.

DAVIS: Okay.

EARP: So you can see the difference.

DAVIS: The difference in the clientele.

EARP: So you're looking at, you know, 30, \$25, \$22 a night, versus 80, \$90 a night. And you're going to get two different kind of clientele.

DAVIS: And then just -- thank you. Then another question, Chief Mendoza, we have not seen an uptick still from that extended stay in any type of activity? Good. Good.

HUNT: I think the goal is not to be a residential alternative.

DAVIS: Yeah.

HUNT: But instead be a place to manage business dealings when you need to be here for long term.

DAVIS: And that's exactly what the other one was, a residential alternative. I like that term. I'm going to file that away for future reference. Because we do not want that.

RISE: No, that is not our intent. You know, our intent is really the business traveler who may need to be in town for two to three weeks. We don't want someone who's going to be there for three to six months. That's not -- that is not our business model.

MAYOR RODRIGUEZ: Okay. Other Council Members?

CHAVIRA: Jimmy answered my question. Thank you, Jimmy.

ERIVES: (Indiscernible).

CHAVIRA: Yeah.

ERIVES: Think that's my fair question too with our history from before. There's currently one thing built less than a mile -- do they typically -- do we typically see extended stays clustered together? Is that like a new model that's coming through?

HUNT: Carter, I'll let you answer that one because I think you probably would know nationwide kind of how that's -- are they clustering or how that --

RISE: It's not uncommon to see them in sort of a close confines. You know, I will say extended stay is -- it's becoming a popular investment in hotel community. I believe what you're referencing is the -- I think it's a LivAway that's coming into town. So yeah, that's something where, obviously, if there was a scenario where there was less competition, we feel like that would be helpful, but at the same time we think it's -- it can be beneficial as a proof of concept that we are, you know -- our market instincts were correct that Tolleson is a great place to want to build a hotel right now. So I don't think that that's going to have a negative impact on the rate numbers I was citing earlier. That's something we factored into those numbers, and I think there'll be a good, healthy competition that will absolutely, you know, allow both properties to operate very well. That's a brand that I think is a pretty good comp for the ECHO Suites in terms of trying to enter this market space as, you know, kind of a clean, more upscale, not necessarily Four Seasons upscale, but more further up the chain of scale than what people maybe have a negative connotation on the extended stay side.

ERIVES: Thank you.

EARP: Mayor and Vice and Council Member Erives, it's also with my colleagues, you know, I -- we talk to -- usually make quarterly, it's kind of been the new thing in Peoria and Goodyear and Avondale, you know, it's just we're saturated with the stadiums, the raceway, all the construction coming to the West Valley where you need construction managers, you know, or different trades or the traveling nurses in the area with the hospitals is -- is it's the place to be here in the West Valley. You know, years ago the East Valley got the mall and they're just kind of now because all the movements coming this way.

MAYOR RODRIGUEZ: Clorinda.

ERIVES: My follow-up question was, is there currently an ECHO Extended Stay here in Arizona somewhere? Do you have one in Scottsdale, do you have one in --

HUNT: Carter, if I remember our conversation, there is one coming close, yeah?

RISE: So we -- we are the developer for the Phoenix MSA. We have two under development right now. We have one in Peoria that we broke ground on a few months back. And we have one that's under development in Chandler that we are hoping to get a building permit on in the next few weeks or, you know, hopefully not months. So, you know, we're really, really committed to Phoenix and hope that this will be the third ECHO that we get in town, or maybe -- maybe even the second if it can beat Chandler.

HUNT: Highly likely. When on the Peoria do you think it'll be? How long for construction?

RISE: Based on my conversation with our GC this afternoon, I think we're targeting early October to open. That might slow up a little bit, but certainly before the end of the year.

HUNT: So, it -- yeah, Mayor and Council, just to let you know from timing if you -- you could expect to see it, so.

MAYOR RODRIGUEZ: Okay.

RISE: ECHO is a relatively new brand. There's only, I think, five open, maybe six open nationwide. We are hoping to open a location in Richmond, Virginia, in the next week; we're targeting the 22nd right now. So fingers crossed that our -- all of our final

inspections go well there. But we have three others in construction right now, one in Peoria; one in Reno, Nevada; one in Sterling, Virginia, near Dulles Airport. So this is a brand where we are hoping to expand rapidly, and it's really our -- our top commitment; we believe in it immensely.

MAYOR RODRIGUEZ: (Indiscernible).

DAVIS: No, I do have something else to add. So is this -- it's back from the street? Yeah, it's back from the street?

HUNT: Yes.

DAVIS: But will it be visible from the street at all?

HUNT: Course, yeah.

DAVIS: Yeah. Okay.

HUNT: In all directions.

DAVIS: Okay. So, well, so one thing that I will just point out is that we have a TIA initiative here in Tolleson; it's the Tolleson Initiative for the Arts, so we do place a great deal of importance on the arts and culture. And so, just something to keep in mind when you are designing public art. And you're going to be one of the first things people see when they come into our border.

HUNT: Just for qualifying for record, some context on that, is it a request from Mayor and Council to see art on the building, is it a suggestion -- I just want to make sure we understand and maybe Jason --

DAVIS: There's a process for that; that's exactly what Jason's going to say. But yes.

HUNT: Okay.

ERIVES: Yeah.

MAYOR RODRIGUEZ: Clorinda.

ERIVES: I'm just looking at the renderings and some -- I saw the (indiscernible), I saw (indiscernible). Can you explain a little bit more what's in the kitchen in your units?

HUNT: Of course, yeah. Carter, can you take that question, please?

RISE: Yes. So if someone can pull the presentation up for a visual aid, but I can start explaining. In the kitchen, you're going to have a microwave, you're going to have a full-

size refrigerator with freezer. You're going to have a, you know, hot cooking surface with ample cabinets. Generally, how we'll operate these is we'll have dishes for rent or purchase at the front desk. So it's -- we're not going to have a full oven or anything like that, but I think for the one week business traveler, I think it really has everything you could need.

In certain municipalities we have put in dishwashers, but that is more market driven on whether other hotels -- whether, you know, a Residence Inn or maybe other competitors have -- have that. So I would have to look and confirm whether other hotels have dishwashers before suggesting that's something we're definitely going to do either way. But as you can see, there's the microwave above, you know, our 88 rooms; that's sort of closer to the ground. But any other questions on the kitchen?

ERIVES: So you mentioned renting dishes -- you rent out the dishes or purchase the dishes. Like, what about, like the stove -- the -- the pots and pans and to cook that meal on?

HUNT: It's more of a warm-plate cooktop. There's no -- there's not going to be any baking, necessarily, no stove. So it would be the ability to heat stuff up outside the microwave on a -- on a hot plate, essentially.

ERIVES: (Indiscernible).

HUNT: Yeah, I want to try and stay away from some of the language that's popping up in my head. I don't want to explain like a college hot plate, right.

RISE: Nice. Hot plate (indiscernible).

HUNT: But hot plate, I think that would be -- that would create a negative connotation, but essentially the ability to heat up food. Yeah, but a hot surface.

RISE: It is a stove top. Whether -- usually we're probably not going to see someone go to the store and buy pots and pans. But someone -- we definitely have had guests to go to Target and buy a -- a \$20 frying pan and cook plenty in their apartment, especially -- or, not their apartment, in their -- in their room. If they are going to be there for maybe two, three weeks, you know, I think a lot of our guests get sick of sort of the fast-food business travel that a lot of people would say if you're staying at maybe, like, a Holiday

Inn. And so we definitely have a lot of people who cook. Or if they are getting take-out, the fridge is a great place for leftovers, and then the microwave and the stovetop allows for reheating pizza or you name it. I also should note that there obviously is a sink in the kitchen as well.

HUNT: Thank you.

ERIVES: Thanks.

MAYOR RODRIGUEZ: All good on this side? All right. Good on that side?

Yeah, my two cents is pretty straightforward. The content of we've been burnt historically by other long-term stay, to me, it's still short history. And we've gone through a lot of effort to try to change that business model and try to convert them to apartments. And it's helped; I got to say it's better than it used to be. And hopefully it'll continue to get better. But I'm not a fan of this product. Not to pick on you guys, but I don't -- I don't like extended stays. I would prefer a hotel where they can stay for a day or two, maybe a couple days and they got to move on. But I think the market is saturated. If people want to come to the Valley and stay somewhere, I'm okay with them staying somewhere else. I don't like them. They tend to start looking very nice when they're first built, and then they go downhill.

And now, you got direct market competition across the street, which is going price the drive down, which is going to increase the possibility of other populations moving in there. And we've had all kinds of activities and in -- I got to -- I'm not a fan. I just -- I don't think the product is a good product. I know there's a market out there. I just don't, you know -- call it selfish. I would not want to go down the same road that we already went through during the lessons that we learned and then end up in the same place and try to find external solutions, try to fix something that we could have avoided. So me personally, I'm not a fan. And I just want to be honest with you up front.

HUNT: Yeah. Mayor, I appreciate your candor and -- and I think, all we would ask as a development group is as we move forward in the process if there are suggestions, I -- I hear you loud and clear. And I don't want to meet your statement with just, okay, tell me what we can do. I think you made it clear that you -- you may not even see a

solution.

MAYOR RODRIGUEZ: Yeah. Avondale, Phoenix, Surprise. You already got one in Peoria, Buckeye. Those are all suggestions.

HUNT: Sure.

MAYOR RODRIGUEZ: I just don't want it in my backyard. I'm just trying to be completely honest with you, and --

HUNT: Yeah.

MAYOR RODRIGUEZ: I let everybody go first to try to create a balance because I already know where I stand on extended stays. And so, I think, that's my two cents' worth. And this is work study, so this is a -- I appreciate you taking the time to come out here and discuss this with us.

HUNT: Yeah.

MAYOR RODRIGUEZ: But it's important to me that -- that you understand kind of my stance and the rest of the council as you guys decide to move forward or not --

HUNT: Right.

MAYOR RODRIGUEZ: -- because there's no sense in lying to ourselves.

HUNT: Right.

MAYOR RODRIGUEZ: You know, this is the reality, this is where we're at. And so, let's just -- let's just see each other for what it is.

HUNT: Appreciate that. We may ask for suggestions as we move forward in the process on what you think might make it a viable product for you. And look forward to that feedback.

MAYOR RODRIGUEZ: I think Wyndham has -- is a great -- is a great provider for hotels. I think having a hotel there would be great. It would mirror the Marriot. Marriot's doing pretty good; having a Wyndham there, okay, well that's -- that's more revenue coming into our city. It would trigger the possibility of getting a hard, good restaurant on the corner or a couple of them, to feed the population that's going to be staying in the hotels. You got Desert Sky Pavilion there, they got -- they got concerts throughout all the summer. People come here and stay, go party and come back. That's great. They

come over and hit up the hotel, and then they go and eat breakfast at hopefully a Denny's or IHOP or whatever on the hard corners. And that's more (indiscernible) for our community.

But extended stays doesn't have that vibe to me. I just, I don't see it. There's enough options out there. And I understand we have a hospital down the road. I think we have more than enough extended stays in the region to take care of the nurses. There's construction. It is -- it's here. But I think -- I think we have enough rooms already available to serve the construction population. Again, that's just my two cents' worth, but at end of the day, you know, that's what the discussion is for, and I appreciate you just taking the time and hearing us out.

CHAVIRA: And Mayor, I just want to note that I actually agree with you. I'm also not a fan, and I believe we already have two other extended stay type models. Not something that I personally would think would benefit Tolleson for that area.

MAYOR RODRIGUEZ: And to be clear, there's another development right across the street being built on the Phoenix side that would mirror this property.

ERIVES: That's an extended stay too?

MAYOR RODRIGUEZ: I believe so. But I don't know for -- I mean, that's a Phoenix deal. Yeah.

CHAVIRA: I just think it's helpful for you to know that up front.

HUNT: Absolutely. That's why we're here. Thank you for your feedback.

RISE: Yeah. Thank you.

MAYOR RODRIGUEZ: All right. One last call, anybody else?

HUNT: Just out of respect for Carter who couldn't be here, if there's any last comments, Carter, otherwise we'll allow everyone to close it down. Okay. Thank you, Carter.

ERIVES: Thank you.

RISE: Yeah, thank -- thank you all.

MAYOR RODRIGUEZ: Good. Okay. All right. No, thank you, man. Okay.

Okay. We're going to move on to K, Mayor and City Manager Report of Current Events. I was asked to read this. So "Notice of cancellation of the City Council Meetings

scheduled on Tuesday, July 22, 2025, and August 12th, 2025, for summer recess, Tuesday, November 25, 2025, for fall recess and Tuesday, December 23, 2025, for winter recess. The City Council Meeting Scheduled on Tuesday, November 11, 2025, will be rescheduled to Wednesday, November 12, 2025, due to Veterans Day. The City Hall holiday closure is scheduled from December 22, 2025, to December 26, 2025".

So it's been read. Any questions or comments? Okay. That is not an action item. I just wanted to make sure everybody's aware of it way in advance, and here we are in January.

So all right. We're going to convene into Executive Session. I will motion to go into Executive Session.

GAMEZ: So move.

MAYOR RODRIGUEZ: Okay. We have a motion.

ERIVES: Second.

DAVIS: Second.

MAYOR RODRIGUEZ: We have a second. Yes. Go ahead.

DAVIS: Oh.

MAYOR RODRIGUEZ: Go ahead, Randy (ph.).

UNIDENTIFIED SPEAKER: (Indiscernible).

MAYOR RODRIGUEZ: Awesome.

GAMEZ: A nacho lady.

MAYOR RODRIGUEZ: I'm glad you mentioned that because I went on a trip out of town, and it was a last-minute kind of thing. And I got back to work, and my pile is -- my plate is, what do they say -- run it over, is that what they say?

UNIDENTIFIED SPEAKER: Runneth.

MAYOR RODRIGUEZ: Yeah, there you go. I have a lot of work at work. So we have had two grand openings, Mesquite Grill and then today was Salt and --

CHAVIRA: Salt and Soak.

DAVIS: SoakNSalt.

MAYOR RODRIGUEZ: SoakNSalt. And so, I know Jimmy has been there to say a couple

of comments and welcome them into our community, so he's also going to be there Saturday morning at 7 a.m. to do the Red Cross event. And he's also going to be there for -- for third Friday to help say some comments or two. So Jimmy, thank you very much, appreciate it. And thanks to everybody else that's attending these events.

DAVIS: I will actually be Emcee Jimmy.

MAYOR RODRIGUEZ: Emcee Jimmy, there you go.

UNIDENTIFIED SPEAKER: Emcee Jimmy.

DAVIS: On Friday.

MAYOR RODRIGUEZ: As long as it's not Emcee Kitty Cat Jimmy.

DAVIS: No.

[Laughter].

MAYOR RODRIGUEZ: Okay. Is there anything else for the good of the order?

DAVIS: I like animals for the record.

[Laughter].

MAYOR RODRIGUEZ: All right. Well, now we will convene into Executive Session. Do we have a motion to go into Executive Session? All right, we have a first and we have a second. You got them? It's Adolfo and Clorinda. Okay.

Now at this time, as the Council convenes into Executive, we are asking that members of the -- okay. So now we're asking members of the public and those that are not involved in the Executive Session to please exit the meeting at this time. The only action items after the Executive Session will be to adjourn to the public.

UNIDENTIFIED SPEAKER: Five-minute recess between the --

MAYOR RODRIGUEZ: Yeah, we can have a five-minute recess.

APPROVED:

JUAN F. RODRIGUEZ, MAYOR

ATTEST:

CRYSTAL ZAMORA, CITY CLERK

CERTIFICATION

I HEREBY CERTIFY THAT THE FOREGOING MINUTES ARE A TRUE AND CORRECT COPY OF THE MINUTES OF THE REGULAR MEETING OF THE COUNCIL OF THE CITY OF TOLLESON, ARIZONA, HELD ON JANUARY 14, 2025. I FURTHER CERTIFY THAT THE MEETING WAS DULY CALLED AND HELD, AND THAT A QUORUM WAS PRESENT.

CRYSTAL ZAMORA, CITY CLERK



CITY COUNCIL REPORT

SUBJECT: Claims and Bills Report for the period of January 8, 2025 to January 21, 2025

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Kevin Artz, Chief Financial Officer

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

The Finance Department is requesting the approval of Claims and Bills Report for the period of January 8, 2025 to January 21, 2025.

BACKGROUND:

Each Council Meeting, the Finance Department shall prepare a list of all claims paid by the City. The list shall be reviewed and approved when required by the Council, and a copy of it shall be included in the minutes.

DISCUSSION:

The Claims and Bills Report includes vendor payments between \$10,000 to \$50,000, as well as payments over \$50,000, for the period noted above.

BUDGET IMPACT:

This item has no additional budget impact.

RECOMMENDATION:

Staff recommends the City Council approve the Claims and Bills Report.

ATTACHMENTS:

None

City of Tolleson

Checks Recorded

Check Dates: January 8, 2025 to January 21, 2025

PAYMENTS OVER \$50,000

CHECK NUMBER	CHECK DATE	VENDOR NAME	AMOUNT
183344	01/16/2025	VEOLIA WTS SOLUTIONS USA INC	780,077.41
183288	01/16/2025	CITY OF PHOENIX	240,150.96
100195	01/10/2025	FLOCK GROUP INC	206,720.00
100203	01/14/2025	AZ MUNI RISK RETENTION POOL-WC FUND	135,298.60
183297	01/16/2025	ALFRED DIMAS	112,114.81
183346	01/16/2025	VULCAN INDUSTRIES, INC.	101,517.74

City of Tolleson

Checks Recorded

Check Dates: January 8, 2025 to January 21, 2025

PAYMENTS FOR \$10,000 - \$49,999

CHECK NUMBER	CHECK DATE	VENDOR NAME	AMOUNT
183335	01/16/2025	SUNLAND ASPHALT & CONSTRUCTION, LLC	49,500.00
100210	01/17/2025	AZ PUBLIC SAFETY RETIREMENT, FIRE	46,587.27
100211	01/17/2025	AZ PUBLIC SAFETY RETIREMENT, POLICE	43,084.18
183273	01/16/2025	ADAPTIVE ARCHITECTS INC	34,143.00
183246	01/08/2025	SOLENIS LLC	32,976.00
100214	01/17/2025	MOTOROLA SOLUTIONS INC.	26,675.48
100203	01/14/2025	AZ MUNI RISK RETENTION POOL-WC FUND	18,775.08
183338	01/16/2025	THE PARTY PEOPLE OF ARIZONA	16,401.57
100207	01/14/2025	MOTOROLA SOLUTIONS INC.	12,237.99
100197	01/10/2025	KIMLEY-HORN AND ASSOCIATES, INC.	11,643.50
100203	01/14/2025	AZ MUNI RISK RETENTION POOL-WC FUND	11,308.80
100197	01/10/2025	KIMLEY-HORN AND ASSOCIATES, INC.	10,981.00
100191	01/10/2025	CITY OF TOLLESON-MEDICAL	10,828.85
183205	01/08/2025	BRENNTAG PACIFIC, INC.	10,055.40



CITY COUNCIL REPORT

SUBJECT: Replat of JBS Parcel

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Chris Hamilton, City Engineer

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

Approve Replat Application #24110001 as submitted by Cassie Kussow with Kimley-Horn, on behalf of the owner, Sun Land Beef Company, for a final plat located near the northeast corner of 91st Avenue and Buckeye Road in Tolleson, AZ. The site, comprised of a portion APN 101-12-632A, is approximately 459,422 sq. ft. and zoned Planned Area Development (PAD). (JBS Costco Depot – Development Services Department)

BACKGROUND:

In 2011, a final plat was recorded that created the existing JBS lot. The plat is MCR Book 1101 Page 38.

DISCUSSION:

Costco recently completed expansions of their warehouse facility. These expansions created the need for additional parking. Costco has been working with JBS to obtain additional parking on the northeast corner of the JBS parcel. JBS has agreed to sell a portion of the parcel to Costco for parking. In order to facilitate this sale, a new parcel needs to be created. Once the parcel is created, Costco purchase the parcel and then record an access easement on their parcel to ensure the newly created parcel has access. The new parcel cannot be easily joined to the existing Costco parcel due to the existing parcel and the new lot having different Zoning designations. If Costco wanted to combine the parcels, the new parcel would need to be rezoned from PAD to I-1. Rezoning would require a separate Council action. At the current time, this action has not been discussed or requested.

BUDGET IMPACT:

This item has no additional budget impact.

RECOMMENDATION:

Staff recommends the approval of the Replat for JBS Costco.

ATTACHMENTS:

1. 01 28 25 JBS Costco Depot Replat - NEC of 91st Ave. and Buckeye Rd.

REPLAT
"JBS COSTCO DEPOT"
BEING A REPLAT OF JBS TOLLESON AS SHOWN IN BOOK 1101 OF
MAPS, PAGE 38, M.C.R., LOCATED IN A PORTION OF THE
SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 1 NORTH,
RANGE 1 EAST, OF THE GILA AND SALT RIVER MERIDIAN,
MARICOPA COUNTY, ARIZONA

DEDICATION

STATE OF ARIZONA)
) S
COUNTY OF MARICOPA)

KNOW ALL MEN BY THESE PRESENT:

THAT SUN LAND BEEF COMPANY, AN ARIZONA CORPORATION AS OWNER HAS SUBDIVIDED UNDER THE NAME OF "JBS COSTCO DEPOT", BEING A REPLAT OF "JBS TOLLESON" AS SHOWN IN BOOK 1101 OF MAPS AT PAGE 38, M.C.R. BEING A PORTION OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 1 NORTH, RANGE 1 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN PLATTED HEREON AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT OF SAID "JBS COSTCO DEPOT" AND HEREBY DECLARES THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE MEASUREMENTS AND DIMENSIONS OF THE LOTS AND THAT THE LOTS SHALL BE KNOWN BY THE NUMBER AND NAME GIVEN EACH RESPECTIVELY ON SAID PLAT.

IN WITNESS WHEREOF:

SUN LAND BEEF COMPANY, AN ARIZONA CORPORATION, AS OWNER, HAS HEREUNTO CAUSED ITS NAME TO BE AFFIXED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF THE UNDERSIGNED DULY AUTHORIZED THIS

____ DAY OF _____, 2025,

BY: _____

ACKNOWLEDGMENT

STATE OF ARIZONA)
) SS
COUNTY OF MARICOPA)

ON THIS _____ DAY OF _____, 2025, BEFORE ME
THE UNDERSIGNED OFFICER PERSONALLY APPEARED _____ WHO
ACKNOWLEDGED HIMSELF TO BE THE _____ OF SUN LAND BEEF
COMPANY, AN ARIZONA CORPORATION, AND THAT HE/SHE, IN SUCH CAPACITY BEING
AUTHORIZED TO DO SO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES
THEREIN CONTAINED.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.

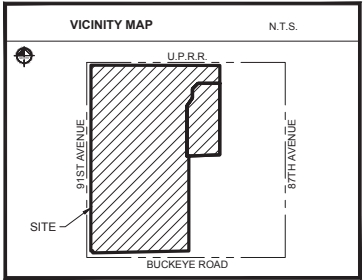
BY: _____

NOTARY PUBLIC:

MY COMMISSION EXPIRES: _____

OWNER:

SUN LAND BEEF
651 S. 91ST AVENUE
TOLLESON, AZ., 85353
623-936-7177



SW QUARTER SEC. 10, T. 1 N., R. 1 E.
MARICOPA COUNTY, ARIZONA

LEGAL DESCRIPTION LOT 1A

THAT PART OF LOT 1, JBS TOLLESON, ACCORDING TO THE PLAT RECORDED IN BOOK 1101 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 1;

THENCE ALONG THE EAST LINE OF SAID LOT 1, SOUTH 00°03'20" WEST, A DISTANCE OF 335.47 FEET;

THENCE LEAVING SAID EAST LINE, SOUTH 90°00'00" WEST, A DISTANCE OF 301.73 FEET;

THENCE SOUTH 45°00'00" WEST, A DISTANCE OF 107.08 FEET;

THENCE SOUTH 00°13'23" EAST, A DISTANCE OF 124.09 FEET;

THENCE NORTH 90°00'00" WEST, A DISTANCE OF 110.48 FEET;

THENCE SOUTH 00°00'00" EAST, A DISTANCE OF 803.97 FEET;

THENCE NORTH 87°49'20" EAST, A DISTANCE OF 26.16 FEET;

THENCE SOUTH 00°04'43" WEST, A DISTANCE OF 1208.72 FEET;

THENCE SOUTH 84°24'40" WEST, A DISTANCE OF 1294.13 FEET;

THENCE NORTH 00°03'20" EAST, A DISTANCE OF 28.14 FEET;

THENCE SOUTH 84°25'05" WEST, A DISTANCE OF 28.14 FEET;

THENCE NORTH 00°03'16" EAST, A DISTANCE OF 2580.25 FEET;

THENCE NORTH 87°50'02" EAST, A DISTANCE OF 1778.03 FEET TO THE POINT OF BEGINNING.

LEGAL DESCRIPTION LOT 2A

THAT PART OF LOT 1, JBS TOLLESON, ACCORDING TO THE PLAT RECORDED IN BOOK 1101 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 1;

THENCE ALONG THE EAST LINE OF SAID LOT 1, SOUTH 00°03'20" WEST, A DISTANCE OF 335.47 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING SOUTH 00°03'20" WEST, A DISTANCE OF 985.28 FEET;

THENCE LEAVING SAID EAST LINE, SOUTH 87°49'20" WEST, A DISTANCE OF 486.84 FEET;

THENCE NORTH 00°00'00" EAST, A DISTANCE OF 803.97 FEET;

THENCE NORTH 90°00'00" EAST, A DISTANCE OF 110.48 FEET;

THENCE NORTH 00°13'23" EAST, A DISTANCE OF 124.09 FEET;

THENCE NORTH 45°00'00" EAST, A DISTANCE OF 107.08 FEET;

THENCE NORTH 90°00'00" EAST, A DISTANCE OF 301.73 FEET TO THE POINT OF BEGINNING.

NOTES

1. ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND.
2. SHALL BE FURTHER UNDERSTOOD THAT THE CITY OF TOLLESON SHALL NOT BE REQUIRED TO REPAIR OR REPLACE ANY OBSTRUCTIONS, PAVING OR VEGETATION THAT BECOMES DAMAGED OR MUST BE REMOVED DURING THE COURSE OF REQUIRED CONSTRUCTION, RECONSTRUCTION, MAINTENANCE OR REPAIR.
3. STRUCTURES AND LANDSCAPING WITHIN A TRIANGLE MEASURED 10 FEET INTO THE PROPERTY AND 20 FEET ALONG THE RIGHT-OF-WAY LINE ON EACH SIDE OF THE DRIVEWAYS ENTRANCES WILL BE MAINTAINED AT A MAXIMUM HEIGHT OF 2 FEET.
4. DEVELOPMENT AND USE OF THIS SITE WILL CONFORM WITH ALL APPLICABLE CODES AND ORDINANCES.
5. EACH LOT OWNER SHALL BE RESPONSIBLE FOR MAINTAINING THE EASEMENT AREAS LOCATED ON THEIR LOT.
6. EACH LOT OWNER SHALL BE RESPONSIBLE FOR MAINTAINING THE DRAINAGE FACILITIES LOCATED ON THEIR LOT.
7. AN 18" REBAR WITH L.S. CAP WILL BE SET AT ALL BOUNDARY CORNERS, LOT CORNERS, POINT OF CURVATURE, POINT OF TANGENCY, AND ANGLE POINTS AT COMPLETION OF MASS GRADING.
8. THE CITY OF TOLLESON IS NOT DESIGNATED AS AN ASSURED WATER PROVIDER PURSUANT TO A.R.S. 45-576.
9. NO STRUCTURE OR VEGETATION OF ANY KIND THAT WOULD IMPEDE THE FLOW OF WATER THROUGH THE EASEMENT MAY BE CONSTRUCTED, PLANTED OR ALLOWED TO GROW WITHIN DRAINAGE EASEMENTS.
10. THE MAINTENANCE OF LANDSCAPING WITHIN THE PUBLIC RIGHT-OF-WAY TO THE BACK OF CURB SHALL BE THE RESPONSIBILITY OF THE ABUTTING PROPERTY OWNER.
11. EACH LOT SHALL BE RESPONSIBLE FOR RETAINING THE STORMWATER RUNOFF PER THE CITY OF TOLLESON REQUIREMENTS FOR THEIR 1/2 STREET FRONTAGES IN ADDITION TO THE LOT ITSELF.
12. ONLY GROUND COVER AND BUSHES ARE ALLOWED TO BE PLANTED WITHIN THE EXISTING EASEMENT NO TREES ARE ALLOWED.
13. ACCESS EASEMENT SHALL REMAIN UNOBSTRUCTED FOR CITY ACCESS. NO CONSTRUCTION OR PLANTING ARE PERMITTED.

BASIS OF BEARING:

THE BASIS OF BEARING FOR THIS SURVEY IS THE WEST LINE OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 1 NORTH, RANGE 1 EAST OF THE GILA AND SALT RIVER MERIDIAN, SAID LINE BEARS N00°03'16"E.

APPROVALS

APPROVED BY THE COUNCIL OF TOLLESON, ARIZONA THIS _____ DAY OF _____, 2025.

APPROVED: _____ DATE: _____
MAYOR

ATTEST: _____ DATE: _____
CITY CLERK

APPROVED: _____ DATE: _____
CITY MANAGER

APPROVED: _____ DATE: _____
CITY ENGINEER

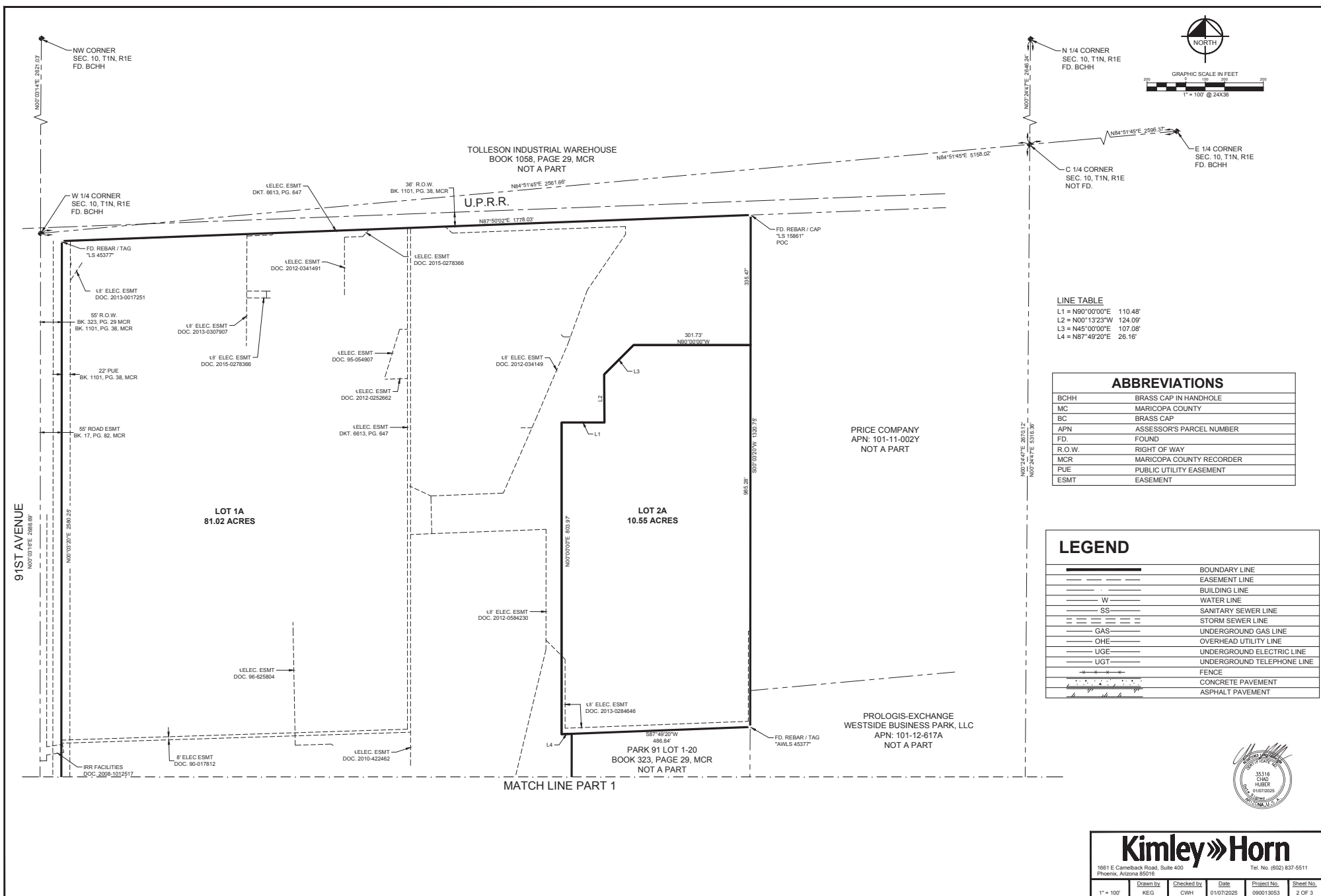
CERTIFICATION:

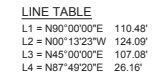
THIS IS TO CERTIFY THAT THIS PLAT AND SUBDIVISION IS BASED ON A FIELD SURVEY PERFORMED UNDER MY DIRECTION IN AUGUST, 2024, THAT THE MONUMENTS SHOWN FOUND HEREON ARE OF THE CHARACTER AND IN THE LOCATION SHOWN AND ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, THAT THIS PLAT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SUBDIVISION CONFORMS TO ALL REGULATIONS AND REQUIREMENTS OF THE SUBDIVISION REGULATIONS OF THE CITY OF TOLLESON.



Kimley & Horn
1661 E Camelback Road, Suite 400
Phoenix, Arizona 85016
Tel. No. (602) 837-5511

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
N/A	KEG	CWH	01/07/2025	090013053	1 OF 3





BCHH	BRASS CAP IN HANDHOLE
MC	MARICOPA COUNTY
BC	BRASS CAP
APN	ASSESSOR'S PARCEL NUMBER
FD.	FOUND
R.O.W.	RIGHT OF WAY
MCR	MARICOPA COUNTY RECORDER
PUE	PUBLIC UTILITY EASEMENT
ESMT	EASEMENT

	BOUNDARY LINE
	EASEMENT LINE
	BUILDING LINE
	WATER LINE
	SANITARY SEWER LINE
	STORM SEWER LINE
	GAS
	UNDERGROUND GAS LINE
	OVERHEAD UTILITY LINE
	UNDERGROUND ELECTRIC LINE
	UNDERGROUND TELEPHONE LINE
	FENCE
	CONCRETE PAVEMENT
	ASPHALT PAVEMENT



1661 E Camelback Road, Suite 400 Phoenix, Arizona 85016		Tel. No. (602) 837-5511	
1" = 100'	<u>Drawn by</u> KEG	<u>Checked by</u> CWH	<u>Date</u> 01/07/2025
			<u>Project No.</u> 090013053
			<u>Sheet No.</u> 3 OF 3



CITY COUNCIL REPORT

SUBJECT: Replat of Federico's Parcel

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Chris Hamilton, City Engineer

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

Approve Replat Application #24100001 as submitted by James Williamson with Superior Surveying, on behalf of the owner, Isidro Araiza, for a final plat located near the southwest corner of 83rd Avenue and Van Buren Street in Tolleson, AZ. The site, comprised of a portion APN 101-12-612, is approximately 60,126 sq. ft. and zoned Planned Area Development (PAD).

BACKGROUND:

In 2008, a final plat for Tolleson Business Park was recorded. The plat is MCR Book 977 Page 19. Federico's purchased lot 4 of Tolleson Business Park.

DISCUSSION:

The owner of the Federico's parcel desires to have a commercial building constructed north of the existing restaurant. They would like to be able to have this building on a separate parcel from the restaurant parcel. This replat is to split the lot into two (2) parcels.

BUDGET IMPACT:

This item has no additional budget impact.

RECOMMENDATION:

Staff recommends the approval of the Replat for Lot 4 Tolleson Business Park.

ATTACHMENTS:

1. 01 28 25 Federico's Replat - SWC of 83rd Ave. and Van Buren St.

REPLAT OF LOT 4 TOLLESON BUSINESS CENTER FOR
"FEDERICO'S 83RD AVE"
OF A PORTION OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 1 NORTH, RANGE 1 EAST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

OWNER CERTIFICATION

THIS CERTIFIES THAT AR-PI 83RD AVE & VAN BUREN LLC, AN ARIZONA LIMITED LIABILITY COMPANY, IS THE OWNER AS SHOWN HEREON AND IS REQUESTING THE DIVISION OF THE PROPERTY SHOWN HEREON UNDER THE MINOR LAND DIVISION PROCESS.

IN WITNESS WHEREOF,
AR-PI 83RD AVE & VAN BUREN LLC, AN ARIZONA LIMITED LIABILITY COMPANY,
HAS HEREUNTO CAUSED ITS NAME TO BE AFFIXED AND THE SAME TO BE
ATTESTED BY THE SIGNATURE OF _____ THEREUNTO
AUTHORIZED.

BY: _____

TITLE: _____

ACKNOWLEDGMENT

STATE OF ARIZONA)
COUNTY OF MARICOPA) ss

BEFORE ME THIS _____ DAY OF _____, 2024, BEFORE ME, THE
UNDERSIGNED PERSONALLY APPEARED _____ WHO
ACKNOWLEDGED THEMSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED
TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FORGOING INSTRUMENT
FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HEREUNTO SET MY HAND AND OFFICIAL SEAL.

BY: _____ NOTARY PUBLIC MY COMMISSION EXPIRES _____

BENCHMARK

THE BENCHMARK USED FOR THIS MINOR LAND DIVISION IS THE CITY OF
TOLLESON BENCHMARK NUMBER 7, BEING A BRASS CAP ON TOP OF CURB AT
THE SOUTH SIDE OF CURB RETURN AT THE SOUTHWEST CORNER OF 99TH
AVENUE AND VAN BUREN STREET, STAMPED "CITY OF TOLLESON BENCH MARK
NO. 7 2016", HAVING AN ELEVATION OF 1,010.21 FEET, NAVD 88.

SURVEYOR

SUPERIOR SURVEYING SERVICES INC.
2122 W. LONE CACTUS DRIVE, SUITE 11
PHOENIX, AZ 85027
PHONE: (623)869-0223
FAX: (623)869-0726
CONTACT: JAMES M. WILLIAMSON

OWNER

AR-PI 83RD AVE & VAN BUREN LLC, AN ARIZONA LIMITED LIABILITY COMPANY
10000 N. 35TH AVENUE, SUITE D-405
PHOENIX, AZ 85051

LEGAL DESCRIPTION

LOT 4, OF TOLLESON BUSINESS CENTER, ACCORDING TO THE PLAT OF RECORD IN THE
OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN
BOOK 977 OF MAPS, PAGE 19.

NOTES

- ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND.
- THE CITY OF TOLLESON IS NOT DESIGNATED AS AN ASSURED WATER PROVIDER PURSUANT TO A.R.S. 45-576.
- THE MAINTENANCE OF LANDSCAPING WITHIN THE PUBLIC RIGHT-OF-WAY TO THE BACK OF CURB SHALL BE THE RESPONSIBILITY OF THE ADJUTING PROPERTY OWNER.
- ALL LOTS WILL BE RESPONSIBLE FOR RETAINING THE STORM WATER RUNOFF PER THE CITY OF TOLLESON REQUIREMENTS FOR THEIR 1/2 STREET FRONTTAGES IN ADDITION TO THE LOT ITSELF.
- NO STRUCTURE OF ANY KIND SHALL BE CONSTRUCTED OR PLACED WITHIN THE PUBLIC UTILITY EASEMENTS EXCEPT DRY UTILITY INSTALLATIONS, WOODEN WIRE OR REMOVABLE SECTION TYPE FENCING, PAVING, OR LANDSCAPING, EXCLUDING TREES.
- STRUCTURES AND LANDSCAPING WITHIN A TRIANGLE MEASURED 10 FEET INTO THE PROPERTY AND 20 FEET ALONG THE RIGHT-OF-WAY LINE ON EACH SIDE OF THE DRIVEWAYS ENTRANCES WILL BE MAINTAINED AT A MAXIMUM HEIGHT OF 2 FEET.
- DEVELOPMENT AND USE OF THIS SITE WILL CONFORM WITH ALL APPLICABLE CODES AND ORDINANCES.
- AN 18" REBAR WITH L.S. CAP WILL BE SET AT ALL BOUNDARY CORNERS, LOT CORNERS, POINT OF CURVATURE, POINT OF TANGENCY, AND ANGLE POINTS AT COMPLETION OF MASS GRADING.

SURVEYORS NOTES

- THE BASIS OF BEARING IS THE MONUMENT LINE OF 83RD AVENUE, ALSO BEING THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 10, USING A BEARING OF SOUTH 00 DEGREES 00 MINUTES 58 SECONDS WEST, PER THE GEODETIC DENSIFICATION AND CADASTRAL SURVEY, BOOK 686 OF MAPS, PAGE 43, RECORDS OF MARICOPA COUNTY, ARIZONA.
- THIS SURVEY HAS BEEN PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT, AND IS SUBJECT TO ALL EASEMENTS OF RECORD.

REFERENCES

GENERAL LAND OFFICE RECORDS ON FILE WITH THE U.S. DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FINAL PLAT OF "LAND'S CENTER" RECORDED IN BOOK 540 OF MAPS, PAGE 13, MARICOPA COUNTY RECORDS

RECORD OF SURVEY IN BOOK 671 OF MAPS, PAGE 22, MARICOPA COUNTY RECORDS

RECORD OF SURVEY PLSS SUBDIVISION IN BOOK 686 OF MAPS, PAGE 43, MARICOPA COUNTY RECORDS

FINAL PLAT OF "TOLLESON BUSINESS CENTER" RECORDED IN BOOK 977 OF MAPS, PAGE 19, MARICOPA COUNTY RECORDS

FINAL PLAT OF "WASHINGTON 83" RECORDED IN BOOK 1440 OF MAPS, PAGE 15, MARICOPA COUNTY RECORDS

SPECIAL WARRANTY DEED IN 2020-0221114, MARICOPA COUNTY RECORDS

FLOOD ZONE

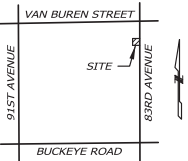
ACCORDING TO FEMA FLOOD INSURANCE RATE MAP, MAP NUMBER 04013C2160M, DATED SEPTEMBER 16, 2020, THE SUBJECT PROPERTY IS LOCATED IN ZONE X (SHADED). ZONE X (SHADED) IS DEFINED AS "AREAS OF 0.2% ANNUAL CHANCE FLOOD AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS LESS THAN 1 SQUARE MILE.

CURRENT ZONING

CITY OF TOLLESON, PAD (PLANNED AREA DEVELOPMENT)

AREA

LOT NO.	AREA
LOT 1	37,586 SQ. FT. 0.863 ACRES
LOT 2	22,541 SQ. FT. 0.517 ACRES
TOTAL	60,127 SQ. FT. 1.380 ACRES



VICINITY MAP

NOT TO SCALE

APPROVALS

APPROVED: _____ MAYOR _____ DATE _____

APPROVED: _____ CITY CLERK _____ DATE _____

APPROVED: _____ CITY MANAGER _____ DATE _____

APPROVED: _____ CITY ENGINEER _____ DATE _____

CERTIFICATION

I HEREBY CERTIFY THIS SUBDIVISION CONFORMS TO ALL REGULATIONS AND REQUIREMENTS OF THE SUBDIVISION REGULATIONS OF THE CITY OF TOLLESON.

DECEMBER 10, 2024
JAMES M. WILLIAMSON
R.L.S. 75941
2022 W. LONE CACTUS DRIVE, SUITE 11
PHOENIX, AZ 85027

FOR REVIEW
NOT FOR
CONSTRUCTION
OR RECORDING

REPLAT OF LOT 4 TOLLESON BUSINESS CENTER FOR
FEDERICO'S 83RD AVE
TOLLESON, AZ 85053

2122 W. Lone Cactus Drive, Suite 11
Phoenix, AZ 85027
623-869-0223 (office) 623-869-0726 (fax)
www.superiorsurveying.com
info@superiorsurveying.com

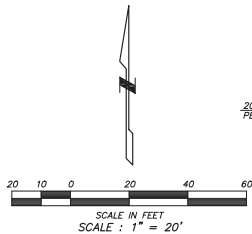
SUPERIOR
SURVEYING SERVICES, INC.

DWN: LE CHK: JW

SHEET 1 OF 2

DATE: 12/10/24

JOB: 202408052



ACCESS EASEMENT LINE TABLE		
LINE	BEARING	DISTANCE
AL1	N 00°00'58" E	15.37'
AL2	S 89°25'34" E	19.85'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 00°31'56" E (R)	30.00'
	N 00°34'56" E (M)	15.37'
L2	N 89°25'24" W (R)	50.00'
	N 89°25'04" W (M)	50.00'
L3	S 00°31'56" W (R)	30.00'
	S 00°34'56" W (M)	30.00'

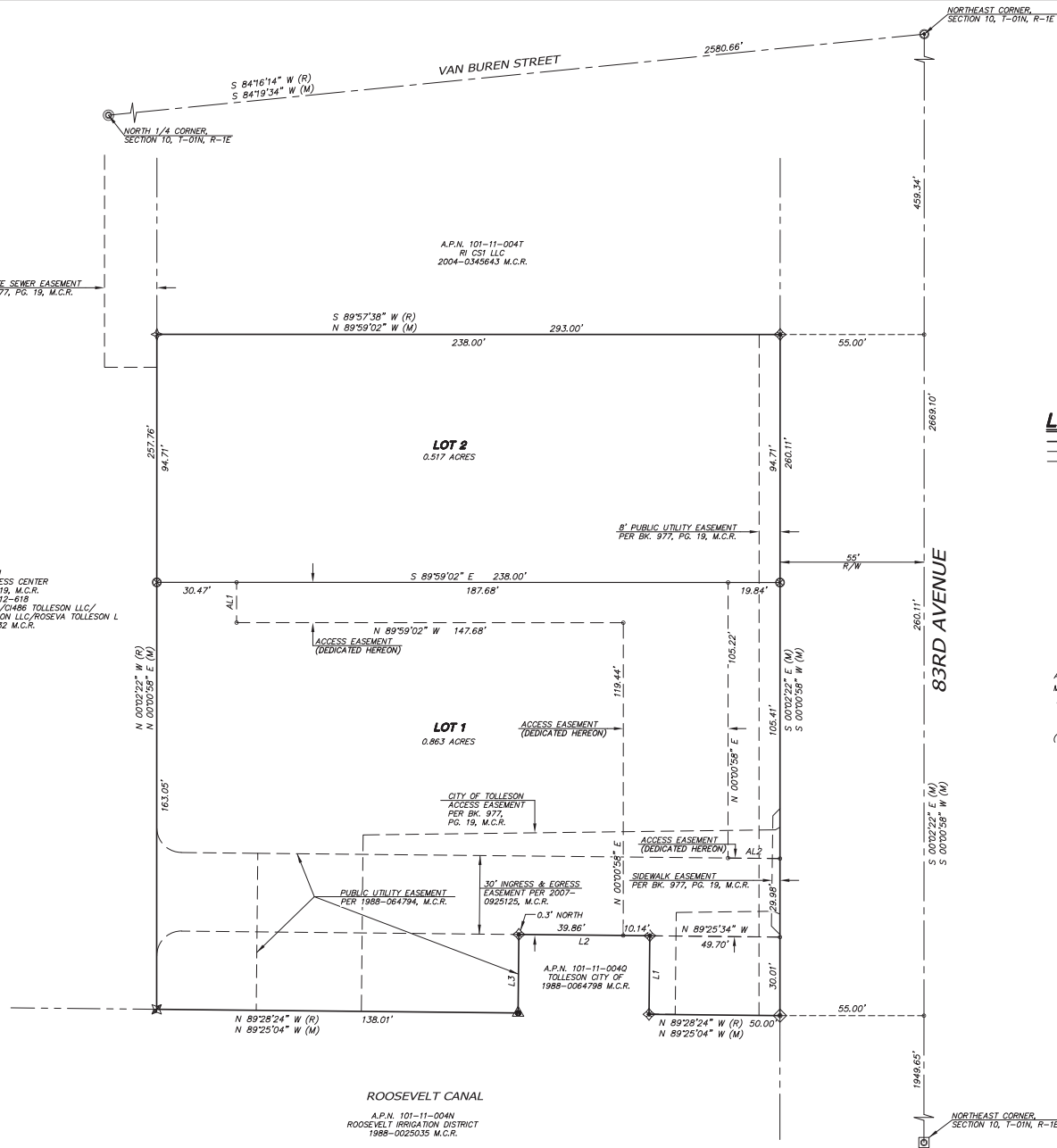
LOT 1
TOLLESON BUSINESS CENTER
BK. 977, PG. 19, M.C.R.
A.P.N. 101-11-0040
NOVA TOLLESON TIC MEMBER/0486 TOLLESON LLC/
FP II TOLLESON LLC FP II TOLLESON LLC/ROSEVA TOLLESON L
2023-0544732 M.C.R.

A.P.N. 101-11-0047
RI CSI LLC
2004-0345643 M.C.R.

LOT 2
0.517 ACRES

LOT 1
0.863 ACRES

ROOSEVELT CANAL
A.P.N. 101-11-004N
ROOSEVELT IRRIGATION DISTRICT
1988-0025035 M.C.R.



LEGEND

- BOUNDARY LINE
- - - CENTER LINE OR MONUMENT LINE
- - - EXISTING EASEMENT LINE
- ⊗ INDICATES LOT CORNER TO BE SET UPON COMPLETION OF MASS GRADING
- ⊕ FOUND 1/2" REBAR WITH CAP STAMPED "87258"
- ⊗ FOUND 1/2" CAPPED REBAR WITH ILLEGIBLE STAMP
- ⊕ FOUND 1/2" REBAR WITH BRASS TAG STAMPED "LS 14216"
- ⊕ FOUND 1/2" REBAR WITH ORANGE PLASTIC CAP STAMPED "S 42017"
- ⊕ FOUND 1/2" REBAR WITH NO IDENTIFICATION (0.55' DOWN)
- ⊕ FOUND BRASS CAP IN HANDHOLE WITH NO IDENTIFICATION (0.55' DOWN)
- ⊕ FOUND MARICOPA COUNTY DEPARTMENT OF TRANSPORTATION HIGHWAY DEPARTMENT (0.35' DOWN)
- ⊕ CALCULATED POSITION NO MONUMENT FOUND OR SET
- A.P.N. ASSESSORS PARCEL NUMBER
- M.C.R. MARICOPA COUNTY RECORDS
- R/W RIGHT OF WAY
- BK. BOOK
- PG. PAGE
- (TYP.) TYPICAL
- (R) RECORD PER BK. 977, PG. 19, M.C.R.
- (M) MEASURED

— FOR REVIEW —
NOT FOR
CONSTRUCTION
OR RECORDING

REPLAT OF LOT 4 TOLLESON BUSINESS CENTER FOR
FEDERICO'S 83RD AVE
TOLLESON, AZ 85353

2122 W. Lone Cactus Drive, Suite 11
623-869-0223 (office) 623-869-0726 (fax)
www.superiorsurveying.com
info@superiorsurveying.com

SUPERIOR
SURVEYING SERVICES, INC.

DWN: LE CHK: JW
SHEET 2 OF 2
DATE: 12/10/24
JOB: 202408052



CITY COUNCIL REPORT

SUBJECT: Resolution No. 2594 - Second Amendment to Maricopa County Intergovernmental Agreement

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Santiago Cornejo, Human Services Director

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

The Tolleson Human Services Department is requesting the adoption of Resolution No. 2594, approving the Second Amendment to the Intergovernmental Agreement (IGA) between the City of Tolleson and Maricopa County, administered by its Human Services Department (MCHSD), pertaining to funding under the Community Services Block Grant (CSBG) Program. The funding supports the Tolleson Farmer's Market Initiative, aimed at improving access to food and nutrition for Tolleson residents and surrounding areas.

BACKGROUND:

The City of Tolleson entered into an Intergovernmental Agreement (IGA) with Maricopa County on November 21, 2023, to provide funding under the CSBG Program. The original IGA facilitated funding for the Tolleson Farmer's Market Initiative.

- The First Amendment extended the Agreement through June 30, 2025, and provided funding in the amount of \$29,700.
- The Second Amendment increases total funding to \$34,700 (\$29,700 in CSBG funds + \$5,000 in County General Funds) and requires a 25% cash match contribution from the City totaling \$11,567.
- Additionally, administrative and compliance provisions, including SAM.gov registration and 2 C.F.R. § 25.300, have been updated.

DISCUSSION:

The Second Amendment updates project funding, administrative requirements, reporting obligations, and compliance standards to align with federal, state, and local regulations.

BUDGET IMPACT:

Total Funding: \$34,700 (\$29,700 CSBG funds + \$5,000 County General Funds)

City Cash Match Contribution: \$11,567

Funding supports administrative and operational costs for the Tolleson Farmer's Market Initiative during Fiscal Year 2025 (FY 25).

RECOMMENDATION:

Staff recommends the City Council adopt Resolution No. 2594.

ATTACHMENTS:

1. City of Tolleson CSBG Amendment 2

AMENDMENT NO. 2 TO THE
INTERGOVERNMENTAL AGREEMENT
BETWEEN
MARICOPA COUNTY
ADMINISTERED BY ITS
HUMAN SERVICES DEPARTMENT
AND
CITY OF TOLLESON

- I. Maricopa County ("County"), administered by its Human Services Department, and the City of Tolleson, ("Subrecipient") entered into a financial Intergovernmental Agreement ("Agreement"), which was fully executed on or about November 21, 2023. The purpose of the Agreement is to support the City's Farmer's Market (the "initiative") to expand access to food and nutrition in the Tolleson area. The Agreement term is November 1, 2023, through June 30, 2024. The County provided the Subrecipient with with \$24,750 in CSBG Funds under Assistance Listing Number (ALN) 93.569 provided to the County through an Intergovernmental Agreement with Arizona Department of Economic Security (ADES) for Initiative activities. The County and the Subrecipient collectively are referred to as the "Parties."

The Parties fully executed Amendment No. 1 on or about June 26, 2024. The Amendment extended the Agreement through June 30, 2025, and provided funds for fiscal year 2025 (FY25), in the amount of \$29,700 in CSBG funds, through an Agreement with ADES. The period of funding availability is from July 1, 2024, through June 30, 2025. The Amendment also updated Agreement required clauses.

- II. The Parties agree to enter into this Amendment No. 2 to amend the Agreement as follows:

- A. Revise Paragraph 5.0 (Administrative Change Orders), by removing it in its entirety and replacing with the following:

5.0 ADMINISTRATIVE CHANGE ORDERS

5.1 The Chairman of the Board of Supervisors is authorized, upon the recommendation of the Human Services Department Director and Legal Counsel, to review and execute administrative changes to the Agreement on behalf of the County through Administrative Change Orders. Administrative Change Orders will be effective upon execution by both the Parties. Administrative Change Orders shall address any of the following changes:

- 5.1.1 Modifications to the project timeline if the last day of the project timeline is within the Agreement term;
- 5.1.2 Modifications to Budget line items if the Agreement Amount remains unchanged;
- 5.1.3 Modifications required by federal, state, or County regulations, ordinances, or policies; and/or
- 5.1.4 Modifications to Administrative requirements such as changes in reporting periods, frequency of reports, or report formats required by the federal, state or local regulations, policies, or requirements.

- B. Revise Paragraph 6 (Funding) and attached Operating Budget by removing in its entirety and replacing with the attached Operating Budget. The County shall provide the Subrecipient with a not to exceed amount of \$34,700 (\$5,000 in County General Funds and \$29,700 in funds provided to the County through an IGA with ADES). The funding period of availability is July 1, 2024, through June 30, 2025, Fiscal Year 2025 (FY25).
- C. Revise Paragraph 13.0 (Notices) for Maricopa County Representative and replace it with the following:

Maricopa County Representative:
Human Services Department
Community Resilience Division
Siman Qassim, Assistant Director
234 N. Central Avenue, 3rd Floor
Phoenix, AZ 85004
602-506-4841
siman.qaasim@maricopa.gov

- D. Revise paragraph 54.0 (Administrative Requirements) to remove subparagraph 54.3.2 and replace it in its entirety with the following:

54.3.2 The Subrecipient shall each have a valid Unique Entity Identifier (UEI) number and an active profile in the federal System for Award Management, or [SAM.gov](https://sam.gov). Documentation of the UEI Number must be included in all project files. The subrecipient must remain current with their registration throughout the term of the Agreement. Contractors and subcontractors will not receive a subaward until that entity has provided its UEI number. 2 C.F.R. § 25.300; Appendix A to 2 C.F.R. § 25

- E. Add the following paragraphs to the Agreements:

57.0 PROVISIONS REQUIRED BY LAW

Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

58.0 ACRONYMS AND DEFINITIONS

Acronyms and Definitions found under 2 C.F.R. §§ 200.0 & 200.1 are hereby incorporated by reference.

59.0 CASH MATCH/LEVERAGE REQUIREMENTS

59.1 The Subrecipient is required to leverage a minimum 25% cash match of the total Agreement award, to support administration and operating costs in the delivery of program services.

59.2 Subrecipient shall provide information regarding the revenue sources and amounts of cash match contributions.

- III. Section II above contains all the changes to the Agreement made by this Amendment No. 2. The Agreement is amended to incorporate the changes contained in this Amendment No. 2. All other terms and conditions of the Agreement remain in full force and effect as executed by the Parties. This Amendment No. 2 is subject to and incorporates the provisions of A.R.S. § 38-511.
- IV. The Parties have authorized the undersigned to execute this Amendment No. 2 on their behalf and it shall be effective upon approval and signature by both Parties.

IN WITNESS, the Parties have approved and signed this Amendment No. 2:

APPROVED BY:
CITY OF TOLLESON

APPROVED BY:
MARICOPA COUNTY

City Manager Date

Chairman Date
Board of Supervisors

Attested To:

Attested To:

City Clerk Date

Juanita Garza, Clerk of the Board Date

IN ACCORDANCE WITH A.R.S. §§ 9-240, 11-952, THIS AMENDMENT NO. 2 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO THE CITY OF TOLLESON UNDER THE LAWS OF THE STATE OF ARIZONA.

IN ACCORDANCE WITH A.R.S. §§ 11-201, 11-251, AND 11-952, THIS AMENDMENT NO. 2 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO MARICOPA COUNTY UNDER THE LAWS OF THE STATE OF ARIZONA.

APPROVED AS TO FORM:

APPROVED AS TO FORM:

BY: _____
Attorney for the City Date

BY: _____
Deputy County Attorney Date

City of Tolleson
Operating Budget
FY2025

City of Tolleson Operating Budget – CSBG Service Initiatives

Contact Period - July 1st, 2024, through June 30th, 2025

Funding Source	Initial Funding (Amendment 1)	Additional Funding (Amendment 2)	New Total Cost
County Funds	\$29,700	\$5,000	\$34,700
Cash Match Contributions	\$9,900	\$1,667	\$11,567
Total	\$39,600	\$6,667.00	\$46,267

Budget Category	Direct Cost	Administration Cost	Total
Total Expenses	\$41,640	\$4,627	\$46,267



CITY COUNCIL REPORT

SUBJECT: Planning & Zoning Commission Appointments

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Crystal Zamora, City Clerk

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

The purpose of this agenda item is to request City Council approval for the appointment of Joe Cortina, Sheryl Heier, and Miriam Segura as Commissioners of the Tolleson Planning and Zoning Commission. Each will serve a three-year term from January 2025 through January 2028.

BACKGROUND:

The Planning and Zoning Commission plays a critical role in advising the City Council on zoning matters, land use policies, and development proposals within the City of Tolleson. The commission consists of appointed members who serve staggered terms to ensure continuity and balanced representation.

- Joe Cortina: A resident of Tolleson for over 52 years, Joe has extensive experience working with the Maricopa County Adult Probation Department and has actively participated in community development efforts.
- Sheryl Heier: With over six years as a Tolleson resident, Sheryl brings a background in IT management and organizational expertise. Her volunteering efforts include therapy dog programs, Gabriel's Angels, and Arizona State Parks.
- Miriam Segura: A Licensed Master Social Worker and 22-year Tolleson resident, Miriam has extensive experience in public programs and community advocacy. Her work has focused on mental health, housing challenges, and transitional support services.

DISCUSSION:

The nominees possess diverse professional experiences and community involvement, making them well-suited to serve on the Planning and Zoning Commission. Their combined expertise will support Tolleson's mission to enhance community development and promote sustainable growth.

BUDGET IMPACT:

There is no budget impact associated with these appointments.

RECOMMENDATION:

Staff recommends the City Council approve the appointment of Joe Cortina, Sheryl Heier, and Miriam Segura as Commissioners of the Tolleson Planning and Zoning Commission to serve from January 2025 through January 2028.

ATTACHMENTS:

1. 07 27 23 Sheryl Heier - Redacted - Packet
2. 07 30 23 Miriam Segura - Redacted - Packet
3. 08 03 23 Joe Cortina - Redacted - Packet

From: noreply@civicplus.com
To: [Tolleson City Clerk Dept](#)
Subject: Online Form Submittal: City Council Member Vacancy Application
Date: Thursday, July 27, 2023 4:33:46 PM

City Council Member Vacancy Application

Description

(The partial term of office will expire at the Council Meeting scheduled on Tuesday, December 10, 2024.)

Please complete and submit this online application, letter of interest and resume. Send questions to the City Clerk Department at tolleson.cityclerk@tolleson.az.gov. Paper copies will also be accepted. Please download the application at <https://www.tolleson.az.gov/DocumentCenter/View/7614>.

To be considered, your application, letter of interest and resume must be received by the City Clerk Department by 5:00 P.M. on August 3, 2023.

Full Name	Sheryl L Heier
Contact Phone Number	
Resident Address	
City	Tolleson
State	Arizona
Zip Code	85353
Mailing Address (if different than above)	Field not completed.
Mailing City	Field not completed.
Mailing State	Field not completed.
Mailing Zip Code	Field not completed.
Email Address	
Occupational/Technical Expertise	Service Deliver Manager - IT
Business Address	Field not completed.

Business City	Field not completed.
Business State	Field not completed.
Business Zip Code	Field not completed.
REQUIREMENTS	
Are you a qualified elector of Tolleson?	Yes
Are you at least 18 years of age or older?	Yes
Have you lived in Tolleson for the last year or longer?	Yes
If yes, how many years?	6
EXPERIENCE AND SKILLS (To be considered for the vacancy, attach your letter of interest and resume.)	
Upload your letter of interest	20230727 Sheryl Heier Letter of Interest for City Council.pdf
Upload your resume	SHeier Resume_2023.docx
Professional Experience Highlights:	I currently work full time for American Express as a Service Delivery Manager and have degrees in Management and a Masters in Organizational Management as well as a Secondary Education teaching certificate which I used to teach at Mesa Community College School District for 18 years part-time.
Previous Elected, City Board, Commission or Committee Experience:	ARMA International - Conference Program Committee for 2003 Boston Annual Conference, and 2002 New Orleans Annual Conference. Director of Education and Scholarship for 2001-2002 for AZ chapter,
Community Activities (include civic clubs, volunteer activities, service organizations, etc.):	Therapy Dogs, Reading programs with my dogs at the Cesar Chavez Library, Gabriel's Angels, Arizona Parks and Recreation, Phoenix Zoo Liaison between SRP, the Phoenix Zoo and Toastmasters. I received many awards for volunteering - Daily Points of Light Volunteer Award, SRP Karl F. Able award, SRP Presidents Volunteer Spirit Award. I was the SRP United Way Loaned Executive for Pinal County in 2008.
What skills qualify you	My organization skills, analytical thinking skills, my ability to look at

to serve on the
Tolleson City Council?

things from a different perspective and my love for my city.

Why are you interested
in serving on the
Tolleson City Council?

I want to help my community grow and prosper.

Any additional
information you feel
qualifies you to serve
on the Tolleson City
Council?

Additional information is on the resume.

Applicant Name

Sheryl Heier

Date

7/27/2023

Thank you for your interest in serving on the Tolleson City Council!

Email not displaying correctly? [View it in your browser.](#)

Click [here](#) to report this email as spam.

July 28, 2023

Dear Mayor Rodrigues & selection committee:

I am writing this letter to express my interest in applying for the City Council vacancy for the City of Tolleson. I have lived in Arizona since 1968, I currently live in Tolsun Farms and have for over 6 years, I am a registered voter and love the small community we have.

I currently work full time for American Express as a Service Delivery Manager and have degrees in Management and a Masters in Organizational Management as well as a Secondary Education teaching certificate which I used to teach at Mesa Community College School District for 18 years part-time.

I have been a volunteer in many different arenas: Therapy Dogs, Camp Courage – Arizona Burn Foundation, Reading programs with my dogs at the Cesar Chavez Library- City of Phoenix, Gabriel's Angels, Arizona State Parks – 50th Anniversary Events, Phoenix Zoo Liaison between SRP, the Phoenix Zoo and Toastmasters. I received many awards for volunteering - Daily Points of Light Volunteer Award, SRP Karl F. Able award, SRP Presidents Volunteer Spirit Award. I was the SRP United Way Loaned Executive for Pinal County in 2008. Was part of the Phoenix Neighborhood Patrol team in my previous location before Tolleson.

I feel my past education, work experiences and volunteer involvement have prepared me to work with people in a variety of settings, see problems, think outside the box for solutions, and listen to the concerns of others.

Thank you for your consideration of my application to join our outstanding team of City Counsel members of Tolleson.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sheryl Heier".

Sheryl Heier

Work Experience

American Express, Phoenix, AZ, March 2017 to present

Service Deliver Manager/Application Architect Lead - Enterprise Messaging

- 85-90% managing the processes and productivity of the team
- Operational support of Microsoft Exchange, Email Gateway, and Enterprise Vault
- Develop/deliver communications to the SDM Leadership team
- Design, solution and deliver ITIL related processes including documentation and reporting
- Works with Technology experts to identify potential solutions to meet the business needs
- Work closely with vendor partners and other AMEX Technology teams to resolve major incidents
- Deliver solutions for Mergers and Acquisitions for integration within AXP environment
- Manage all Operational Risk and compliance related activities related to Messaging Environment

Salt River Project, Tempe, Arizona, 1992 to March 2017

Unified Messaging and Voice: April 1999 – March 2017

Senior IT Systems Analyst

- AirWatch Mobile Device Management Administrator – Design, Implement, Maintain, Upgrade, Support and deploy Applications, iPhone, Androids to the corporation and migrated BYO users from GOOD to AirWatch,
- AirWatch Beta Tester for new releases
- ServiceNow – create, monitor, assign, resolve and report incidents/request/problem and changes
- Created ServiceNow Knowledge Base articles for AirWatch MDM and Outlook
- Service Desk Coordinator – monitor, assign and resolve problem tickets opened by users
- Enterprise Vault - Support, upgrade, expired data and performed Legal Discovery and searches
- ProofPoint Enterprise Email Security – Searching for emails, whitelisting, blacklisting, calling in tickets, managing spam/vault/malware
- Exchange – create user's mailboxes, security groups, PowerShell, Active Directory, Active Sync, EAC/ECP
- Customer Security Rep for the Messaging Dept – Create users ids, passwords, security access using ITIM
- Supervised, coordinated and assign daily work assignments for 4 intern technical staff. Coordinator for level 2 support team.
- Support Messaging team and clients with Microsoft Office Products 2013 & 2016
- SharePoint site administrator for the Messaging Team site and Corporate site
- RightFax Administrator – install, test, upgrade software, client support, planning migration to cloud – Fax2Mail
- Skype for Business support for the corporation
- Information Custodian for Unified Messaging & Voice department
- TriWatchDog – Telecom Expense Management System – Project team manager – designed, tested and support, setup training classes and was ongoing beta tester for new releases.
- AppAnalyzer Reporting tool – installed, tested, setup reports, training classes and support
- Strong vendor relationships
- Strong background in client support and demonstrated ability to work with clients of varied technical skill levels.
- Strong interpersonal skills and the ability to work effectively in a team as well as independently when necessary
- Excellent oral and written communication skills
- Detail oriented with strong, analytical, problem solving and technical troubleshooting skills
- Well organized with the ability to manage and prioritize multiple tasks simultaneously
- Provide scheduled rotational after hours on-call support and patching support

SRP Corporate Document Management Systems Administrator

- Cimage e3 – troubleshoot system outages, create, update and maintain user tables
- Cimage user support, installation of user software
- Create management, client reports and monthly stats for managers and update training manual
- Install, update and maintain Unix server application software

Salt River Project - Client Support Analyst 2 - Client Support Services

- Supervised, coordinated and assigned daily work assignments for 6 co-ops technical staff.
- Resolved, coordinated; reported all impacts and issues from the Change and Problem Meeting
- Prioritized, tracked, updated; ensured proper closure of Expert Advisor (EA) & Infoman tickets.
- Effectively planned, developed and implemented projects.
- System Administrator for Expert Advisor 3.5.1 & Problem Control Coordinator
- Researched, analyzed, resolved and monitored operating problems.
- Provided second level computer software/hardware support for 4500+ internal clients.
- Researched client support computer software/hardware problems for resolutions
- Created Expert Advisor & Infoman reports.

Teaching Experience**Maricopa Community College District, 1996 - 2015****Mesa Community College, Mesa, Arizona 1997- 2015****Rio Salado College, Tempe, Arizona 1997****Paradise Valley Community College, Paradise Valley, Arizona 1996-1997****Chandler Gilbert Community College, Gilbert, Arizona 2000-2002***Adjunct Instructor: Business Department – teaching Computer classes*

Instructional Delivery: Traditional, Hybrid and Online Formats

Education

- Master of Arts, Organizational Management, University of Phoenix, Phoenix, Arizona, 1996 *cum laude*
- Bachelor of Arts, Management, University of Phoenix, Phoenix, Arizona, 1989
- Certificate, Post-Baccalaureate Teaching Preparation, Rio Salado College, Tempe, Arizona, 2004

Certifications

- AirWatch Certified Enterprise Mobility Expert
- State of Arizona Standard Adult Education Certificate, 2017-2024
- State of AZ Teaching Certificate Secondary Education 7-12 – General Science & Computer Science, 2017-2024
- State of Arizona Standard Career and Technical Education – Business and Marketing, 2017-2024
- Structured English Immersion (SEI) Endorsement K-12, 2017-2024
- Maricopa Community College Teaching Certificate – Business, Business Admin, Computer Information Systems
- Microsoft Certified Application Specialist

Software Proficiencies

- MDM solutions – AirWatch, GOOD, Blackberry
- **Office Productivity** - Microsoft Office Products 2013, 2016, Microsoft Project, Microsoft Edge, Microsoft Internet Explorer, Chrome
- **Operating Systems** – Windows XP, 7, 8 Windows 10, Linux, Unix
- **Server Operating Systems** - AirWatch Mobile Device Management server v8.4.8, Microsoft Server 2012, BlackBerry Server 4.1, 5.0, Novell, SQL Plus
- **Document Management** - Cimage Document Management System, FileNET Integrated Document Manager, Saros Document Manager, VisualInfo, W/Edge, DocuMaster
- **Problem Management** - Expert Advisor Problem Management, Infoman, Trackit, CA Service Desk Manager, ServiceNow
- **Learning Management Systems** - Canvas Classrooms, BlackBoard/WebCt, Pathlore LMS Enterprise Edition
- **Reporting Software** - Crystal Reports, IBM – Cognos Reporting Tool, Sirana Software – AppAnalyzer

From: noreply@civicplus.com
To: [Tolleson City Clerk Dept](#)
Subject: Online Form Submittal: City Council Member Vacancy Application
Date: Sunday, July 30, 2023 9:47:08 PM

City Council Member Vacancy Application

Description

(The partial term of office will expire at the Council Meeting scheduled on Tuesday, December 10, 2024.)

Please complete and submit this online application, letter of interest and resume. Send questions to the City Clerk Department at tolleson.cityclerk@tolleson.az.gov. Paper copies will also be accepted. Please download the application at <https://www.tolleson.az.gov/DocumentCenter/View/7614>.

To be considered, your application, letter of interest and resume must be received by the City Clerk Department by 5:00 P.M. on August 3, 2023.

Full Name	Miriam D. Segura
-----------	------------------

Contact Phone Number	
----------------------	--

Resident Address	
------------------	--

City	Tolleson
------	----------

State	AZ
-------	----

Zip Code	85353
----------	-------

Mailing Address (if different than above)	
---	--

Mailing City	Tolleson
--------------	----------

Mailing State	AZ
---------------	----

Mailing Zip Code	85353
------------------	-------

Email Address	
---------------	--

Occupational/Technical Expertise	Social Worker
----------------------------------	---------------

Business Address	7808 West Thomas
------------------	------------------

Business City	Phoenix
Business State	AZ
Business Zip Code	85033
REQUIREMENTS	
Are you a qualified elector of Tolleson?	Yes
Are you at least 18 years of age or older?	Yes
Have you lived in Tolleson for the last year or longer?	Yes
If yes, how many years?	22 years
EXPERIENCE AND SKILLS (To be considered for the vacancy, attach your letter of interest and resume.)	
Upload your letter of interest	Letter of Interest.pdf
Upload your resume	Resume2023.pdf
Professional Experience Highlights:	Licensed Master Social Worker. Experience working with public programs.
Previous Elected, City Board, Commission or Committee Experience:	Committee Experience: Arizona State University, 2012; I served on the university wide transition for the ID carding program that covered four campuses and over 100K students and staff. The ID transition served as the centralized key for university wide functions, including housing, meals and student resources. This committee planned all functions of the transition.
Community Activities (include civic clubs, volunteer activities, service organizations, etc.):	Volunteer Work: Church Music Director, December 2002 to present. Habitat for Humanity Woman's build program volunteer, May 2008; September 2009. Walk to End Domestic Violence Team Captain, April 2008
What skills qualify you to serve on the	Licensed Social Worker. Trained in Planning, Policy, Community and Administration. Understanding of Human Behavior, in both Macro and Micro

Tolleson City Council?

settings.
Fluently Bilingual.

Why are you interested
in serving on the
Tolleson City Council?

The skills, training and experience I possess could be an asset to the city. Post pandemic there has been an increase in grief in society and many have turned to substance abuse as a way to escape. The rising cost of housing due to inflation has also contributed to more individuals living on the streets. In the City of Tolleson we have seen an increase of transients with substance issues that are overflowing to our streets from the local treatment center on 99th Ave (CBI). I am interested in working with the City Council to help remedy this issue utilizing the skills I have to facilitate CBI enforcing the safe discharge placement of their patients back to the communities which they came from. Thereby removing these individuals from the danger of the streets in the heat and keeping the city streets safe to its residents.

Any additional
information you feel
qualifies you to serve
on the Tolleson City
Council?

I have lived in the City of Tolleson for 22 years and understand the changes it has undergone, and the areas that can still be addressed.

Applicant Name

Miriam Segura

Date

7/30/2023

Thank you for your interest in serving on the Tolleson City Council!

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Click [here](#) to report this email as spam.

Miriam D. Segura

[REDACTED]
Tolleson, AZ 85353
[REDACTED]
[REDACTED]

30 July 2023

City Council Member Vacancy

Review Committee
9055 West Van Buren
Tolleson, AZ 85353

Dear Review Committee,

I recently came across a notification informing of the Tolleson City Council member vacancy. I extend my condolences to the existing council members for the loss of their late colleague, Mr. Mendoza. I know that these types of sudden departures are never easy. I acknowledge that while Mr. Mendoza's presence, service and contributions can never be replaced, the city council now has a vacancy that nonetheless needs to be filled.

To this purpose is the extent of my inquiry. I am respectfully submitting my candidacy for review and consideration for the vacancy. I am a Masters level trained and licensed social worker, with knowledge in planning, policy, community and administration. I have served the public for over 20 years in several capacities including but not limited to, public programs, substance abuse, and mental health counseling. I have seen first hand the needs of individuals and families. I understand how these issues affect communities.

I humbly would like to offer to extend my service to the city that I reside within. You will find attached my resume and completed application for review. Thank you for your time and consideration.

Sincerely,

Miriam Segura

Miriam D. Segura, LMSW

PROFILE

- Licensed Master Social Worker (LMSW).
- Experience working in Medical Hospitals: Med-Psych Unit, Behavioral Health Hospitals, Crisis Lines, Non-Profit Organizations, and Community Health Centers with SMI and GMH diverse populations.
- Fluent in Spanish & English, conversation and written.
- Fluent with PC skills, Microsoft Office.

EDUCATION

Masters in Social Work, August 2012. Arizona State University, Phoenix, AZ.

BA in Psychology, January 2008. Arizona State University, Tempe, AZ.

BS in Family Resources & Human Development, emp. on Child Development, January 2008. Arizona State University, Tempe, AZ.

PROFESSIONAL EXPERIENCE

VALLEYWISE HEALTH MEDICAL CENTER (PREVIOUSLY NAMED MIHS)

Behavioral Health Specialist – Social Worker

Jan 2022 – present

As a Behavioral Health Specialist I provide direct services to patients in the Community Health Center. My responsibilities in this position include providing supports to patients, families, and the community by providing treatment and support services, health information, community referrals, and groups/workshops. I provide psychotherapy that includes diagnosis, assessment, treatment, and psychoeducation for mental, emotional, and behavioral disorders.

VALLEYWISE HEALTH MEDICAL CENTER (PREVIOUSLY NAMED MIHS)

Behavioral Health/ Psychiatric Liaison – Social Worker

May 2018 – Jan 2022

As a Psychiatric Liaison I worked in the hospital with psychiatrically ill patients that were also medically complex. I addressed issues pertaining to suicidal and homicidal ideations and attempts, episodes of psychosis, substance abuse disorders and other mental health challenges. I coordinated aspects of A.R.S. Title 36 Court Ordered Evaluation (COE) and Court Ordered Treatment (COT) process including: completing social work court assessment and legal documentation for mental health petitions, interviewing patient family members and community professionals as witnesses, and serving as a liaison with the mental health court attorneys. I was also responsible for providing initial psychosocial assessments for the hospital, completing admissions, providing psychoeducation to patients and their families, discharge planning, finding substance abuse treatment centers and community placements, coordinating outpatient psychiatric services and community referrals. I arranged SNF placements, set up outpatient dialysis, coordinated Home Health services, ordered needed DME, and scheduled follow up appointments.

CENTENE - NURSEWISE, Tempe, AZ

Crisis Professional

Dec. 2016 – April 2018

As a crisis professional I conducted telephonic crisis assessments with community members and members of the SMI population who were in crisis. I triaged callers for suicidal and homicidal ideations, psychotic breaks, addictions and any other crisis the individual might be in. I identified unmet needs while documenting information in an electronic record. I provided crisis counseling, referrals to local area resources, coordinated future appointments, and initiated immediate services for emergency situations by dispatching either: Crisis Mobile Teams, EMS and/or Law Enforcement. Additionally, I completed follow up welfare checks on individuals to ensure proper continuation of care were in place and collaborated with family members to ensure the individual received the treatment that was needed.

Miriam D. Segura, LMSW

COPPER SPRINGS HOSPITAL, Avondale, AZ
Director of Business Development

Feb. 2016 – Sept. 2016

As Director of Business Development, I led the new start up company's marketing team to successfully open in the AZ market and exceed corporate census goals. I launched the new hospital's branding effort; organized and executed a successful Open House grand opening event; provided community outreach; and served as a liaison between the hospital and the community to introduce the new hospital to community referral sources, physicians, hospitals, patients and families. I supervised and monitored the marketing team's performance, directed the assignments of duties, and documented the team's progress into reports for corporate management.

OASIS BEHAVIORAL HEALTH HOSPITAL, Chandler, AZ
Intake Clinician

June 2013 – Feb. 2016

As an intake clinician at Oasis Behavioral Health I determined patient appropriate level of care by looking through hospital referral packets and through telephone conversations with potential patients. I provided assistance, support, counseling and crisis intervention to patients and families. I completed the appropriate written documentation to ensure client continuity of care was in place as well as conducted Mental Status Exams, clinical intake assessments using the DSM-IV, depression screenings and substance abuse screening to adolescents and adults in crisis. I also worked as needed in the hospital unit/floor to facilitate group therapy, conduct bio-psycho-social assessments, and assist in patient treatment planning as part of a multidisciplinary team made up of physicians, nurses and social workers. I completed pre-certification insurance claims with a variety of different insurances including Medicare, Medicaid, Tricare, and many private commercial insurances, as well as completed discharge planning to facilitate continuity of patient care and ensured proper patient care transitions were occurring.

ARIZONA STATE UNIVERSITY - AUXILIARY BUSINESS SERVICES
Program Coordinator, Senior

May 2009 – Aug. 2012

During my time as a program coordinator I served as a liaison to other university departments. I communicated with several planning committees for a university-wide transition of the ID carding program, as well as trained university employees on all four campuses about the transition. I fulfilled public speaking engagements to over 10,000 incoming freshman and their parents annually. Supervised over 20 member staff. I assisted the manager in all overall program operations, including overseeing four campus locations, hiring, scheduling, payroll, audit functions, and served as Interim Manager.

ARIZONA STATE UNIVERSITY - SCHOOL OF COMMUNITY RESOURCES AND DEVELOPMENT
Admin Assistant to Business Manager

Sept. 2008 – April 2009

While working at the School of Community Resources I facilitated classes for American Dream Academy as a contractor of the Center for Civil Rights. These community classes were given to underserved low income neighborhoods in both Spanish and English. I recruited the community participants for these valley wide sessions and trained facilitators at the biyearly training for 50+ new contractors/facilitators.

ARIZONA STATE UNIVERSITY - COLLEGE OF PUBLIC PROGRAMS
Program Coordinator, Nina Mason Pulliam Legacy Scholars

Dec. 2007 – Sept. 2008

During this time I worked with a case load of 40+ non-traditional at-risk students as part of \$7.8 million endowment providing scholarships to foster care youth, physically disabled students, and low income adults with dependents. I monitored program participation, assisted students in learning appropriate social, coping and study skills, selecting course work, handling issues with financial aid, and managing the university system. I monitored each student closely to ensure student success; measured by a 97% program retention rate.

From: noreply@civicplus.com
To: [Tolleson City Clerk Dept](#)
Subject: Online Form Submittal: City Council Member Vacancy Application
Date: Thursday, August 3, 2023 1:19:19 PM

City Council Member Vacancy Application

Description

(The partial term of office will expire at the Council Meeting scheduled on Tuesday, December 10, 2024.)

Please complete and submit this online application, letter of interest and resume. Send questions to the City Clerk Department at tolleson.cityclerk@tolleson.az.gov. Paper copies will also be accepted. Please download the application at <https://www.tolleson.az.gov/DocumentCenter/View/7614>.

To be considered, your application, letter of interest and resume must be received by the City Clerk Department by 5:00 P.M. on August 3, 2023.

Full Name	Joe Cortina
Contact Phone Number	[REDACTED]
Resident Address	[REDACTED]
City	Tolleson
State	AZ
Zip Code	85353
Mailing Address (if different than above)	Field not completed.
Mailing City	Field not completed.
Mailing State	Field not completed.
Mailing Zip Code	Field not completed.
Email Address	jcortina70@gmail.com
Occupational/Technical Expertise	Crossing Guard
Business Address	9261 W Van Buren St

Business City	Tolleson
Business State	AZ
Business Zip Code	85353
REQUIREMENTS	
Are you a qualified elector of Tolleson?	Yes
Are you at least 18 years of age or older?	Yes
Have you lived in Tolleson for the last year or longer?	Yes
If yes, how many years?	52
EXPERIENCE AND SKILLS (To be considered for the vacancy, attach your letter of interest and resume.)	
Upload your letter of interest	Joe Cortina Letter of Intrest 080323.pdf
Upload your resume	Joe Cortina Resume 080323.pdf
Professional Experience Highlights:	I've previously worked in a government setting for over 29 years. I served Maricopa County for 29 1/2 years.
Previous Elected, City Board, Commission or Committee Experience:	Previous committee experience was gained through my previous employment, with Maricopa County Adult Probation.
Community Activities (include civic clubs, volunteer activities, service organizations, etc.):	Previous little league baseball coach.
What skills qualify you to serve on the Tolleson City Council?	I communicate well with other. I see and hear what residents of our community want. I worked in a law enforcement setting for over 20 years.
Why are you interested in serving on the	I love my community. I want to see grow and become more beautiful. Rid our town of drugs.

Tolleson City Council?

Any additional
information you feel
qualifies you to serve
on the Tolleson City
Council?

After 52 years of being a resident of the City of Tolleson I feel is my
duty to serve our community.

Applicant Name

Joe Cortina

Date

8/3/2023

Thank you for your interest in serving on the Tolleson City Council!

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Click [here](#) to report this email as spam.

Joe Cortina

[REDACTED]
Tolleson, AZ 85353
[REDACTED]

August 3, 2023

City of Tolleson

9055 W. Van Buren St.
Tolleson, AZ 85353

To Whom It May Concern,

My name is Joe Cortina, I'm formally notifying you that I have applied for the vacant position with the City Council. I would make a valuable addition to the council. I'm confident that my years of being a member of the community will be an asset to the council. As you will see I have attached my resume. Thanks for taking me into consideration.

Sincerely,

Joe Cortina

Joe Cortina

[REDACTED]

Tolleson, AZ 85353

[REDACTED]

1. I've been a resident of the City of Tolleson for the past 52 years.
2. I care and love the City of Tolleson.
3. Assist with the improvement and growth of senior citizen programs.
4. I want to see the City of Tolleson improve streets and sidewalks.
5. Assist citizens of Tolleson with improving appearance of properties.
6. Bring diverse small businesses to the City of Tolleson.
7. Assist with the growth and appearance current small businesses in the City of Tolleson.
8. Work with law enforcement, so we can stop drug use and prevent the trafficking of drugs in Tolleson.

Authorized to work in the US for any employer

Work Experience

School Crossing Guard

Tolleson Elementary School District - Tolleson, AZ

January 2023 to Present

1. Assist children crossing city streets.
2. Assure their safety

Presentence Screener

Maricopa County Adult Probation - Phoenix, AZ

April 1998 to November 2022

I was responsible for conducting assessments through interview with convicted offenders to collect social and criminal history information. I also compiled, prepared and entered data for the client in an accurate, efficient and timely manner. The end product was used to make recommendations concerning the client's sentencing status. In addition, screener assess clients post sentencing to determine risk/needs and collect DNA. Skill: customer service Exp, process electronic records, handle sensitive or confidential information, handle multiple assignments and type over 35 wpm.

Education

Some college in Basic

Northern Arizona University - Flagstaff, AZ

June 1989 to August 1989

High school diploma

Tolleson Union High School - Tolleson, AZ

August 1985 to May 1989

Skills

- Writing Skills English/Spanish (10+ years)
- Interviewing (10+ years)
- Familiar with Criminal Justice System. Computer software, including word processing, spread sheet and data base applications. Interviewing and obtaining information from clients. Both oral and written communication. (10+ years)
- Janitorial experience (5 years)

Languages

- English/Spanish - Fluent

Certifications and Licenses

TOC (terminal operator certification)

September 1998 to November 2022

I was responsible for client background checks. This required me access FBI, State, Local arrest history or records.

Additional Information

1. Attendance is important.
2. Complete projects or assignments in a timely manner.
3. Good communication skills.
4. I work well with others.



CITY COUNCIL REPORT

SUBJECT: First Amendment to Freightliner Cooperative Purchasing Agreement

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Jason Earp, Development Services Director

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

The Development Services Department requests approval of the First Amendment to the Cooperative Purchasing Agreement between the City of Tolleson and Freightliner of Arizona, LLC for the purchase of medium and heavy duty cabs, chassis and busses.

BACKGROUND:

On December 10, 2024, the City of Tolleson entered into a Cooperative Purchasing Agreement with Freightliner of Arizona, LLC. This agreement was based on the State of Arizona's Department of Transportation contract for the specified equipment and services. Due to operational requirements, the City has identified the need to increase the compensation limit to facilitate additional purchases and services.

To extend the lifespan and durability of our streets, the Development Services Department is launching a five-year Pavement Surface Treatment Project starting in January 2025. As part of this project, the Streets Division will be performing minor repairs on local roadways to reduce costs of the overall program.

DISCUSSION:

- **Compensation Adjustment:** Increase the aggregate compensation limit from \$250,000 to \$550,000 per fiscal year to accommodate additional purchases and services.
- **Term Adjustment:** No changes to the term of the original agreement; the existing timeline remains in effect.
- **Non-Default Affirmation:** Freightliner of Arizona, LLC has confirmed the City is not in default under any terms of the agreement.
- **Conflict of Interest Compliance:** This amendment complies with A.R.S. § 38-511, which provides for cancellation in the event of a conflict of interest.
- **Data Disengagement:** In the event of termination, Freightliner agrees to return all City data within 30 days at no cost to the City.

The Development Services Department intends to purchase an all-in-one paving unit specifically for the use of these repairs through the C/O AZ STATE CONTRACT #CTR069472, Freightliner of Arizona, LLC.

BUDGET IMPACT:

The amendment increases the annual compensation limit to \$550,000. Funds are available in the approved budget under accounts designated for vehicle and equipment procurement.

RECOMMENDATION:

Staff recommends the City Council approve the First Amendment to the Cooperative Purchasing Agreement with Freightliner of Arizona, LLC to ensure continued support for the City's operational needs.

ATTACHMENTS:

1. 01 28 25 DS - First Amendment to CPA - Freightliner of Arizona

**AMENDMENT NO. 1 TO COOPERATIVE PURCHASING AGREEMENT
BETWEEN
THE CITY OF TOLLESON
AND
FREIGHTLINER OF ARIZONA, LLC**

THIS AMENDMENT NUMBER 1 TO COOPERATIVE PURCHASING AGREEMENT (this "Amendment") is between the City of Tolleson, an Arizona municipal corporation (the "City") and Freightliner of Arizona, LLC, an Arizona limited liability company (the "Contractor") and shall become effective (the "Effective Date") upon the date this Agreement is signed by both Parties.

Note: Amendment changes are noted with additions in **bold** font and deletions in ~~strikeout~~ font.

RECITALS

A. The City and the Contractor entered into a Cooperative Purchasing Agreement dated December 10, 2024, based upon the State of Arizona through its Department of Transportation (the "Contract"), for the purchase of Medium and Heavy Duty Cabs, Chassis and Busses ("Services"). The terms of the Agreement are incorporated herein by reference.

B. The City has determined that additional and Services are necessary.

C. The City and the Contractor desire to enter into this Amendment to increase the compensation authorized by the Agreement for the Additional Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Contractor hereby agree as follows:

1. The parties agree to amend Paragraph 3 Term of the Agreement as follows:

3. Compensation. The City's payments to the Contractor (if any) shall not exceed an aggregate amount of ~~\$250,000.00~~ **\$550,000.00** for each fiscal year, July 1st through June 30th, for the Services at payment rates that shall be agreed upon by the parties.

2. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

3. Non-Default. By executing this Amendment, the Contractor affirmatively asserts that (i) the City is not currently in default, nor has it been in default at any time prior to this Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known and unknown, relating to the Agreement and existing on or before the date of this Amendment are forever waived.

4. Disengagement. In the event the Contract is terminated by either party, Contractor agrees to confer back to the City all of its data, in usable and normalized format, within 30 days of notice of termination. There shall be no charge for the return of City data to the City.

5. Survival. The obligations of Contractor under this Section shall survive the termination of the Contract.

6. Conflict of Interest. This Amendment and the Agreement may be cancelled by the City pursuant to Ariz. Rev. Stat. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

“City”

CITY OF TOLLESON,
an Arizona municipal corporation

Reyes Medrano, Jr., City Manager

Date

ATTEST:

Crystal Zamora, City Clerk

APPROVED AS TO FORM:

Justin S. Pierce, City Attorney

“Contractor”

FREIGHTLINER OF ARIZONA, LLC,
an Arizona limited liability company

By:_____

Name:_____

Title:_____

City of Tolleson Code of Conduct for Elected and Appointed Officials

The Three Rs of Tolleson Government Leadership: Roles, Responsibilities and Respect

The City Code provides information on the roles and responsibilities of Council Members, the Vice Mayor and the Mayor. This is a Code of Conduct for the City of Tolleson's elected and appointed officials.

This Code of Conduct is designed to describe the manner in which Council Members and appointed officials of the City (collectively, "Public Officials") should treat one another, City staff, constituents, and others they come into contact with in representing the City of Tolleson. It reflects the work of defining more clearly the behavior, manners and courtesies that are suitable for various occasions. This is designed to make the public meetings and the process of governance run more smoothly.

The content of this Code of Conduct includes:

- Overview of Roles and Responsibilities
- Policies and Protocol Related to Conduct
- Council Conduct with One Another
- Council Conduct with City Staff
- Council Conduct with the Public
- Council Conduct with Other Public Agencies
- Council Conduct with Boards and Commissions
- Council Conduct with the Media
- Sanctions
- Principles of Proper Conduct
- Checklist for Monitoring Conduct
- Glossary of Terms

The constant and consistent theme through all of the conduct guidelines is "respect." Public Officials experience significant workloads and tremendous stress in making decisions that could impact thousands of lives. Despite these pressures, Public Officials are called upon to exhibit appropriate behavior at all times. Demonstrating respect for each individual through words and actions is the touchstone that can help guide Public Officials to do the right thing in even the most difficult situations.

Overview of Roles and Responsibilities

Other resources that are helpful in defining the roles and responsibilities of Public Officials can be found in the City of Tolleson Code and in the Elected Officials Guide published by the League of Arizona Cities & Towns.

MAYOR

- Is directly elected by the people pursuant to ARS §9-232.03. (City Code, Section 2-1-20)
- Acts as the official head of the City for all ceremonial purposes
- Chairs Council meetings (City Code, Section 2-1-23)
- Calls for special meetings (City Code, Section 2-1-60)
- Recognized as spokesperson for the City of Tolleson
- Makes judgment calls on proclamations, agendas, etc.
- Recommends subcommittees as appropriate for Council approval
- Leads the Council into an effective, cohesive working team
- Signs documents on behalf of the City of Tolleson

VICE MAYOR

- Serves at the pleasure of the Council (City Code, Section 2-1-21)
- Performs the duties of the Mayor if the Mayor is absent (City Code, Section 2-1-22)
- Chairs Council meetings in the absence of the Mayor
- Represents the City at ceremonial functions at the request of the Mayor

ALL COUNCIL MEMBERS

All members of the City Council, including those serving as Mayor and Vice Mayor, have equal votes. No Council Member has more authority than any other Council Member, and all should be treated with equal respect.

All Council Members should:

- Fully participate in City Council meetings and other public forums while demonstrating kindness, consideration, and courtesy to others.
- Prepare in advance of Council meetings and be familiar with issues on the agenda.
- Represent the City at ceremonial functions at the request of the Mayor or at the request of the Council.
- Be respectful of other people's time. Stay focused and act efficiently during public meetings.

- Serve as a model of leadership and civility to the community
- Inspire public confidence in Tolleson government
- Provide contact information with the City Clerk in case of an emergency or urgent situation arises while the Council Member is out of City
- Demonstrate honesty and integrity in every action and statement
- Participate in scheduled activities to increase team effectiveness and review Council procedures, such as this Code of Conduct

MEETING CHAIR

The Mayor will chair official meetings of the City Council, unless the Vice Mayor or another Council Member is designated as Chair of a specific meeting.

- Maintains order, decorum, and the fair and equitable treatment of all speakers
- Keeps discussion and questions focused on specific agenda items under consideration
- Makes parliamentary rulings. Chair rulings may be overturned if a Council Member makes a motion as an individual and the majority of the Council votes to overrule the Chair.

FORMER COUNCIL MEMBERS

Former members of the City Council who speak to the current City Council about a pending issue should disclose for whom they are speaking.

Policies & Protocol Related to Conduct

Ceremonial Events

Requests for a City representative at ceremonial events will be handled by City staff. The Mayor will serve as the designated City representative. If the Mayor is unavailable, then City staff will determine if event organizers would like another representative from the Council. If yes, then the Mayor will recommend which Council Member should be asked to serve as a substitute. Invitations received at City Hall are presumed to be for official City representation. Invitations addressed to Council Members at their homes are presumed to be for unofficial, personal consideration.

Correspondence Signatures

Council Members do not need to acknowledge the receipt of correspondence, or copies of correspondence, during Council meetings. The City Clerk will prepare official letters in response to public inquiries and concerns. These

letters will carry the signature of the Mayor unless the Mayor requests that they be signed by another Council Member or the City Clerk.

If correspondence is addressed only to one Council Member, that Council Member may check with staff on the best way to respond to the sender.

Endorsement of Candidates

Council Members have the right to endorse candidates for all Council seats or other elected offices. It is inappropriate to mention endorsements during Council meetings or other official City meetings.

Public Announcements in Council Meetings

Council Members who want to speak during the Call to the Public or Council Members Report portion of the Council meeting should notify the Chair in advance. Council Members, like members of the public who use this portion of the agenda to recognize achievements or promote an event, will be limited to three minutes each, and should keep the focus on matters of community-wide interest. Matters that may require Council action or direction should not be discussed and those items on the agenda should not be used for any form of campaigning.

Public Hearing Protocol

The applicant shall have the right to speak first. The Chair will determine the length of time allowed for this presentation. Speakers representing either pro or con points of view will be allowed to follow. All speakers should be heard. All statements should be made to and through the Chair. The applicant will be allowed to make closing comments. The Chair has the responsibility to run an efficient public meeting and has the discretion to modify the public hearing process in order to make the meeting run smoothly.

Council Members should not express opinions during the public hearing portion of the meeting, except to ask pertinent questions of the speaker or staff. All Council Member comments or questions should be directed to the Chair. "I think" and "I feel" comments by Council Members are not appropriate until after the close of the public hearing. Council Members should refrain from arguing or debating with the public during a public hearing and shall always show respect for different points of view.

Main motions may be followed by amendments, followed by substitute motions. Any Council Member can call for the question or a point of order. Only Council Members, who voted on the prevailing side, may make motions to reconsider. Motions to reconsider must be made prior to adjourning the meeting.

Travel Expenses

The policies and procedures related to the reimbursement of travel expenses for official City business by Council Members shall be in accordance with the City of Tolleson Financial Accounting Manual, as may be amended.

Council Conduct with One Another

Councils are composed of individuals with a wide variety of backgrounds, personalities, values, opinions, and goals. Despite this diversity, all have chosen to serve in public office in order to preserve and protect the present and the future of the community. In all cases, this common goal should be acknowledged even as Council may “agree to disagree” on contentious issues.

IN PUBLIC MEETINGS

- **Practice civility and decorum in discussions and debate**

Difficult questions, tough challenges to a particular point of view, and criticism of ideas and information are legitimate elements of a free democracy in action. This does not allow, however, Council Members to make belligerent, personal, impertinent, slanderous, threatening, abusive, or disparaging comments. No shouting, or any other physical actions that could be construed as threatening will be tolerated.

- **Honor the role of the Chair in maintaining order**

It is the responsibility of the Chair to keep the comments of Council Members on track during public meetings. Council Members should honor efforts by the Chair to focus discussion on current agenda items. If there is disagreement about the agenda or the Chair’s actions, those objections should be voiced politely and with reason, following procedures outlined in parliamentary procedure.

- **Avoid personal comments that could offend other Council Members**

If a Council Member is personally offended by the remarks of another Council Member, the offended Council Member should make notes of the actual words used and call for a “point of personal privilege” that challenges the other Council Member to justify or apologize for the language used. The Chair will maintain control of this discussion. To that end, all discussion in public meetings must go through the Chair.

- **Demonstrate effective problem-solving approaches**

Council Members have a public stage to show how individuals with disparate points of view can find common ground and seek a compromise that benefits the community as a whole.

IN PRIVATE ENCOUNTERS

- **Continue respectful behavior in private**

The same level of respect and consideration of differing points of view that is deemed appropriate for public discussions should be maintained in private conversations.

- **Be aware of the lack of security of written notes, voicemail messages, and e-mail**

Technology allows words written or said without much forethought to be distributed wide and far. Would you feel comfortable to have this note faxed to others? How would you feel if this voicemail message were played on a speakerphone in a full office? What would happen if this e-mail message were forwarded to others? Written notes, voicemail messages and e-mail should be treated as potentially “public” communication.

- **Even private conversations can have a public presence**

Elected officials are always on display – their actions, mannerisms, and language are monitored by people around them that they may not know. Lunch table conversations will be eavesdropped upon, parking lot debates will be watched, and casual comments between individuals before and after public meetings noted. Remember the open meeting law prohibits conversations of four or more council members or the “linking” together through a common source of four or more individual conversations.

- **Other City Public Officials**

The foregoing guidelines concerning “Conduct with One Another” shall be followed not only by Council Members but also by other City Public Officials.

Council Conduct with City Staff

Governance of a City relies on the cooperative efforts of elected officials, who set policy, and City staff, who implement and administer the Council’s policies. Therefore, every effort should be made to be cooperative and show mutual respect for the contributions made by each individual for the good of the community.

- **Treat all staff as professionals**

Clear, honest communication that respects the abilities, experience, and dignity of each individual is expected. Inappropriate behavior towards staff is not acceptable.

- **Limit contact to specific City staff**

Consequently, remember City staff is accountable to their supervisors. Tasks performed by staff that come from outside the normal chain of supervision could cause staff confusion, inadequate work product and inefficient performance. Questions of City staff and/or requests for additional background information

should be directed only to the City Manager, City Clerk or Department Heads, or the Department Head's designee. The Office of the City Manager should be copied on any request. Consistent with City Code Section 2-3-24(E), no Council Member shall give orders or instructions to any subordinate of the City Manager other than instructions for the purpose of inquiry without the consent of the City Manager.

Requests for follow-up questions to staff should be made only through or with the consent of the City Manager. When in doubt about what staff contact is appropriate, Council Members should ask the City Manager for direction. Materials supplied to a Council Member in response to a request will be made available to all members of the Council so that all have equal access to information.

- **Do not disrupt City staff from their jobs**

Council Members should not disrupt City staff while they are in meetings, on the phone, or engrossed in performing their job functions in order to have their individual needs met.

- **Never publicly criticize an individual employee**

Council should never express concerns about the performance of a City employee in public, to the employee directly, or to the employee's manager. Misdirected comments could violate the City's personnel rules and limit the City's ability to deal fairly and efficiently with personnel matters. Comments about staff performance should only be made to the City Manager through private correspondence or conversation.

- **Do not get involved in administrative functions**

Council Members must not attempt to influence City staff on the making of appointments, awarding of contracts, selecting of consultants, processing of development applications, or granting of City licenses and permits.

- **Check with City staff on correspondence before taking action**

Before sending correspondence, Council Members should check with the City Manager to see if an official City response has already been sent or is in progress.

- **Do not attend meetings with City staff unless requested by staff.**

Even if the Council Member does not say anything, the Council Member's presence implies support, shows partiality, intimidates staff, and hampers staff's ability to do their job objectively.

- **Limit request for staff support**

Routine secretarial support will be provided to all Council Members. All mail for Council Members is opened by the City Clerk.

Requests for additional staff support – even in high priority or emergency situations – should be made to the City Manager who is responsible for allocating City resources in order to maintain a professional, well-run City government.

- **Do not solicit political support from staff**

Council Members should not solicit any type of political support (financial contributions, display of posters or lawn signs, name on support list, etc.) from City staff; to do so could violate the law. City staff may, as private citizens with constitutional rights, support political candidates for other government entities but all such activities must be done away from the workplace.

- **Other City Public Officials**

The foregoing guidelines concerning “Conduct with City Staff” shall be followed not only by Council Members but also by other City Public Officials.

Council Conduct with the Public

IN PUBLIC MEETINGS

Making the public feel welcome is an important part of the democratic process. No signs of partiality, prejudice or disrespect should be evident on the part of individual council Members toward an individual participating in a public forum. Every effort should be made to be fair and impartial in listening to public testimony.

- **Be welcoming to speakers and treat them with respect**
- **Be fair and equitable in allocating public hearing time to individual speakers**

Generally, each speaker will be allocated three minutes. If many speakers are anticipated, the Mayor may shorten the time limit and/or ask speakers to limit themselves to new information and points of view not already covered by previous speakers.

No speaker will be turned away unless he/she exhibits inappropriate behavior. After the close of the public hearing, no more public testimony will be accepted.

- **Give the appearance of active listening**

It is disconcerting to speakers to have Council Members not look at them when they are speaking. It is fine to look down at documents or to make notes, but reading for a long period of time or gazing around the room gives the appearance of disinterest. Be aware of facial expressions, especially those that could be interpreted as “smirking,” disbelief, anger or boredom.

- **Ask for clarification, but avoid debate and argument with the public**

Only the Mayor, no individual Council Members, can interrupt a speaker during a presentation. However, a Council Member can ask the Mayor for a point of order if the speaker is off the topic or exhibiting behavior or language the Council Member finds disturbing.

If speakers become flustered or defensive by Council questions, it is the responsibility of the Mayor to calm and focus the speaker and to maintain the order and decorum of the meeting. Questions by Council Members to members of the public testifying should seek to clarify or expand information. It is never appropriate to belligerently challenge or belittle the speaker. Council members' personal opinions or inclinations about upcoming votes should not be revealed until after the public hearing is closed.

- **No personal attacks of any kind, under any circumstances**

Council Members should be aware that their body language and tone of voice, as well as the words they use, can appear to be intimidating or aggressive.

IN UNOFFICIAL SETTINGS

- **Make no promises on behalf of the Council**

Council Members will frequently be asked to explain a Council action or to give their opinion about an issue as they meet and talk with constituents in the community. It is appropriate to give a brief overview of City policy and to refer to City staff for further information. It is inappropriate to overtly or implicitly promise Council action, or to promise City staff will do something specific (fix a pothole, remove a library book, plant new trees, etc.), or otherwise request that staff perform any act that is illegal, or that has the appearance of illegality.

- **Make no personal comments about other Council Members**

It is acceptable to publicly disagree about an issue, but it is unacceptable to make derogatory comments about other Council Members, their opinions and actions.

- **Remember Tolleson is a Small City**

Council Members are constantly being observed by the community every day that they serve in office. Their behaviors and comments serve as models for proper deportment in the City of Tolleson. Honesty and respect for the dignity of each individual should be reflected in every word and action taken by Council Members, 24 hours a day, seven days a week. It is a serious and continuous responsibility.

- **Other City Public Officials**

The foregoing guidelines concerning "Conduct with the Public" shall be followed not only by Council Members but also by other City Public Officials.

Council Conduct with Other Public Agencies

- **Be clear about representing the City or personal interests**

If a Council Member appears before another governmental agency or organization to give a statement on an issue, the Council Member must clearly state: 1) if his or her statement reflects personal opinion or is the official stance of the City; 2) whether this is the majority or minority opinion of the Council.

Council Members should be clear about which organizations they represent and inform the Mayor and Council of their involvement in order to assure their independence and impartiality on behalf of the common good. Public Officials should not use their official positions to influence government decisions in which they have a substantial financial interest or a relationship that may give the appearance of a conflict of interest. Public Officials should abstain from participating in deliberations and decision-making where conflicts of interest may exist as defined under Arizona law. Public Officials should discuss issues of conflict of interest with the City Attorney.

- **Correspondence also should be equally clear about representation**

City letterhead may be used when the Council Member is representing the City and the City's official position. A copy of official correspondence should be given to the City Clerk to be filed as part of the permanent public record.

City letterhead should not be used for correspondence of Council Members representing a personal point of view, and is best not used to express a dissenting point of view from an official Council position. However, should Council Members use City letterhead to express a dissenting point of view, the official City position must be stated clearly so the reader understands the difference between the official City position and the viewpoint of the Council Member.

- **Other City Public Officials**

The foregoing guidelines concerning "Conduct with Other Public Agencies" shall be followed not only by Council Members but also by other City Public Officials.

Council Conduct With Boards and Commissions

The City has established several Boards and Commissions as a means of gathering more community input. Citizens who serve on Boards and Commissions become more involved in government and serve as advisors to the

Council. They are a valuable resource to the City's leadership and should be treated with appreciation and respect.

- **If attending a Board or Commission meeting, be careful to only express personal opinions**

Council Members may attend any Board or Commission meeting, which are always open to any member of the public. However, they should be sensitive to the way their participation - especially if it is on behalf of an individual, business or developer – could be viewed as unfairly affecting the process. Any public comments by a Council Member at a Board or Commission meeting should be clearly made as individual opinion and not a representation of the feelings of the entire City Council.

- **Limit contact with Board and Commission members to questions of clarification**

It is inappropriate for a Council member to contact a Board or Commission member to lobby on behalf of an individual, business, or developer. It is acceptable for Council Members to contact Board or Commission members in order to clarify a position taken by the Board or Commission.

- **Remember that Boards and Commissions serve the community, not individual Council Members**

The City Council appoints individuals to serve on Boards and Commissions, and it is the responsibility of Boards and Commissions to follow policy established by the Council. But Board and Commission members do not report to individual Council Members, nor should Council Members feel they have the power or right to threaten Board and Commission members with removal if they disagree about an issue. Appointment and re-appointment to a Board or Commission should be based on such criteria as expertise, ability to work with staff and the public, and commitment to fulfilling official duties. A Board or Commission appointment should not be used as a political "reward."

- **Be respectful of diverse opinions**

A primary role of Boards and Commissions is to represent many points of view in the community and to provide the Council with advice based on a full spectrum of concerns and perspectives. Council Members may have a closer working relationship with some individuals serving on Boards and Commissions, but must be fair and respectful of all citizens serving on Boards and Commissions.

- **Keep political support away from public forums**

Board and Commission members may offer political support to a Council member, but not in a public forum while conducting official duties. Conversely, Council Members may support Board and Commission members who are running for office, but not in an official forum in their capacity as a City Council Member.

- **Inappropriate behavior can lead to removal**

Inappropriate behavior by a Board or Commission member should be noted to the Mayor, and the Mayor should counsel the offending member. If inappropriate behavior continues, the Mayor should bring the situation to the attention of the Council.

Council Conduct with the Media

Council Members are frequently contacted by the media for background and quotes.

- **The best advice for dealing with the media is to never go “off the record”**

Most members of the media represent the highest levels of journalistic integrity and ethics, and can be trusted to keep their word. But one bad experience can be catastrophic. Words that are not said cannot be quoted.

- **The Mayor is the official spokesperson for the City.**

The Mayor is the designated representative of the Council to present and speak on the official City position. If an individual Council Member is contacted by the media, the Council Member should be clear about whether their comments represent the official City position or a personal viewpoint.

- **Choose words carefully and cautiously**

Comments taken out of context can cause problems. Be especially cautious about humor, sardonic asides, sarcasm, or word play. It is never appropriate to use personal slurs or swear words when talking with the media.

- **Other City Public Officials**

The foregoing guidelines concerning “Conduct with the Media” shall be followed not only by Council Members but also by other City Public Officials.

Enforcement of the Ethics Policy

A. COMPLAINTS

1. Public Officials themselves have the primary responsibility to assure compliance with this Code of Conduct.
2. The Chairs of commissions, boards, and committees and the Mayor have the additional responsibility to intervene when actions of the Public Officials appear to be in violation of this Code of Conduct.

3. If the Mayor or the chair of the applicable board, commission or committee fails to intervene, two members of the Council, board, commission may request the Mayor or the chair of the applicable public body to intervene. If the complaint arises out of actions or inactions of the Mayor or the chair, the matter shall be directed to the vice-mayor or vice-chair. If the Mayor, chair, vice-mayor or vice-chair fails to intervene, then the matter shall be referred to the City Attorney.
4. The City Attorney shall review the complaint and shall simultaneously notify in writing the City official subject to the complaint of such review.
5. Within 30 days, the City Attorney shall submit the results of his or her review to the complainant, to the official who is the subject of the complaint, and to the Mayor or chair of the public body on which the official who is the subject of the complaint sits. If the matter cannot be resolved within ten days, the matter shall be referred to the City Council. The City Council shall consider the City Attorney's report at a public meeting. If the City Council finds an ethical violation by a person serving on a commission, board or committee, then the City Council may remove the member from the City board, commission, or committee. In resolving a complaint, the totality of the circumstances shall be taken into consideration, including the intent of the person accused of the wrongdoing.
6. In addition, the City Council may impose sanctions on Public Officials whose conduct does not comply with this Code of Conduct, such as reprimand, censure, loss of seniority or committee assignment, or official travel restrictions.

B. RESOLVING COMPLAINTS AGAINST THE MAYOR AND/OR OTHER MEMBERS OF THE CITY COUNCIL.

1. When complaints are levied against the Mayor or members of the City Council, the City Attorney shall have the authority to decide either to (a) act directly on any complaint filed against the Mayor and/or other members of the City Council pursuant to subparagraph A above, or (b) refer a complaint to an independent reviewing authority such as a city attorney from another jurisdiction or an attorney from the office of the county attorney.

Sanctions

- **Public Disruption**

Members of the public who do not follow proper conduct after a warning in a public hearing may be barred from further testimony at that meeting or removed from the Council Chambers.

- **Inappropriate Staff Behavior**

Council Members should refer to the City Manager any City staff that does not follow proper conduct in their dealings with Council Members, other City staff, or the public. These employees may be disciplined in accordance with standard City procedures for such actions.

- **Council Members Behavior and Conduct**

In addition to sanctions imposed pursuant to paragraph A.6 above, City Council Members who intentionally and repeatedly do not follow proper conduct may be reprimanded or formally censured by the Council, lose seniority or committee assignments (both within the City of Tolleson or with inter-government agencies) or have official travel restricted.

Principles of Proper Conduct

Proper conduct IS . . .

- Keeping promises
- Being dependable
- Building a solid reputation
- Participating and being available
- Demonstrating patience
- Showing empathy
- Holding onto ethical principles under stress
- Listening attentively
- Studying thoroughly
- Keeping integrity intact
- Overcoming discouragement
- Going above and beyond, time and time again
- Modeling a professional manner

Proper conduct IS NOT . . .

- Showing antagonism or hostility
- Deliberately lying or misleading
- Speaking recklessly
- Spreading rumors

- Stirring up bad feelings, divisiveness
- Acting in a self-righteous manner

It all comes down to respect

Respect for one another as individuals . . . respect for the validity of different opinions . . . respect for the democratic process . . . respect for the community that we serve.

Checklist for Monitoring Conduct

- Will my decision/statement/action violate the trust, rights or good will of others?
 - What are my interior motives and the spirit behind my actions?
 - If I have to justify my conduct in public tomorrow, will I do so with pride or shame?
 - How would my conduct be evaluated by people whose integrity and character I respect?
 - Even if my conduct is not illegal or unethical, is it done at someone else's painful expense? Will it destroy their trust in me? Will it harm their reputation?
 - Is my conduct fair? Just? Morally right?
 - If I were on the receiving end of my conduct, would I approve and agree, or would I take offense?
 - Does my conduct give others reason to trust or distrust me?
 - Am I willing to take an ethical stand when it is called for? Am I willing to make my ethical beliefs public in a way that makes it clear what I stand for?
 - Do I exhibit the same conduct in my private life as I do in my public life?
 - Can I take legitimate pride in the way I conduct myself and the example I set?
 - Do I listen and understand the views of others?
 - Do I question and confront different points of view in a constructive manner?
 - Do I work to resolve differences and come to mutual agreement?
 - Do I support others and show respect for their ideas?
 - Will my conduct cause public embarrassment to someone else?
-

Glossary of Terms

Appropriate behavior

It is the City's policy to provide its employees and members of the public with an environment that encourages safe, efficient, and productive work, and which is free of discrimination, including all forms of harassment. The City will not tolerate discrimination or verbal or physical conduct by any person which harasses, disrupts, or interferes with another person's work performance or which creates and intimidating, offensive, or hostile environment.

attitude	The manner in which one shows one's dispositions, opinions and feelings
behavior	External appearance or action; manner of behaving; carriage of oneself
civility	Politeness, consideration, courtesy
conduct	The way one acts; personal behavior
courtesy	Politeness connected with kindness
decorum manners	Suitable; proper; good taste in behavior A way of acting; a style, method, or form; the way in which things are done
point of order	An interruption of a meeting to question whether rules or bylaws are being broken, such as the speaker has strayed from the motion currently under consideration
point of personal privilege	A challenge to a speaker to defend or apologize for comments that a fellow Council Member considers offensive
propriety	Conforming to acceptable standards of behavior
protocol	The courtesies that are established as proper and correct
respect	The act of noticing with attention; holding in esteem; courteous regard



CITY COUNCIL REPORT

SUBJECT: City Manager Compensation

MEETING DATE: January 28, 2025

TO: Mayor and Council

FROM: Wendy Jackson, Deputy City Manager/Employee Resources Director

REVIEWED: Reyes Medrano Jr., City Manager

PURPOSE:

Consideration of an annual salary increase for City Manager Reyes Medrano, Jr., who was rehired in November 2020 and has an overall tenure of 19 years as Tolleson's city manager. The increase reflects his performance and city-wide accomplishments from October 2023 to October 2024.

BACKGROUND:

The evaluation period from October 2023 to October 2024 has included numerous initiatives and accomplishments under the city manager's leadership. These efforts have contributed to the city's overall growth, development, and efficient operation.

Annual salary adjustments are essential to recognizing the city manager's contributions, aligning compensation with performance outcomes, and maintaining competitive compensation practices for top executive roles. This proposed salary increase is based on collectively evaluating city-wide achievements during the specified period.

DISCUSSION:

The proposed annual salary increase for City Manager Reyes Medrano, Jr. is based on a review of his performance and the substantial city-wide accomplishments achieved under his leadership from October 2023 to October 2024. Over this period, the city has made significant strides across various strategic priorities, demonstrating effective management and impactful leadership.

Key accomplishments include significant investments in smart city infrastructure, such as the modernization of police dispatch services and the extension of utilities infrastructure to improve water and wastewater system management. The city also advanced its owner-occupied housing rehabilitation program, completed 15 projects funded through CDBG and ARPA, and upgraded public access technology with enhanced library PCs and expanded Wi-Fi capabilities.

Reyes Medrano, Jr. has also overseen substantial community engagement initiatives, including expanding recreational programming and supporting significant community events that attracted thousands of residents. His leadership in financial management is evident in the city's growth in investment income and the strategic allocation of funds to reduce the unfunded PSPRS liability.

These efforts underscore the city manager's commitment to fostering a thriving, resilient community and maintaining high standards of public service. The proposed salary increase recognizes these achievements and

aligns with maintaining competitive compensation for executive leadership in comparable municipalities. The council is encouraged to consider these outcomes when reviewing the proposed increase to reflect the city manager's performance over the past year.

BUDGET IMPACT:

The proposed annual salary increase for City Manager Reyes Medrano, Jr. has been accounted for within the current department budget. A general allocation was included to cover potential wage increases, ensuring that any approved salary adjustments can be accommodated without requiring additional funds or impacting other budgeted initiatives. The council's approval of the increase will utilize these pre-allocated resources, maintaining fiscal responsibility while recognizing the city manager's contributions.

RECOMMENDATION:

The proposed salary increase is intended to reflect City Manager Reyes Medrano, Jr.'s performance and the significant city-wide accomplishments achieved from October 2023 to October 2024.

ATTACHMENTS:

None