



February 2, 2024

EXECUTIVE COMMITTEE MEETING



**NOTICE OF A REGULAR MEETING OF THE
LEAGUE OF ARIZONA CITIES & TOWNS
EXECUTIVE COMMITTEE**

Friday, February 2, 2024 at 10:00 a.m.
League Office Building
1820 West Washington, Phoenix

Notice is hereby given to the members of the Executive Committee and to the general public that the Executive Committee will hold a meeting open to the public on February 2, 2024 at 10:00 a.m. Members of the Executive Committee will attend either in person or by Zoom Audio/Video conferencing. The Executive Committee may vote to recess the meeting and move into Executive Session on any item on this agenda. Upon completion of Executive Session, the Executive Committee may resume the meeting, open to the public, to address the remaining items on the agenda. A copy of the agenda is available at the League office building in Suite 200 or on the League website at www.azleague.org.

Agenda

All items on this agenda are scheduled for discussion and possible action, unless otherwise noted.

Call to Order; Pledge of Allegiance

1. Review and Adoption of Minutes
2. Legislative Policy Overview and Session Update
3. Report from League Budget Subcommittee
4. Update on Data Portal Initiatives
- 5.* Visit from Attorney General Kris Mayes
**To accommodate the Attorney General's schedule, we will move to this item upon her arrival.*

Additional informational materials are included in the agenda packet but are not part of the agenda.



EXECUTIVE COMMITTEE MEETING
Friday, February 2, 2024

Agenda Item #1 Review and Adoption of Minutes

Summary: Minutes of the previous meeting are enclosed for your review and approval.

Responsible Person: President Douglas Nicholls

Attachment: November 9, 2023 Executive Committee Minutes

Action Requested: Approval

MINUTES
LEAGUE OF ARIZONA CITIES AND TOWNS
EXECUTIVE COMMITTEE MEETING

Thursday, November 9, 2023, at 10:00 a.m.
League of Arizona Cities and Towns
1820 W. Washington St.
Phoenix, Arizona

MEMBERS

President

Douglas Nicholls, Mayor, Yuma

Vice President

Kevin Hartke, Mayor, Chandler

Treasurer

Mila Besich, Mayor, Superior

Ken Budge, Mayor, Bisbee
Craig McFarland, Mayor, Casa Grande +
Robyn Prud'homme-Bauer, Mayor, Clarkdale +
Alexis Hermosillo, Mayor, El Mirage +
Ginny Dickey, Mayor, Fountain Hills *
Brigette Peterson, Mayor, Gilbert
Jerry Weiers, Mayor, Glendale+
Al Gameros, Mayor, Globe +
Joe Pizzillo, Mayor, Goodyear
Cal Sheehey, Mayor, Lake Havasu City +
Tom Schoaf, Mayor, Litchfield Park

Ed Honea, Mayor, Marana
Nancy Smith, Mayor, Maricopa +
John Giles, Mayor, Mesa
Jerry Bien-Willner, Mayor, Paradise Valley
Jason Beck, Mayor, Peoria *
Kate Gallego, Mayor, Phoenix *
Stephanie Irwin, Mayor, Pinetop-Lakeside +
Tom Murphy, Mayor, Sahuarita
David Ortega, Mayor, Scottsdale +
Corey Woods, Mayor, Tempe *
Regina Romero, Mayor, Tucson *

*Not in attendance

+ Attended via Zoom

President Douglas Nicholls called the meeting to order at 10:00 a.m. He then led the Executive Committee in the Pledge of Allegiance.

1. REVIEW AND ADOPTION OF MINUTES

President Douglas Nicholls requested a motion on the adoption of the minutes. Mayor Mila Besich of Superior moved to approve the minutes of the August 4, 2023, Executive Committee Meeting; Mayor Tom Murphy of Sahuarita seconded the motion and the motion carried unanimously.

2. RECAP OF THE 2023 ANNUAL CONFERENCE

Executive Director Tom Belshe introduced Deputy Director Matt Lore to provide the 2023 League Annual Conference Recap.

Deputy Director Matt Lore explained that this conference achieved the highest attendance figures, revenue, and sponsorship of any League conference. This was the first conference contract signed post COVID-19, thus the costs were on the higher end, nonetheless, budget numbers were a success.. Planning for the 2024 conference has already been set in motion. The 2024 Conference will be held at the Arizona Biltmore Resort from August 27-30. Also, plans for the 2025 Conference are underway, allowing it to be held in the Valley, as the JW Marriott Starr Pass in Tucson would not be able to accommodate the high attendance rates. President Douglas Nicholls inquired if this is the highest number of attendees the conference has historically ever had, Director Lore answered yes, since usually attendance numbers are down when Conferences are held in Tucson, but higher in the Valley.

Executive Director Tom Belshe applauded Director Lore's efforts in training two new employees and successfully navigating this conference.

3. 2022-2023 AUDIT REPORT

President Douglas Nicholls asked Executive Director Tom Belshe to provide the 2022-2023 Audit Report.

Executive Director Tom Belshe started off by thanking Sandy Morari, who has been with the League for 39 years, as her dedication ensured a smooth audit process. No questions arose on the Audit Report. Mayor Tom Murphy of Sahuarita motioned to approve the Audit Report, Mayor Bridgette Peterson of Gilbert seconded the motion and it passed unanimously.

4. LEGISLATIVE POLICY OVERVIEW AND UPDATE

Executive Director Tom Belshe introduced Legislative Director Tom Savage to provide the Legislative Policy Overview and Update. Legislative Director Tom Savage noted that we are sixty days away from the 2024 Legislative Session. League staff are working on getting sponsors for League resolutions adopted at the Annual Conference.

The main items that League staff are working on consisted of Legislation for the online petition signatures, body scanning machines, restrictions on short-term rentals, and another bill to remove petition requirements for Municipal improvement districts.

Housing

League staff is working on speaking at the Democratic Bicameral caucus meetings on property tax reclassification for infill redevelopment and housing issues. The League's General Counsel worked with an attorney working group to develop four model ordinances that are on the League's website related to the new authorities granted under SB 1103 regarding administrative approvals. A survey will be conducted in the next couple of weeks to better understand what activities each city is working on regarding housing. The League has been holding work group meetings to come up with legislative

solutions to deal with issues impacting cities and will engage with the legislature to find sponsors for reform ideas when it comes to the Sober Living Homes issue. In reference to the last Executive Session, Governor Hobbs addressed her commitment to work with the cities to find revenue replacements to address budget shortfalls due to the Residential Rental Tax being eliminated in 2025. JLBC has released estimates on the state fiscal situation in this fiscal year. we are looking at a \$400 million deficit, and in the next fiscal year an additional \$450 million deficit. Executive Director Tom Belshe commented on a meeting with Home AZ which concluded with an agreement to form subcommittees to handle various housing issues.

Online Retail

Executive Director Tom Belshe brought up another issue that has not been on the legislative agenda until now: online retail. The Department of Revenue reviews the state statute when problems occur to offer a ruling on how certain actions must be conducted. This issue arose from an audit that was performed on a particular company, and the audit findings highlighted that funding was being allocated to one city. Thus, the Department of Revenue created a TPR to aid in the money distribution process. The TPR that was developed and presented to the Sales Tax Auditors from the cities uses physical nexus instead of economic nexus. League staff are meeting with the Director of the Department of Revenue as well as one of the attorneys from the Department of Revenue to make changes to the TPR. The breakdown process of the TPR is currently through zip codes, location of cities, and use of a city and town locator. No other questions or comments were made relating to the report.

5. RESOLUTION SUPPORTING CONTINUATION OF THE AFORDABLE CONNECTIVITY PROGRAM

President Douglas Nicholls introduced Deputy Director Rene Guillen who explained to those in the committee who are unfamiliar with the program that it subsidizes internet services to those who are SNAP eligible, to receive a reduced price on internet services from participating providers.

The program was given \$14 billion in initial funding, yet the program is estimated to run out of money by next year. This is a great tool for the cities and towns therefore, the intent is to inform the committee about the program's benefits, and the decision to support its continuation is up to their discretion. Deputy Director Rene Guillen then opened the floor for questions and comments.

The Executive Committee expressed their support for this program and shared their own cities and towns experiences bridging the digital divide.

Deputy Director Rene Guillen also discussed his involvement with the Governor's Interagency Council on Broadband to support the Broadband, Equity, Access, and Deployment program which aims to connect those who are unserved or underserved. Executive Director Tom Belshe expressed his enthusiasm in working with the Arizona Congress Authority on this matter. Deputy Director Rene Guillen highlighted the 2020 Census which relied heavily on online counting methods, and how that will affect the 2030 census raising the issue of connectivity when it comes to population counting. President Douglas Nicholls called for a motion to adopt the proposed resolution. Vice President Kevin Hartke motioned to adopt the resolution, Mayor John Giles of Mesa seconded the motion, the resolution passed unanimously.

Report By League General Counsel, Nancy Davidson

President Douglas Nicholls introduced General Counsel Nancy Davidson to give a brief report. Nancy Davidson discussed various model ordinances that she has worked on with the Attorney Working Group and welcomed ideas for other resources that could be developed by the Working Group in the future. She asked the committee and stakeholders to provide feedback about the ordinances and measures that have been successful in their jurisdictions regarding the development of housing. Nancy explained she is working on a checklist that may assist some cities and towns in improving development processes and codes. She highlighted that, since the last Executive Committee meeting, The League has participated in three amicus briefs in support of cities. The first is the amici brief with the City of Phoenix and other parties in the U.S. Supreme Court case called Johnson v. City of Grants Pass regarding homelessness. The second is an amici brief with the City of Phoenix, the League of California Cities, the California State Association of Counties. It was filed in a Ninth Circuit case involving the City of Sacramento regarding its homeless encampments. The third amicus was filed by the League in a Superior Court case that addresses the Legislature's attempt to dilute local initiative power or otherwise make it more difficult to pass a local initiative. The League does not typically file amicus briefs at the Superior Court level, but the Amicus Committee voted in favor of the brief because of the importance of the issues and the potential statewide impacts. Nancy will be hosting a webinar next week to provide a brief update to cities about the PFAAs litigation and important deadlines regarding the proposed settlement agreements. Most of the League's publications have been updated to reflect the new laws and are available on the League website.

Mayor David Ortega of Scottsdale commented on the model and planning issues highlighting local control as a strategy that might be useful to the League.

President Douglas Nicholls called for any other business for the good of the order. No other business was brought forth.

President Nicholls adjourned the Executive Committee meeting at 11:00 a.m.



EXECUTIVE COMMITTEE MEETING

Friday, February 2, 2024

Agenda Item #2 **Legislative Policy Overview and Session Update**

Summary: The Second Regular Session of the Fifty-Sixth Legislature, Second Regular Session is now underway. League staff will review how positions are taken on legislation as well as report on the session as it relates to issues of interest to cities and towns. Major topics for discussion include:

- *Governor's Budget*
- *Zoning Legislation*
- *Construction Sales Tax*
- *League Resolutions*
- *Residential Rental Revenue Replacement*
- *Municipal Tax and Fee Increase Limitations*
- *Ballot Referrals*
- *Arizona Commerce Authority Continuation*
- *Revenue Replacement Letter for the Governor*

Responsible Person: Tom Belshe & League Legislative Staff

Links: [Your Voice at the Capitol](#)
[Legislative Bulletins](#)
[Municipal Policy Statement](#)

Action Requested: Discussion and possible action



EXECUTIVE COMMITTEE MEETING

Friday, February 2, 2024

Agenda Item #3 Report from Budget Subcommittee

Summary: Presentation from League Budget Subcommittee of preliminary
FY 2024-2025 League Budget and Adoption of FY25 Dues

Responsible Person: Mayor Mila Besich, Superior, Budget Subcommittee Chairman
Tom Belshe

Attachments: Preliminary Draft FY 2025 League Budget
Recommended FY 2025 League Dues
Preliminary Draft FY 2025 Property Corporation Budget

Action Requested: Information / discussion of budgets
Approval of FY 2025 Dues Schedule

2024-2025 League Budget

PRELIMINARY DRAFT

REVENUES	Budget FY 2024	Expected FY 2024	Over / (Under)	PROPOSED FY 2025	% Change	% of Total Budget	Notes
Affiliate Group Contracts	195,500	197,000	1,500	197,000	0.8%	5.2%	At current rates: ACMA \$75K; GFOAz \$69K; AMCA \$10K; WLG \$43K
Annual Conference	500,000	832,042	332,042	800,000	60.0%	21.0%	Estimate \$270K income
Dues	2,361,478	2,361,478	0	2,387,552	1.1%	62.7%	No change to formula
Interest	25,000	121,495	96,495	110,000	340.0%	2.9%	
Miscellaneous	14,000	16,300	2,300	16,000	14.3%	0.4%	Includes publication sales & job postings.
Partnership Programs	41,000	39,974	(1,026)	42,000	2.4%	1.1%	American Legal (~\$5,000), APS Internship (\$12,000), Valley Schools (\$25,000)
Risk Pool	185,000	191,205	6,205	202,000	9.2%	5.3%	
Seminars and Meetings	50,000	36,000	(14,000)	53,000	6.0%	1.4%	NEO in FY25
TOTAL REVENUES	\$3,371,978	\$3,795,494	\$423,516	\$3,807,552	12.9%		
EXPENDITURES							
Annual Conference	230,000	558,900	328,900	530,000	130.4%	13.5%	
Benefits	586,000	585,500	(500)	645,000	10.1%	16.4%	Estimate 12% increase to UHC premiums (eff. 10/2024). Estimate 3% increase to dental premiums (eff. 5/2024). Decrease of .02% in the ASRS contribution rate.
Capital Outlay	15,000	78,956	63,956	15,000	0.0%	0.4%	O365 = ~\$5000 annually; Board authorized FY23 Reserve Fund expenditure for meeting room upgrades which was not spent; due to unexpected delays, the project is now nearing completing in FY24.
Equipment Rental & Maintenance	8,000	7,254	(746)	7,000	-12.5%	0.2%	
Executive Committee	7,000	7,301	301	7,000	0.0%	0.2%	
Insurance	9,000	7,719	(1,281)	8,000	-11.1%	0.2%	Rec'd \$-2469 dividend for FY24
Postage & Shipping	6,000	5,681	(319)	6,000	0.0%	0.2%	
PR & Communications	62,000	65,150	3,150	64,000	3.2%	1.6%	Includes HighGround (\$60,000); misc (\$4,000)
Printing	14,000	13,500	(500)	14,000	0.0%	0.4%	Includes directory, MPS, calendar & legis poster
Professional Services	413,000	344,472	(68,528)	493,000	19.4%	12.5%	
Accounting	54,000	49,579	(4,421)	52,000	-3.7%	1.3%	Includes audit, accountants & payroll processing service
Contract Lobbying & Consulting Svcs	323,000	290,400	(32,600)	411,000	27.2%	10.5%	Includes HighGround (\$120K); Rounds (\$91K); K Jackson (\$7K); C Jagger (\$3K); Flo (\$30K- data); H. Arellano (\$90K); Anubhav (\$40K); Robert Half Marketing (\$15K); City of Glendale (data) (\$15K)
Legal	36,000	4,493	(31,507)	30,000	-16.7%	0.8%	
Prop Corp - Building Improvement Fund	10,000	10,000	0	10,000	0.0%	0.3%	Savings for building repairs / improvements.
Rent	105,000	105,000	0	105,000	0.0%	2.7%	
Salaries	1,700,000	1,714,680	14,680	1,809,000	6.4%	46.0%	5% COLA increase; position/salary level adjustments; no vacancies
Seminars and Meetings	47,000	68,475	21,475	48,000	2.1%	1.2%	
Subscriptions and Dues	72,000	71,916	(84)	72,000	0.0%	1.8%	
Supplies / Office Expenses	55,000	56,691	1,691	56,000	1.8%	1.4%	general cost increases, and credit card fee increases
Telecommunications	24,000	19,561	(4,439)	20,000	-16.7%	0.5%	Changeover from Mitel to Airespring
Travel	20,000	19,441	(559)	20,000	0.0%	0.5%	
TOTAL EXPENDITURES	\$3,383,000	\$3,740,197	\$357,197	\$3,929,000	16.1%		
Reserve Fund				\$121,448			Subcommittee recommends using reserve funds to cover revenue deficiency.
Revenues Over (Under) Expenditures	(\$11,022)	\$55,297	\$66,319	\$0			
Beginning Fund Balance	\$2,248,351	\$2,248,351		\$2,303,648			
Ending Fund Balance	\$2,237,329	\$2,303,648		\$2,182,200			

AUDITED YEAR END FIGURES	Ending Balance *	FY	Rev over Exp	* FUND BALANCE DESIGNATIONS	
Total fund balance as of July 1, 2023	\$2,248,351	22-23	\$61,701	40.0%	\$849,340 Rainy Day fund balance
Total fund balance as of July 1, 2022	\$2,186,650	21-22	\$105,326	Remaining funds	\$1,399,011 for infrastructure improvements
Total fund balance as of July 1, 2021	\$2,081,324	20-21	(\$277,345)		<u>\$2,248,351</u>
Total fund balance as of July 1, 2020	\$2,358,669	19-20	\$134,693		
Total fund balance as of July 1, 2019	\$2,223,976	18-19	(\$128,219)		
Total fund balance as of July 1, 2018	\$2,352,195	17-18	\$254,405		
Total fund balance as of July 1, 2017	\$2,097,790	16-17	\$117,613		
Total fund balance as of July 1, 2016	\$1,980,177	15-16	\$152,942		
Total fund balance as of July 1, 2015	\$1,827,235	14-15	(\$609)		
Total fund balance as of July 1, 2014	\$1,827,844	13-14	\$203,785		
Total fund balance as of July 1, 2013	\$1,624,059	12-13	\$165,383		
Total fund balance as of July 1, 2012	\$1,458,676	11-12	\$200,953		
Total fund balance as of July 1, 2011	\$1,257,723	10-11	(\$53,713)		
Total fund balance as of July 1, 2010	\$1,311,436	09-10	\$98,313		
Total fund balance as of July 1, 2009	\$1,213,123	08-09	\$212,926		
Total fund balance as of July 1, 2008	\$1,000,197	07-08	\$323,069		
Total fund balance as of July 1, 2007	\$677,128	06-07	\$192,095		
Total fund balance as of July 1, 2006	\$485,033	05-06	\$101,561		
Total fund balance as of July 1, 2005	\$383,472	04-05	(\$23,245)		
Total fund balance as of July 1, 2004	\$406,717	03-04	(\$11,936)		
Total fund balance as of July 1, 2003	\$418,653	02-03			

Dues Collected	
FY 22-23	\$2,234,307
FY 21-22	\$2,226,243
FY 20-21	\$1,875,056 (COVID 15% reduction)
FY 19-20	\$2,097,422 (Phoenix rejoined at mid-year)
FY 18-19	\$1,912,145 (Phoenix left organization)
FY 17-18	\$2,044,236
FY 16-17	\$1,938,076
FY 15-16	\$1,897,376
FY 14-15	\$1,749,423 (includes Phx pop reduction)
FY 13-14	\$1,818,423
FY 12-13	\$1,818,423
FY 11-12	\$1,817,063
FY 10-11	\$1,490,140 (5% reduction)
FY 09-10	\$1,550,568 (included \$18K - hardship waiver)
FY 08-09	\$1,568,568
FY 07-08	\$1,515,572

2024-2025 League Budget Narrative

PRELIMINARY DRAFT

REVENUES	Budget FY 2024	Expected FY 2024	Over / (Under)	PROPOSED FY 2025	% Change	% of Total Budget
Affiliate Group Contracts	195,500	197,000	1,500	197,000	0.8%	5.2%
The Arizona City/County Management Association (\$75,000), the Government Finance Officers Association of Arizona (\$69,000), the Arizona Municipal Clerks Association (\$10,000), and the Arizona Women Leading Government Association (\$43,000) contract with the League for staff services. The four associations currently pay \$193,367 for services including graphic design, website management, conference planning and membership management.						
Annual Conference	500,000	832,042	332,042	800,000	60.0%	21.0%
Revenues from the Annual Conference are estimated since that number is highly variable depending on sponsorships and attendance. Conference revenue is intended to cover all conference expenses, except staff salaries, plus provide approximately \$270,000 in net revenue to the League to support other programs throughout the year. Sponsorships play a very important role in conference revenue and we will continue to pursue existing and new companies to assure that our sponsorship revenues will remain strong. Conference registration fees and sponsorships are the second-largest source of revenue for ongoing League operations.						
Dues	2,361,478	2,361,478	0	2,387,552	1.1%	62.7%
The current dues formula is a \$4,300 base fee plus a varying per capita rate ranging from \$.52 to \$.55 depending on population. Cities over 185,000 population pay on a capped dues formula.						
Interest	25,000	121,495	96,495	110,000	340.0%	2.9%
Through investment accounts, the League earns interest income on our unexpended fund balances. The bulk of the funds are invested with the State Treasurer's Local Government Investment Pool.						
Miscellaneous	14,000	16,300	2,300	16,000	14.3%	0.4%
This item includes publication sales and job postings.						
Partnership Programs	41,000	39,974	(1,026)	42,000	2.4%	1.1%
Any revenue realized from League partnership programs is included in this line item. Current programs included in this item are: American Legal, APS Internship and Valley Schools.						
Risk Pool	185,000	191,205	6,205	202,000	9.2%	5.3%
The League receives an annual fee from the Arizona Municipal Risk Retention Pool (AMRRP) for institutional value related to our sponsorship, marketing, promotion, lobbying and other services for the insurance pool program. The Executive Director serves as a non-voting member of the AMRRP Board.						
Seminars and Meetings	50,000	36,000	(14,000)	53,000	6.0%	1.4%
The League offers a variety of classes and training program opportunities throughout the year, most at minimal or no cost. We also present programs in conjunction with one of the affiliate groups such as the city managers or city clerks, or other government-related groups. Fees are assessed to cover costs of training materials, mailings, refreshments, building space, etc.						
TOTAL REVENUES	\$3,371,978	\$3,795,494	\$423,516	\$3,807,552	12.9%	

Prior Years Actuals

FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual	FY18-19 Actual
\$191,337.00	\$159,450.00	\$137,950.00	\$137,950.00	\$136,950.00
\$722,493.00	\$606,420.67	\$0.00	\$529,184.55	\$535,420.55
\$2,234,308.00	\$2,226,243.00	\$1,875,056.00	\$2,097,422.00	\$1,912,145.00
\$100,387.00	\$6,618.32	\$3,029.85	\$47,307.69	\$63,065.52
\$16,803.00	\$20,484.33	\$10,258.40	\$15,631.58	\$25,513.36
\$46,054.00	\$41,425.87	\$101,972.16	\$79,345.06	\$65,395.03
\$179,899.00	\$166,970.68	\$164,623.04	\$159,976.00	\$155,768.56
\$52,460.00	\$35,845.00	\$37,140.00	\$14,155.00	\$54,842.00

EXPENDITURES	Budget FY 2024	Expected FY 2024	Over / (Under)	PROPOSED FY 2025	% Change	% of Total Budget	FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual	FY18-19 Actual
Annual Conference	230,000	558,900	328,900	530,000	130.4%	13.5%	\$465,758.00	\$410,723.50	\$1,657.39	\$318,244.41	\$330,711.86
The amount budgeted for Conference expenses is only an estimate because final contracts for meal functions and other activities are not yet finalized. This amount includes direct costs only, primarily for the conference hotel; staff time is not included in this figure. Revenue received from the Conference is expected to offset the entire amount of these expenses.											
Benefits	586,000	585,500	(500)	645,000	10.1%	16.4%	\$526,582.00	\$513,598.26	\$481,589.74	\$494,054.61	\$507,001.51
Both the professional and clerical staff have pension coverage with the Arizona State Retirement System (ASRS) in addition to Social Security. Employees are covered by group insurance for health under policies with United Healthcare, a dental plan through Delta Dental, life insurance through the Guardian and long term disability insurance under ASRS. The League pays 100% of each employee's costs and 80% of an employees' dependent health coverage. The League also offers two other options: a vision program and AFLAC insurance, both options fully paid by employees. By League policy, staff is also provided with an opportunity to participate in a professional development activity such as specialized training or conferences and higher education, upon the approval of the Executive Director. The following expenditures are projected: ASRS - \$225,000; Group Health - \$224,000; Group Dental - \$14,000; Life Insurance - \$4,500; FICA - \$141,500; Worker's Compensation - \$4,400; Other Miscellaneous - \$32,600; Education/Professional Development - \$10,000.											
Capital Outlay	15,000	78,956	63,956	15,000	0.0%	0.4%	\$9,744.00	\$17,453.10	\$13,576.20	\$26,297.57	\$11,218.71
The amount budgeted in this category is to keep up with the ongoing schedule of replacing computer equipment and operating software.											
Equipment Rental & Maintenance	8,000	7,254	(746)	7,000	-12.5%	0.2%	\$13,401.00	\$4,520.38	\$10,890.81	\$8,562.34	\$12,794.66
This category includes the costs for equipment repair and maintenance agreements on office equipment such as the copiers and computers as well as IT services.											
Executive Committee	7,000	7,301	301	7,000	0.0%	0.2%	\$5,228.00	\$2,475.49	\$97.78	\$6,705.11	\$7,089.52
Members of the Executive Committee and subcommittees are eligible for reimbursement of expenses incurred in attending Executive Committee meetings other than the meeting held during the Annual Conference and for special meetings or legislative matters. The League President can be reimbursed for travel, lodging and related costs for attendance at the two major conferences of the National League of Cities. This category also includes the costs incurred for the luncheons in conjunction with the Executive Committee meetings.											
Insurance	9,000	7,719	(1,281)	8,000	-11.1%	0.2%	\$6,363.00	\$9,261.30	\$8,775.44	\$8,675.25	\$8,161.25
The League has consolidated all our liability and workers comp coverage through AMRRP, the League-sponsored municipal insurance pool. This item includes insurance coverage for office contents, liability, data processing and employee bond.											
Postage & Shipping	6,000	5,681	(319)	6,000	0.0%	0.2%	\$4,642.00	\$3,415.56	\$5,027.92	\$5,264.43	\$5,146.85
The largest costs for the year in the postage and shipping budget are for shipping of the Local Government Directory, Legislative Poster and Annual Calendar.											
PR & Communications	62,000	65,150	3,150	64,000	3.2%	1.6%	\$59,948.00	\$55,271.22	\$49,500.00	\$58,218.67	\$60,781.00
The League retains the services of a communications management firm to coordinate our social media messaging in response to legislative issues.											
Printing	14,000	13,500	(500)	14,000	0.0%	0.4%	\$13,545.00	\$10,170.83	\$10,772.48	\$9,557.19	\$9,457.18
The League prints as many publications as possible in-house. Copy costs for in-house work are included in their respective lease/maintenance plans which are in the Equipment Rental and Maintenance budget item. Larger projects, such as the Local Government Directory are competitively bid out to private printing firms. Budgeted printing projects for the next fiscal year include the Local Government Directory, Policy Statement, Legislative Poster and Calendar.											
Professional Services	413,000	344,472	(68,528)	493,000	19.4%	12.5%	\$416,157.00	\$274,895.59	\$329,020.06	\$254,549.98	\$185,750.46
<i>Accounting</i>	<i>54,000</i>	<i>49,579</i>	<i>(4,421)</i>	<i>54,000</i>	<i>0.0%</i>	<i>1.4%</i>	\$49,548.00	\$47,721.58	\$47,705.56	\$47,544.85	\$47,150.46
<i>Contract Lobbying & Consulting Svcs</i>	<i>323,000</i>	<i>290,400</i>	<i>(32,600)</i>	<i>411,000</i>	<i>27.2%</i>	<i>10.5%</i>	\$344,114.00	\$200,820.00	\$248,530.00	\$142,950.00	\$133,850.00
<i>Legal</i>	<i>36,000</i>	<i>4,493</i>	<i>(31,507)</i>	<i>36,000</i>	<i>0.0%</i>	<i>0.9%</i>	\$52,495.00	\$26,001.36	\$32,784.50	\$64,055.13	\$4,750.00
This category principally includes services from outside vendors and consultants such as contract lobbying assistance, specialized expertise on municipal elections, one-time projects and outside legal counsel. It also includes our annual audit by a certified public accounting firm, our monthly accounting services which are handled by a contractual agreement with a private accounting firm, paycheck processing fees and contracting fees for web hosting and maintenance.											

EXPENDITURES	Budget FY 2024	Expected FY 2024	Over / (Under)	PROPOSED FY 2025	% Change	% of Total Budget
Prop Corp - Building Improvement Fund	10,000	10,000	0	10,000	0.0%	0.3%
The League contributes \$10,000 annually into a fund to save for future building improvements.						
Rent	105,000	105,000	0	105,000	0.0%	2.7%
The League building is owned by the League's Property Corporation. In order to account for maintenance and utility costs, the League pays rent to the Property Corporation. The rental cost for next year is \$105,000, a rate of \$19/sq. ft.						
Salaries	1,700,000	1,714,680	14,680	1,809,000	6.4%	46.0%
Staff salaries make up the largest expenditure line item of the League budget. Our fifteen staff positions include Executive Director, two Deputy Directors, Legislative Director, General Counsel, two Legislative Associates, Tax Policy Analyst, Member Services Associate, Member Services Assistant, Office Manager, three clerical staff and a Graphic Designer. We also hire interns for the legislative session and other special projects. Over time, our goal has been to have a competitive compensation package compared to other similar public and private organizations in order to retain our talented and effective League staff, while remaining sensitive to the fiscal condition of many of our member cities and towns. Maintaining staff stability helps with continuity on many complex issues, provides greater value to our members and gives us the opportunity to develop credibility and positive relationships with the legislators. <i>The budgeted amount includes various salary adjustments and COLA increases for FY25.</i>						
Seminars and Meetings	47,000	68,475	21,475	48,000	2.1%	1.2%
This category includes all costs associated with our training seminars, workshops, luncheon meetings and special events. It also includes charges for receptions at the NLC conferences for Arizona delegates.						
Subscriptions and Dues	72,000	71,916	(84)	72,000	0.0%	1.8%
The bulk of this category is used to pay the League's annual dues for membership in the National League of Cities. Other costs in this category include our subscriptions to printed versions of legislative bills and amendments, legislative-related newsletters and background sheets, our online legislative information tracking service and the update costs for the state statutes and legal resources housed in our library.						
Supplies / Office Expenses	55,000	56,691	1,691	56,000	1.8%	1.4%
This line item pays for general office supplies such as paper and toner for the printers, pens, pads, notebooks as well as mailing supplies. It also includes other miscellaneous office expenses such as bankcard fees for processing credit card payments.						
Telecommunications	24,000	19,561	(4,439)	20,000	-16.7%	0.5%
This category includes usage charges for the phones, Internet service, and web hosting fees. This category also includes charges for teleconferencing and virtual meeting services which are used extensively for legislative business and other meetings and webinars.						
Travel	20,000	19,441	(559)	20,000	0.0%	0.5%
As part of their job duties, League staff members travel to our member cities and towns for in-person visits and presentations as often as reasonably possible. It is a priority for staff members to keep in touch with our members across the state in support of legislative efforts and city assistance projects. Items in this category include rental vehicles as well as reimbursement for actual travel costs. This line item also includes air travel and lodging for NLC conferences and special meeting activities such as various State League meetings and NLC related meetings.						
TOTAL EXPENDITURES	\$3,383,000	\$3,740,197	\$357,197	\$3,929,000	16.1%	
Reserve Fund				\$121,448		
Revenues Over (Under) Expenditures	(\$11,022)	\$55,297	\$66,319	\$0		
Beginning Fund Balance	\$2,248,351	\$2,248,351		\$2,303,648		
Ending Fund Balance	\$2,237,329	\$2,303,648		\$2,182,200		

FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual	FY18-19 Actual
\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
\$105,000.00	\$105,000.00	\$105,000.00	\$105,000.00	\$105,000.00
\$1,566,356.00	\$1,519,084.03	\$1,451,972.85	\$1,440,064.32	\$1,423,874.94
\$106,603.00	\$50,772.46	\$12,915.54	\$40,795.46	\$77,903.67
\$69,244.00	\$67,423.21	\$64,406.37	\$64,300.79	\$59,391.27
\$57,245.00	\$58,688.81	\$25,740.82	\$41,283.34	\$46,798.97
\$24,208.00	\$25,863.41	\$24,888.16	\$23,667.43	\$23,667.47
\$22,020.00	\$19,515.41	\$1,542.20	\$28,135.89	\$17,852.10

PROPOSED FY 24-25 DUES

Adjusted populations to the 2022 Census figures.
 No change to the PC rates or base; ~.7% increase to CAPS.
 Provides **\$26,074 increase** to the revenue budget.

CITY/TOWN	2022 Census Population Estimates	PC Rate	\$4,500 BASE	PER CAPITA	PROPOSED TOTAL DUES FY 24-25	TOTAL DUES PAID IN FY 23-24	Difference	% increase
APACHE JUNCTION	40,173	0.56	\$4,500	\$22,497	\$26,997	\$26,889	\$108	0.40%
AVONDALE	91,617	0.55	\$4,500	\$50,389	\$54,889	\$54,310	\$579	1.07%
BENSON	5,352	0.57	\$4,500	\$3,051	\$7,551	\$7,552	-\$2	-0.02%
BISBEE	5,008	0.57	\$4,500	\$2,855	\$7,355	\$7,299	\$55	0.76%
BUCKEYE	105,567	0.54	\$4,500	\$57,006	\$61,506	\$59,210	\$2,296	3.88%
BULLHEAD CITY	42,920	0.56	\$4,500	\$24,035	\$28,535	\$28,150	\$385	1.37%
CAMP VERDE	12,409	0.57	\$4,500	\$7,073	\$11,573	\$11,479	\$94	0.82%
CAREFREE	3,687	0.57	\$4,500	\$2,102	\$6,602	\$6,600	\$1	0.02%
CASA GRANDE	60,032	0.55	\$4,500	\$33,018	\$37,518	\$36,234	\$1,283	3.54%
CAVE CREEK	5,135	0.57	\$4,500	\$2,927	\$7,427	\$7,359	\$68	0.93%
CHANDLER	280,711				\$106,300	\$105,500	\$800	0.76%
CHINO VALLEY	13,669	0.57	\$4,500	\$7,791	\$12,291	\$12,190	\$101	0.83%
CLARKDALE	4,836	0.57	\$4,500	\$2,757	\$7,257	\$7,142	\$115	1.60%
CLIFTON	3,771	0.57	\$4,500	\$2,149	\$6,649	\$6,693	-\$43	-0.65%
COLORADO CITY	2,550	0.57	\$4,500	\$1,454	\$5,954	\$5,936	\$17	0.29%
COOLIDGE	16,711	0.57	\$4,500	\$9,525	\$14,025	\$12,884	\$1,141	8.86%
COTTONWOOD	12,943	0.57	\$4,500	\$7,378	\$11,878	\$11,591	\$287	2.47%
DEWEY-HUMBOLDT	4,485	0.57	\$4,500	\$2,556	\$7,056	\$7,039	\$17	0.24%
DOUGLAS	15,589	0.57	\$4,500	\$8,886	\$13,386	\$13,912	-\$527	-3.79%
DUNCAN	668	0.57	\$4,500	\$381	\$4,881	\$4,886	-\$5	-0.10%
EAGAR	4,419	0.57	\$4,500	\$2,519	\$7,019	\$7,030	-\$11	-0.16%
EL MIRAGE	35,985	0.56	\$4,500	\$20,152	\$24,652	\$24,669	-\$17	-0.07%
ELOY	17,042	0.57	\$4,500	\$9,714	\$14,214	\$13,307	\$907	6.82%
FLAGSTAFF	75,907	0.55	\$4,500	\$41,749	\$46,249	\$46,844	-\$595	-1.27%
FLORENCE	24,795	0.57	\$4,500	\$14,133	\$18,633	\$19,175	-\$542	-2.82%
FOUNTAIN HILLS	23,785	0.57	\$4,500	\$13,557	\$18,057	\$18,077	-\$19	-0.11%
FREDONIA	1,314	0.57	\$4,500	\$749	\$5,249	\$5,254	-\$5	-0.09%
GILA BEND	1,876	0.57	\$4,500	\$1,069	\$5,569	\$5,576	-\$6	-0.11%
GILBERT	275,346				\$106,300	\$105,500	\$800	0.76%
GLENDALE	252,136				\$106,300	\$105,500	\$800	0.76%
GLOBE	7,220	0.57	\$4,500	\$4,115	\$8,615	\$8,582	\$33	0.39%
GOODYEAR	105,406	0.54	\$4,500	\$56,919	\$61,419	\$59,436	\$1,983	3.34%
GUADALUPE	5,287	0.57	\$4,500	\$3,014	\$7,514	\$7,525	-\$11	-0.15%
HAYDEN	517	0.57	\$4,500	\$295	\$4,795	\$4,795	-\$1	-0.01%
HOLBROOK	4,854	0.57	\$4,500	\$2,767	\$7,267	\$7,260	\$7	0.09%
HUACHUCA CITY	1,614	0.57	\$4,500	\$920	\$5,420	\$5,426	-\$6	-0.11%
JEROME	465	0.57	\$4,500	\$265	\$4,765	\$4,766	-\$1	-0.02%
KEARNY	1,777	0.57	\$4,500	\$1,013	\$5,513	\$5,520	-\$7	-0.12%
KINGMAN	34,918	0.56	\$4,500	\$19,554	\$24,054	\$23,440	\$614	2.62%
LAKE HAVASU CITY	58,926	0.55	\$4,500	\$32,409	\$36,909	\$36,556	\$353	0.97%
LITCHFIELD PARK	6,960	0.57	\$4,500	\$3,967	\$8,467	\$8,457	\$10	0.12%
MAMMOTH	1,111	0.57	\$4,500	\$633	\$5,133	\$5,134	-\$1	-0.02%
MARANA	55,962	0.55	\$4,500	\$30,779	\$35,279	\$34,692	\$587	1.69%
MARICOPA	66,290	0.55	\$4,500	\$36,460	\$40,960	\$38,996	\$1,964	5.04%
MESA	512,498				\$123,200	\$122,300	\$900	0.74%
MIAMI	1,538	0.57	\$4,500	\$877	\$5,377	\$5,378	-\$2	-0.03%
NOGALES	19,833	0.57	\$4,500	\$11,305	\$15,805	\$15,767	\$38	0.24%
ORO VALLEY	48,226	0.56	\$4,500	\$27,007	\$31,507	\$31,312	\$194	0.62%
PAGE	7,357	0.57	\$4,500	\$4,193	\$8,693	\$8,704	-\$10	-0.12%
PARADISE VALLEY	12,606	0.57	\$4,500	\$7,185	\$11,685	\$11,729	-\$43	-0.37%
PARKER	3,361	0.57	\$4,500	\$1,916	\$6,416	\$6,403	\$13	0.20%
PATAGONIA	796	0.57	\$4,500	\$454	\$4,954	\$4,952	\$2	0.03%
PAYSON	16,653	0.57	\$4,500	\$9,492	\$13,992	\$13,914	\$78	0.56%
PEORIA	197,866				\$106,300	\$105,500	\$800	0.76%
PHOENIX	1,644,409				\$159,100	\$158,000	\$1,100	0.70%
PIMA	2,980	0.57	\$4,500	\$1,699	\$6,199	\$6,156	\$43	0.69%
PINETOP-LAKESIDE	4,156	0.57	\$4,500	\$2,369	\$6,869	\$6,838	\$31	0.45%
PRESCOTT	47,603	0.56	\$4,500	\$26,658	\$31,158	\$30,726	\$431	1.40%
PRESCOTT VALLEY	49,075	0.56	\$4,500	\$27,482	\$31,982	\$31,485	\$497	1.58%
QUARTZSITE	2,366	0.57	\$4,500	\$1,349	\$5,849	\$5,844	\$5	0.08%
QUEEN CREEK	70,734	0.55	\$4,500	\$38,904	\$43,404	\$40,990	\$2,413	5.89%
SAFFORD	10,297	0.57	\$4,500	\$5,869	\$10,369	\$10,353	\$16	0.15%
SAHUARITA	35,638	0.56	\$4,500	\$19,957	\$24,457	\$24,289	\$169	0.69%
SAN LUIS	35,770	0.56	\$4,500	\$20,031	\$24,531	\$25,406	-\$875	-3.45%

CITY/TOWN	2022 Census Population Estimates	PC Rate	\$4,500 BASE	PER CAPITA	PROPOSED TOTAL DUES FY 24-25	TOTAL DUES PAID IN FY 23-24	Difference	% increase
SCOTTSDALE	243,050				\$106,300	\$105,500	\$800	0.76%
SEDONA	9,790	0.57	\$4,500	\$5,580	\$10,080	\$10,065	\$15	0.15%
SHOW LOW	12,056	0.57	\$4,500	\$6,872	\$11,372	\$11,321	\$51	0.45%
SIERRA VISTA	45,439	0.56	\$4,500	\$25,446	\$29,946	\$29,968	-\$22	-0.07%
SNOWFLAKE	6,524	0.57	\$4,500	\$3,719	\$8,219	\$8,127	\$91	1.12%
SOMERTON	14,514	0.57	\$4,500	\$8,273	\$12,773	\$12,657	\$116	0.91%
SOUTH TUCSON	4,541	0.57	\$4,500	\$2,588	\$7,088	\$7,113	-\$25	-0.35%
SPRINGERVILLE	1,728	0.57	\$4,500	\$985	\$5,485	\$5,478	\$7	0.12%
ST. JOHNS	3,398	0.57	\$4,500	\$1,937	\$6,437	\$6,431	\$6	0.09%
STAR VALLEY	2,542	0.57	\$4,500	\$1,449	\$5,949	\$5,943	\$6	0.10%
SUPERIOR	2,492	0.57	\$4,500	\$1,420	\$5,920	\$5,913	\$7	0.13%
SURPRISE	154,198	0.54	\$4,500	\$83,267	\$87,767	\$85,063	\$2,704	3.18%
TAYLOR	4,220	0.57	\$4,500	\$2,405	\$6,905	\$6,848	\$58	0.84%
TEMPE	185,950	0.54	\$4,500	\$100,413	\$104,913	\$103,924	\$989	0.95%
THATCHER	5,441	0.57	\$4,500	\$3,101	\$7,601	\$7,527	\$75	0.99%
TOLLESON	7,258	0.57	\$4,500	\$4,137	\$8,637	\$8,658	-\$21	-0.24%
TOMBSTONE	1,313	0.57	\$4,500	\$748	\$5,248	\$5,245	\$3	0.07%
TUCSON	546,574				\$123,200	\$122,300	\$900	0.74%
TUSAYAN	588	0.57	\$4,500	\$335	\$4,835	\$4,839	-\$4	-0.08%
WELLTON	2,519	0.57	\$4,500	\$1,436	\$5,936	\$5,895	\$41	0.70%
WICKENBURG	7,920	0.57	\$4,500	\$4,514	\$9,014	\$8,886	\$128	1.44%
WILLCOX	3,206	0.57	\$4,500	\$1,827	\$6,327	\$6,327	\$1	0.01%
WILLIAMS	3,398	0.57	\$4,500	\$1,937	\$6,437	\$6,362	\$75	1.17%
WINKELMAN	294	0.57	\$4,500	\$168	\$4,668	\$4,669	-\$2	-0.04%
WINSLOW	8,741	0.57	\$4,500	\$4,982	\$9,482	\$9,598	-\$115	-1.20%
YOUNGTOWN	7,007	0.57	\$4,500	\$3,994	\$8,494	\$8,497	-\$3	-0.03%
YUMA	98,527	0.55	\$4,500	\$54,190	\$58,690	\$57,901	\$789	1.36%
	5,898,735				\$2,387,552	\$2,361,478	\$26,074	1.10%

PER CAPITA RATES	FY12, FY13, FY14, FY15	FY16, FY17	FY18, FY19	FY20, FY21, FY22, FY23	FY24, FY25
0 - 25,000	.48	.49	.52	.55	.57
25,001 - 50,000	.47	.48	.51	.54	.56
50,001 - 100,000	.46	.47	.50	.53	.55
100,001 - 185,000	.45	.46	.49	.52	.54

DUES CAP FORMULA	FY12	FY13, FY14, FY15	FY16	FY17	FY18, FY19	FY20, FY21, FY22, FY23	FY24	FY25
Populations over 1.5 million	\$142,000	\$142,250	\$137,500	\$139,770	\$145,300	\$151,100	\$158,000	\$159,100
Populations over 1 million	\$119,000	\$119,250	\$124,020	\$126,065	\$131,100	\$136,300	\$142,500	\$143,500
Populations 400,000 - 999,999	\$102,000	\$102,250	\$106,340	\$108,095	\$112,400	\$116,900	\$122,300	\$123,200
Populations 185,000 - 399,999	\$88,000	\$88,250	\$91,780	\$93,295	\$97,000	\$100,800	\$105,500	\$106,300

Historical Record

Key: No change Increase Reduction

*For FY24, the Executive Committee approved an increase to the formula with dues figures calculated using the 2021 census figures.

*For FY23, the Executive Committee approved to keep dues at the same rate as FY22 with dues figures calculated using the 2020 census figures. Peoria included in CAP cities.

*For FY22, the Executive Committee approved to keep dues at the same rate as FY21 with dues figures calculated using the 2019 census estimates.

*For FY21, the Executive Committee approved to keep dues at the same rate as FY20 with dues figures calculated using the 2018 census estimates. Due to COVID-19, the Executive Committee adopted a 15% decrease to dues for FY20.

*For FY20, the Executive Committee approved an increase to the base by \$140; an increase to per capita rates by .03 with dues figures calculated using the 2017 Census Estimates; and an increase to cap figures by 4%.

*For FY19, the Executive Committee approved to keep dues at the same rate as FY18 with dues figures calculated using the 2016 census estimates.

2024-2025 Property Corporation Budget

PRELIMINARY DRAFT

REVENUES	Budget FY 2024	Expected FY 2024	Over / (Under)	PROPOSED FY 2025
Rental Income	132,180	132,165	(15)	132,165
Building Improvement Fund*	10,000	10,000	---	10,000
Interest	20	18	(2)	20
Miscellaneous	1,500	2,500	1,000	2,000
TOTAL REVENUES	143,700	144,683	983	144,185

LACT: \$105,000; Press: \$27,165

AGC's 1/2 share of dumpster cost

EXPENDITURES				
Accounting and Auditing	8,700	7,849	(851)	8,650
Capital Outlay	20,000	0	(20,000)	20,000
Insurance	6,500	5,125	(1,375)	6,500
Maintenance Services/Agreements	55,000	54,125	(875)	55,000
Operating Expenses	6,000	5,017	(983)	6,000
Repairs and Maintenance	15,000	22,975	7,975	15,000
Utilities	24,000	28,630	4,630	28,000
TOTAL EXPENDITURES	135,200	123,721	(11,479)	139,150

\$5255 accountants; \$3392 audit

includes roof re-coat; irrigation pipe R&R

Revenues Over (Under) Expenditures	\$8,500	\$20,962	\$12,462	\$5,035
Beginning Fund Balance	\$96,933	\$96,933		\$117,895
Ending Fund Balance	<u>\$105,433</u>	<u>\$117,895</u>	<u>\$12,462</u>	<u>\$122,930</u>

* Building Improvement Fund has collected \$60,000 since it started in FY19.

PROPERTY CORPORATION FISCAL YEAR 2024-2025

REVENUES

RENTAL INCOME: Revenue from rental of space in the League Building by the League and other tenants is expected to be:

League of Arizona Cities and Towns (\$19/sq ft/yr)	\$105,000
Rural Transportation Liaison (Room 104)	2,400
The Arizona Republic (Room 106)	6,000
Arizona Mirror (Room 105)	9,600
Associated Press (2 desks @ \$100 ea/mo)	2,400
Arizona News Radio (2 desks @ \$100 ea/mo)	2,400
Capitol Media Services (1 desk @ \$100 ea/mo)	1,200
Arizona Agenda (1 desk @ \$100 ea/mo)	1,200
Axios (1 desk @ \$100 ea/mo)	1,200
Plus estimated taxes	<u>765</u>
Total	\$132,165

BUILDING IMPROVEMENT FUND: The League contributes \$10,000 into a fund to save for future building improvements.

INTEREST: The Property Corporation's funds are invested in a high balance savings account. A total of \$20 is budgeted for interest earnings for next year.

MISCELLANEOUS: This category includes fees from Associated General Contractors for our shared refuse container and other miscellaneous revenues for a total of \$2,000.

TOTAL REVENUES \$144,185

EXPENDITURES

ACCOUNTING AND AUDITING: A total of \$8,650 is budgeted for the CPA audit of Property Corporation accounts and for monthly accounting services and preparation of audit work papers.

CAPITAL OUTLAY: We will continue to make necessary repairs and improvements to the building. A total of \$20,000 is budgeted for this year.

INSURANCE: This item includes building, flood and liability insurance. The total amount budgeted is \$6,500.

MAINTENANCE SERVICES/AGREEMENTS: This category includes janitorial services, lawn service and refuse collection plus maintenance agreements for the elevator, air conditioning, parking lot sweeping and pest control for a total of \$55,000.

OPERATING EXPENSES: Items in this account include paper goods, soap, light bulbs, air conditioning filters and cleaning supplies not furnished by the janitor. It also includes corporation fees, business license fees and other annual operating costs. The total amount budgeted is \$6,000.

REPAIRS AND MAINTENANCE: This budget item provides for the repair and maintenance of the heating and air conditioning system not covered by the maintenance agreement, appliances, plumbing fixtures, the roof, the sprinkler system and other miscellaneous repairs. A total of \$15,000 is budgeted.

UTILITIES: The budgeted amount for all utilities is \$28,000.

TOTAL EXPENDITURES \$139,150

BUILDING MAINTENANCE & IMPROVEMENTS

(Rev 12/2023)

HVAC

Split A/C unit for the maintenance room (to cool additional building electronics) was installed.

The split unit was installed in November 2021 - \$8,107.

Estimated lifespan – 15-20 years.

First floor unit was installed in the fall of 2001 - \$45,125 + tax.

Second floor unit was installed in the fall of 1999 - \$59,717 + tax.

Both first and second floor units were replaced in December 2018 - \$177,981. Estimated lifespan – 15-20 years.

Split A/C unit for the server room was installed in the fall of 2004 - \$5,614. *[The unit had a small Freon leak, recommended replacement.]*

The split unit was replaced in March 2018 - \$8,338.

Estimated lifespan – 15-20 years.

HVAC software upgrade in Spring 2021. Previous software was no longer supported.

Software upgrade completed June 2021 - \$17,988.88.

ELECTRICAL INSPECTION

We have contracted with Siemens to provide a complete inspection of our building's electrical system. Since the building is over 50 years old, this would give us an idea of any potential problems.

Inspection/maintenance proposal cost - \$12,950.

(Completed January 2023.)

During the inspection, the switch to the elevator failed. We had to rebuild it since new ones are no longer available.

Cost to have switch rebuilt - \$16,882.79.

Completed in May 2023 – Final total cost was \$30,556.70

(This amount includes the inspection/maintenance plus the switch and labor.)

PARKING LOT

All of the parking lots were replaced with new asphalt in 1999 with a 15-20 year life span, if maintained properly. The lots have been cracksealed, sealcoated and re-stripped every 3 years.

(Last maintenance completed in July 2019 - \$4,896)

*(Next maintenance to be scheduled in 2022, for the FY23 budget year. *)*

*After the inspection, it was found that both the League parking lots and the west City of Phoenix leased lot need to be dug up and replaced with new asphalt. Since the lease with City of Phoenix is not guaranteed, they could reclaim the property at any time and therefore it would probably be best to simply sealcoat it and

try to get by for several more years. The cost to sealcoat that lot is ~\$6,000. The cost to replace the League lots with new asphalt is ~\$50,000 and should last another 20 years with proper maintenance.

***R&R parking lots completed in July 2022 - \$87,795.84
Sealcoat applied in March 2023.***

LANDSCAPING – ARTIFICIAL TURF

The grass areas had become more and more difficult to maintain. Proposed replacing with artificial turf and removing the old olive tree. This will allow for considerable savings in landscape maintenance and water.

***Project completed in October 2019 - \$13,981.36
Estimated lifespan – 15-20 years.***

The bushes surrounding the back of the building were old and starting to have problems. They also required a lot of water to maintain through the hot summer months. We removed the bushes, capped off the irrigation and filled the beds with rock.

Project completed in December 2022 - \$3,925

The olive trees by ATRA (on our property) will be removed at Kevin McCarthy's request. He wants to install artificial turf. We will also save on water costs for that zone.

Project completed in January 2023 - \$2,150

Additionally, the two mesquite trees at the front of our building were showing signs of coming to the end of their life. In order to be proactive and avoid them falling and causing damage, we chose to remove and replace them.

Project completed in January 2023 - \$5,256.67

PAINTING

Exterior was painted in May 2010 (5 year warranty) with a typical lifespan of 7-10 years. (*Paint still in good shape, 2022.*)

Upstairs interior was last painted in 2006.

***Repainted interior second floor in December 2018 - \$5,468
Estimated lifespan – 12-15 years.***

ROOF

The roof was replaced with spray foam in 2013 with a 10 year warranty. The typical life span of a spray foam roof is 15-20 years with proper maintenance and re-coating. We have the roof inspected annually and make any necessary repairs. [*The roof is divided by a center parapet wall. The east side of the roof is 3,127 sq. ft. The west side of the roof, which HVAC units, is 2,596 sq. ft.*]

***Spray foam roof installed in 2013 - \$17,865.
Estimated lifespan – 15-20 years.***

Roof re-coated in September 2023 - \$12,830.

LIGHTING

Upgrade current lighting to LED. This upgrade has shown savings on the electric bill as well as in bulb purchases.

***All lights in the building were converted to LED in March 2018 - \$13,955.
Estimated lifespan – 20+ years.***

CARPET

Upstairs carpet installed in 2003.

Carpet replaced in tenants offices in 2008 (\$900).

Carpet replaced in downstairs meeting rooms & hallways in 2012 (\$6,780).

***Carpet was replaced on the second floor in December 2018 - \$21,921.
Estimated lifespan – 12-15 years.***

ROOM CONVERSION

The copy/mail room which is now mainly used for storage will be converted into a Staff Break Room. Additional storage space will be added onto the west storage room to accommodate the items currently being stored in the copy/mail room.

The conversion project was completed in March 2020 - \$7,487.

MEETING ROOM UPGRADES

I have reached out to Bob, Systems Electronic Group, Inc. for an estimate and suggestions on how to upgrade our meeting rooms to install the equipment needed to easily accommodate virtual meetings/seminars. *(They installed and manage the state's audio/video systems so he's been really busy with legislative session.) The upgrade project cost is estimated at ~\$50,000 and will hopefully be completed by April 2023.*

Due to difficulty in obtaining the equipment, the project has taken longer than expected. They are now deep in the installation process and still waiting on some equipment, but getting close to completion, hopefully in early 2024.

PHONE SYSTEM

The old analog phone system, which was over 20 years old, was replaced in 2020. The new digital system was installed in January 2020. We are now on a fully automated answering system.

The digital phone system upgrade was completed in January 2020 - \$14,000.

Voice mail expires 2024 – *I am currently looking into our options for upgrading our voice mail.*

FUTURE POTENTIAL BUILDING IMPROVEMENTS

SOLAR

In 2020, we received a quote from SOLON to construct solar covered parking and additional solar panels on our roof. The cost estimate at that time was \$193,867 and included 4 years of platinum sponsorship at the League annual conference.

CHARGING STATIONS

We plan to investigate installing two charging stations here at the League.



EXECUTIVE COMMITTEE MEETING
Friday, February 2, 2024

Agenda Item #4 Update on Data Portal Initiatives

Summary: League staff will update the Executive Committee on the developments with its data portal, including the latest completed data story and relevant works in progress.

Responsible Person: René Guillen

Attachments: None



**Additional Informational Materials
Not Part of the Agenda**

League Budget Report
Property Corporation Budget Report

League of Arizona Cities & Towns
FY 2022-2023 Budget vs. Actual
July through December 2023

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Affiliate Group Contribution	74,916.65	195,500.00	-120,583.35	38.3%
4005 · Annual Conference	832,042.50	500,000.00	332,042.50	166.4%
4010 · Dues	2,361,473.00	2,361,478.00	-5.00	100.0%
4020 · Miscellaneous	2,319.10	14,000.00	-11,680.90	16.6%
4016 · Partnership Programs	10,249.41	41,000.00	-30,750.59	25.0%
4030 · Risk Pool	95,602.60	185,000.00	-89,397.40	51.7%
4035 · Seminars & Meetings	4,000.00	50,000.00	-46,000.00	8.0%
4040 · Interest Income	76,943.01	25,000.00	51,943.01	307.8%
Total Income	3,457,546.27	3,371,978.00	85,568.27	102.5%
Expense				
5005 · Annual Conference (Expense)	558,900.32	230,000.00	328,900.32	243.0%
5010 · Benefits	300,445.22	586,000.00	-285,554.78	51.3%
5015 · Capital Outlay	112,952.92	15,000.00	97,952.92	753.0%
5030 · Equipment Rental & Maintenance	1,302.92	8,000.00	-6,697.08	16.3%
5035 · Executive Committee	2,722.74	7,000.00	-4,277.26	38.9%
5050 · Insurance	2,574.50	9,000.00	-6,425.50	28.6%
5055 · Postage & Shipping	206.32	6,000.00	-5,793.68	3.4%
5057 · PR & Communications	40,150.57	62,000.00	-21,849.43	64.8%
5060 · Printing	0.00	14,000.00	-14,000.00	0.0%
5065 · Professional Services				
5065-1 · Accounting Services	28,233.16	54,000.00	-25,766.84	52.3%
5065-3 · Legal Services	1,618.50	36,000.00	-34,381.50	4.5%
5065-2 · Contract Lobbying & Consul...	121,298.75	323,000.00	-201,701.25	37.6%
Total 5065 · Professional Services	152,650.41	413,000.00	-260,349.59	37.0%
5070 · Rent	52,500.00	105,000.00	-52,500.00	50.0%
5071 · Salaries	835,856.36	1,700,000.00	-864,143.64	49.2%
5075 · Seminars and Meetings	26,362.92	47,000.00	-20,637.08	56.1%
5085 · Subscriptions & Dues	55,153.22	72,000.00	-16,846.78	76.6%
5090 · Supplies	29,318.97	55,000.00	-25,681.03	53.3%
5095 · Telecommunications	13,872.88	24,000.00	-10,127.12	57.8%
5100 · Travel	15,135.96	20,000.00	-4,864.04	75.7%
5115 · Prop Corp-Bldg Improvement Fu...	0.00	10,000.00	-10,000.00	0.0%
Total Expense	2,200,106.23	3,383,000.00	-1,182,893.77	65.0%
Net Ordinary Income	1,257,440.04	-11,022.00	1,268,462.04	-11,408.5%
Net Income	1,257,440.04	-11,022.00	1,268,462.04	-11,408.5%

Property Corporation
FY 2022-2023 Budget vs. Actual
July through December 2023

	Jul - Dec 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4003 · Building Improvement Fund	0.00	10,000.00	-10,000.00	0.0%
4000 · Rental Income	71,433.60	132,180.00	-60,746.40	54.0%
4005 · Miscellaneous	0.00	1,500.00	-1,500.00	0.0%
4010 · Interest	8.23	20.00	-11.77	41.2%
Total Income	71,441.83	143,700.00	-72,258.17	49.7%
Expense				
5000 · Maintenance Services/Agreements	27,276.89	55,000.00	-27,723.11	49.6%
5015 · Utilities	14,721.34	24,000.00	-9,278.66	61.3%
5020 · Repairs and Maintenance	18,495.50	15,000.00	3,495.50	123.3%
5025 · Operating Expenses	1,365.02	6,000.00	-4,634.98	22.8%
5030 · Accounting and Auditing	5,623.00	8,700.00	-3,077.00	64.6%
5035 · Insurance	1,324.50	6,500.00	-5,175.50	20.4%
5040 · Capital Outlay	0.00	20,000.00	-20,000.00	0.0%
Total Expense	68,806.25	135,200.00	-66,393.75	50.9%
Net Ordinary Income	2,635.58	8,500.00	-5,864.42	31.0%
Net Income	2,635.58	8,500.00	-5,864.42	31.0%