



February 7, 2025

EXECUTIVE COMMITTEE MEETING



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

Friday, February 7, 2025 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 7, 2025 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. Proposed Audit Firm Contract

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



EXECUTIVE COMMITTEE MEETING
Friday, February 7, 2025

Agenda Item #1 Review and Adoption of Minutes

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

Responsible Person: Mayor Kevin Hartke, President

Attachment: November 8, 2024 Executive Committee Meeting Minutes
January 24, 2025 Special Executive Committee Meeting Minutes

Action Requested: Approval

**MINUTES
LEAGUE OF ARIZONA CITIES AND TOWNS
EXECUTIVE COMMITTEE MEETING**

Friday, November 8, 2024 at 10:00 a.m.
League of Arizona Cities and Towns
1820 West Washington Street
Phoenix, Arizona

MEMBERS

President

Kevin Hartke, Mayor, Chandler

Vice President

Mila Besich, Mayor, Superior +

Treasurer

Jerry Weiers, Mayor, Glendale

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
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 *
Douglas Nicholls, Mayor, Yuma *

*Not in attendance

+ Attended via Zoom

President Kevin Hartke called the meeting to order at 10:03 a.m. He then led the Executive Committee in the Pledge of Allegiance.

1. REVIEW AND ADOPTION OF MINUTES

President Kevin Hartke requested a motion on the adoption of minutes from the August 2, 2024 meeting. Mayor Robyn Prud'homme-Bauer of Clarkdale moved to approve the minutes; Mayor Craig McFarland of Casa Grande seconded the motion and the motion carried unanimously.

2. RECAP OF 2024 ANNUAL CONFERENCE

Executive Director, Tom Belshe introduced Deputy Director Matt Lore to provide a report summarizing the outcomes of the 2024 annual conference. Matt noted that conference attendance broke records, which was attributed to the engaging agenda curated by the organizing team. The financial profits also improved significantly compared to previous years. While costs have been increasing, particularly post-COVID, there was optimism that revenues would continue to support the League's operations.

The upcoming conference was announced to be held in Scottsdale on August 19-22, 2025. Discussions highlighted that hosting events in August could help keep costs lower compared to peak seasons.

3. 2023-2024 AUDIT REPORT

An overview of the 2023-2024 audit report was presented by Executive Director, Tom Belshe, noting that there were no significant findings. Tom explained that 2024 marked the third year with the current auditing firm and that a new firm will be engaged for the next audit. An expression of gratitude was made to the staff, acknowledging their excellent preparation for the audits.

A motion was made by Mayor Jerry Weiers of Glendale to approve the audit report, and seconded by Mayor Joe Pizzillo of Goodyear. The motion was unanimously approved.

4. LEGISLATIVE POLICY OVERVIEW AND UPDATE

Executive Director, Tom Belshe introduced Legislative Director, Tom Savage who gave a detailed review of legislative policies and updates. Tom updated committee members on the election results impacting the House and Senate, noting that Republicans are expected to slightly increase their majority in the House while holding their position in the Senate. Several tight races were ongoing with varying expectations of outcomes.

Important ballot measures were introduced in detail, including propositions concerning property taxes and penalties for crimes associated with border control. There appeared to be ongoing deliberations concerning the continuity of a housing assistance measure, which impacts affordable housing credit.

Attention shifted to legislative forecasts concerning housing and homelessness priorities for next session, revisiting attempts to revitalize a defeated housing bill from earlier initiatives. There was also interest in bridging some positions introduced by homebuilders especially the revision of plan inspection systems. Several questions emerged, highlighting the complexities involving current housing development policies, land controls, and economic interests influencing infrastructure adjustments and legislative ordinance reformations in cooperation with building and housing representatives.

Members recognized the uniqueness of Arizona's municipal circumstances, which frequently involve collaboration with statutory government entities on building rules, permits, and initiatives surrounding zoning standards.

League General Counsel, Nancy Davidson, provided updates about the Housing Work Group, amicus briefs, and the matters related to the passage of Prop 312 including legal issues and potential legal challenges. Nancy asked for assistance from cities and towns to inform the League should they get questions from constituents about refund under Prop 312. Should the Executive Committee need to be briefed on a lawsuit before the next regular meeting, a special meeting will be called.

5. ARIZONA DEPARTMENT OF HOUSING PRESENTATION

Joan Serviss, Director of the Arizona Department of Housing delivered a comprehensive presentation on state housing policies and initiatives. Emphasized were priorities around the state's Housing Trust Fund and measures to increase housing affordability and shelter availability for the homeless. Part of the debate focused on critical state legislative actions supporting wide-scale housing efforts enabling

partnerships with non-profit and commercial housing entities to fill housing deficits across Arizona. Emphases included the statistical data outlining housing shortages paired with developmental projects targeting ameliorating housing inadequacies.

6. RESOLUTIONS OF APPRECIATION

Resolutions of appreciation were read for departing committee members. Those acknowledged were Mayor Bridget Petersen of Gilbert, Mayor Craig McFarland of Casa Grande, Mayor John Giles of Mesa, Mayor Jerry Bien-Willner of Paradise Valley, Mayor Ginny Dickey of Fountain Hills, and Mayor David Ortega of Scottsdale. Each member was recognized for contributions to both the executive committee and local government, with personal reflections from those present.

Seeing no further business, President Kevin Hartke adjourned the meeting at 11:23 a.m.

MINUTES
LEAGUE OF ARIZONA CITIES AND TOWNS
SPECIAL EXECUTIVE COMMITTEE MEETING

Friday, January 24, 2025 at 10:00 a.m.
Via Zoom Video/Audio Conferencing

MEMBERS

President

Kevin Hartke, Mayor, Chandler

Vice President

Mila Besich, Mayor, Superior

Treasurer

Jerry Weiers, Mayor, Glendale

Ken Budge, Mayor, Bisbee
Robyn Prud'homme-Bauer, Mayor, Clarkdale
Alexis Hermosillo, Mayor, El Mirage
Al Gameros, Mayor, Globe
Joe Pizzillo, Mayor, Goodyear
Cal Sheehey, Mayor, Lake Havasu City
Tom Schoaf, Mayor, Litchfield Park
Nancy Smith, Mayor, Maricopa

Jason Beck, Mayor, Peoria *
Kate Gallego, Mayor, Phoenix
Stephanie Irwin, Mayor, Pinetop-Lakeside
Tom Murphy, Mayor, Sahuarita
Corey Woods, Mayor, Tempe
Regina Romero, Mayor, Tucson
Douglas Nicholls, Mayor, Yuma

*Not in attendance

President Kevin Hartke called the meeting to order at 10:06 a.m. He then led the Executive Committee in the Pledge of Allegiance.

1. NOMINATING COMMITTEE RECOMMENDATIONS

Mayor Sheehy thanked the nominating committee members and explained their process for selecting candidates. He emphasized the importance of balancing talents and geographical locations to ensure a well-rounded executive committee.

The nominees for the executive committee members to fill vacancies were:

- Mayor Eric Orsborn from Buckeye
- Mayor Becky Daggett from Flagstaff
- Mayor Mark Stanton from Paradise Valley
- Mayor Julia Wheatley from Queen Creek
- Mayor Lisa Navarro Fitzgibbons from Casa Grande
- Mayor Mark Freeman from Mesa
- Mayor Roberta Cano from Winslow

The motion to accept the nominations was made by Mayor Mila Besich of Superior and seconded by Mayor Kate Gallego of Phoenix.

Mayor Hartke asked if there were any nominations from the floor. Hearing none, he called for a vote. The slate of candidates passed unanimously.

2. EXECUTIVE SESSION PURSUANT TO A.R.S. 38-431.03(A)(3)

Tom Belshe explained that the executive session would be for discussion only, with no action taken. The committee then entered an executive session to discuss legal strategies with General Counsel Nancy Davidson regarding Proposition 312. The executive session ended at 10:25 a.m.

President Kevin Hartke called for any other business for the good of the order. No other business was brought forth. President Hartke adjourned the meeting at 10:28 a.m.



EXECUTIVE COMMITTEE MEETING

Friday, February 7, 2025

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

Summary: The First Regular Session of the Fifty-Seventh Legislature 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*
- *Food Tax*
- *Zoning Legislation*
- *League Resolutions*
- *Municipal Tax and Fee Increase Limitations*
- *Ballot Referrals*

Responsible Persons: Tom Belshe, Executive Director
League Legislative Staff

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

Action Requested: Discussion and possible action



EXECUTIVE COMMITTEE MEETING

Friday, February 7, 2025

Agenda Item #3 Report from Budget Subcommittee

Summary: Presentation from League Budget Subcommittee of preliminary
FY 2025-2026 League Budget and Adoption of FY26 Dues

Responsible Persons: Mayor Jerry Weiers, Budget Subcommittee Chairman
Tom Belshe, Executive Director

Attachments: Preliminary Draft FY 2026 League Budget
Recommended FY 2026 League Dues
Preliminary Draft FY 2026 Property Corporation Budget

Action Requested: Information / discussion of budgets
Approval of FY 2026 Dues Schedule

2025-2026 League Budget

PRELIMINARY DRAFT

REVENUES	Budget FY 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026	% Change	% of Total Budget	Notes
Affiliate Group Contracts	197,000	227,000	30,000	227,000	15.2%	5.7%	At current rates: ACMA \$90K; GFOAz \$79K; AMCA \$15K; WLG \$43K
Annual Conference	800,000	918,700	118,700	800,000	0.0%	20.2%	Estimate \$270K income
Dues	2,387,552	2,387,552	0	2,525,201	5.8%	63.7%	Option 4 (avg ~5% increase)
Interest	110,000	114,778	4,778	115,000	4.5%	2.9%	
Miscellaneous	16,000	13,510	(2,490)	16,000	0.0%	0.4%	Includes publication sales & job postings.
Partnership Programs	42,000	38,046	(3,954)	42,000	0.0%	1.1%	American Legal (~\$5,000), APS Internship (\$12,000), Valley Schools (\$25,000)
Risk Pool	202,000	197,575	(4,425)	200,000	-1.0%	5.0%	
Seminars and Meetings	53,000	58,170	5,170	40,000	-24.5%	1.0%	NEO in FY25
TOTAL REVENUES	\$3,807,552	\$3,955,331	\$147,779	\$3,965,201	4.1%		
EXPENDITURES							
Annual Conference	530,000	593,814	63,814	530,000	0.0%	13.0%	
Benefits	645,000	574,576	(70,424)	607,000	-5.9%	14.9%	Estimate 12% increase to UHC premiums (eff. 10/2025). Estimate 3% increase to dental premiums (eff. 5/2025). Decrease of .027% in the ASRS contribution rate. Rec'd \$4K UHC rebate in FY25.
Capital Outlay	15,000	42,022	27,022	20,000	33.3%	0.5%	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 FY25.
Equipment Rental & Maintenance	7,000	8,580	1,580	9,000	28.6%	0.2%	
Executive Committee	7,000	7,000	0	7,000	0.0%	0.2%	
Insurance	8,000	6,027	(1,973)	7,000	-12.5%	0.2%	Rec'd \$-4305 dividend for FY25
Postage & Shipping	6,000	5,823	(177)	6,000	0.0%	0.1%	
PR & Communications	64,000	130,570	66,570	130,000	103.1%	3.2%	Includes HighGround (\$60,000); S+C (\$66,800); misc (\$4,000)
Printing	14,000	17,427	3,427	17,000	21.4%	0.4%	Includes directory, MPS, calendar, posters, business cards
Professional Services	493,000	700,447	207,447	658,000	33.5%	16.1%	
Accounting	52,000	51,340	(660)	53,000	1.9%	1.3%	Includes audit, accountants & payroll processing service
Contract Lobbying & Consulting Svcs	411,000	617,107	206,107	575,000	39.9%	14.1%	Includes HighGround (\$120K); Rounds (\$91K); K Jackson (\$7K); C Jagger (\$3K); Flo (\$30K- data); H. Arellano (\$90K); Anubhav (\$48K); Robert Half Marketing (\$15K); City of Glendale (data) (\$15K); Tax Consulting (\$156)
Legal	30,000	32,000	2,000	30,000	0.0%	0.7%	
Prop Corp - Building Improvement Fund	10,000	10,000	0	10,000	0.0%	0.2%	Savings for building repairs / improvements.
Rent	105,000	105,000	0	105,000	0.0%	2.6%	
Salaries	1,809,000	1,682,414	(126,586)	1,710,000	-5.5%	42.0%	COLA increases; replaced positions w/Marvin's Fellow intern & contract
Seminars and Meetings	48,000	103,978	55,978	70,000	45.8%	1.7%	
Subscriptions and Dues	72,000	72,109	109	72,000	0.0%	1.8%	
Supplies / Office Expenses	56,000	67,563	11,563	67,000	19.6%	1.6%	
Telecommunications	20,000	27,122	7,122	27,000	35.0%	0.7%	
Travel	20,000	24,637	4,637	24,000	20.0%	0.6%	
TOTAL EXPENDITURES	\$3,929,000	\$4,179,109	\$250,109	\$4,076,000	3.7%		
Reserve Fund	\$121,448			\$110,799			Use of reserve funds to cover revenue deficiency.
Revenues Over (Under) Expenditures	\$0	(\$223,779)		\$0			
Beginning Fund Balance	\$2,119,368	\$2,119,368					
Ending Fund Balance	\$2,119,368	\$1,895,589					

AUDITED YEAR END FIGURES	Ending Balance *	FY	Rev over Exp	* FUND BALANCE DESIGNATIONS
Total fund balance as of July 1, 2024	\$2,119,368	23-24	(\$128,983)	\$1,000,000 Rainy Day fund balance Remaining funds \$1,119,368 for infrastructure improvements and \$2,119,368 unexpected legal and/or research costs
Total fund balance as of July 1, 2023	\$2,248,351	22-23	\$61,701	
Total fund balance as of July 1, 2022	\$2,186,650	21-22	\$105,326	
Total fund balance as of July 1, 2021	\$2,081,324	20-21	(\$277,345)	
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)	

2025-2026 League Budget Narrative

PRELIMINARY DRAFT

REVENUES	Budget FY 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026	% Change	% of Total Budget
Affiliate Group Contracts	197,000	227,000	30,000	227,000	15.2%	5.7%
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	800,000	918,700	118,700	800,000	0.0%	20.2%
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	2,387,552	2,387,552	0	2,525,201	5.8%	63.7%
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	110,000	114,778	4,778	115,000	4.5%	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	16,000	13,510	(2,490)	16,000	0.0%	0.4%
This item includes publication sales and job postings.						
Partnership Programs	42,000	38,046	(3,954)	42,000	0.0%	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	202,000	197,575	(4,425)	200,000	-1.0%	5.0%
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	53,000	58,170	5,170	40,000	-24.5%	1.0%
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	\$3,807,552	\$3,955,331	\$147,779	\$3,965,201	4.1%	

Prior Years Actuals

FY23-24 Actual	FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual
\$197,000.00	\$191,337.00	\$159,450.00	\$137,950.00	\$137,950.00
\$832,042.50	\$722,493.00	\$606,420.67	\$0.00	\$529,184.55
\$2,361,473.00	\$2,234,308.00	\$2,226,243.00	\$1,875,056.00	\$2,097,422.00
\$148,919.85	\$100,387.00	\$6,618.32	\$3,029.85	\$47,307.69
\$8,032.10	\$16,803.00	\$20,484.33	\$10,258.40	\$15,631.58
\$48,265.55	\$46,054.00	\$41,425.87	\$101,972.16	\$79,345.06
\$191,205.20	\$179,899.00	\$166,970.68	\$164,623.04	\$159,976.00
\$36,390.00	\$52,460.00	\$35,845.00	\$37,140.00	\$14,155.00

EXPENDITURES	Budget FY 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026	% Change	% of Total Budget	FY18-19 Actual	FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual
Annual Conference	530,000	593,814	63,814	530,000	0.0%	13.0%	\$558,171.46	\$465,758.00	\$410,723.50	\$1,657.39	\$318,244.41
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	645,000	574,576	(70,424)	607,000	-5.9%	14.9%	\$597,558.76	\$526,582.00	\$513,598.26	\$481,589.74	\$494,054.61
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 - \$205,000; Group Health - \$198,000; Group Dental - \$13,000; Life Insurance - \$4,000; FICA - \$130,000; Worker's Compensation - \$4,000; Other Miscellaneous - \$43,000; Education/Professional Development - \$10,000.											
Capital Outlay	15,000	42,022	27,022	20,000	33.3%	0.5%	\$136,734.01	\$9,744.00	\$17,453.10	\$13,576.20	\$26,297.57
The amount budgeted in this category is to keep up with the ongoing schedule of replacing computer equipment and operating software.											
Equipment Rental & Maintenance	7,000	8,580	1,580	9,000	28.6%	0.2%	\$5,240.64	\$13,401.00	\$4,520.38	\$10,890.81	\$8,562.34
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	7,000	0	7,000	0.0%	0.2%	\$12,455.90	\$5,228.00	\$2,475.49	\$97.78	\$6,705.11
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	8,000	6,027	(1,973)	7,000	-12.5%	0.2%	\$7,735.28	\$6,363.00	\$9,261.30	\$8,775.44	\$8,675.25
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	5,823	(177)	6,000	0.0%	0.1%	\$4,029.35	\$4,642.00	\$3,415.56	\$5,027.92	\$5,264.43
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	64,000	130,570	66,570	130,000	103.1%	3.2%	\$90,150.57	\$59,948.00	\$55,271.22	\$49,500.00	\$58,218.67
The League retains the services of a communications management firm to coordinate our social media messaging in response to legislative issues.											
Printing	14,000	17,427	3,427	17,000	21.4%	0.4%	\$13,971.39	\$13,545.00	\$10,170.83	\$10,772.48	\$9,557.19
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	493,000	700,447	207,447	658,000	33.5%	16.1%	\$409,646.45	\$416,157.00	\$274,895.59	\$329,020.06	\$254,549.98
<i>Accounting</i>	52,000	51,340	(660)	53,000	1.9%	1.3%	\$49,831.47	\$49,548.00	\$47,721.58	\$47,705.56	\$47,544.85
<i>Contract Lobbying & Consulting Svcs</i>	411,000	617,107	206,107	575,000	39.9%	14.1%	\$334,503.48	\$344,114.00	\$200,820.00	\$248,530.00	\$142,950.00
<i>Legal</i>	30,000	32,000	2,000	30,000	0.0%	0.7%	\$25,311.50	\$52,495.00	\$26,001.36	\$32,784.50	\$64,055.13
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 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026	% Change	% of Total Budget
Prop Corp - Building Improvement Fund	10,000	10,000	0	10,000	0.0%	0.2%
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%	2.6%
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	1,809,000	1,682,414	(126,586)	1,710,000	-5.5%	42.0%
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.						
Seminars and Meetings	48,000	103,978	55,978	70,000	45.8%	1.7%
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	72,109	109	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	56,000	67,563	11,563	67,000	19.6%	1.6%
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	20,000	27,122	7,122	27,000	35.0%	0.7%
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	24,637	4,637	24,000	20.0%	0.6%
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	\$3,929,000	\$4,179,109	\$250,109	\$4,076,000	3.7%	
Reserve Fund	121,448			\$110,799		
Revenues Over (Under) Expenditures	\$0	(\$223,779)		\$0		
Beginning Fund Balance	\$2,119,368	\$2,119,368				
Ending Fund Balance	\$2,119,368	\$1,895,589				

FY18-19 Actual	FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 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
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\$1,717,486.87	\$1,566,356.00	\$1,519,084.03	\$1,451,972.85	\$1,440,064.32
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\$92,142.23	\$106,603.00	\$50,772.46	\$12,915.54	\$40,795.46
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\$74,340.41	\$69,244.00	\$67,423.21	\$64,406.37	\$64,300.79
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\$53,449.70	\$57,245.00	\$58,688.81	\$25,740.82	\$41,283.34
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\$25,033.94	\$24,208.00	\$25,863.41	\$24,888.16	\$23,667.43
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\$22,921.84	\$22,020.00	\$19,515.41	\$1,542.20	\$28,135.89
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PROPOSED FY 25-26 DUES

Adjusted populations to the 2023 Census figures.
 Added .025 cent to PC rates; \$200 to the base; 5% to CAPS.
 Provides **\$137,649** increase to the revenue budget.

CITY/TOWN	2023 Census Population Estimates	PC Rate	\$4,700 BASE	PER CAPITA	PROPOSED TOTAL DUES FY 25-26	TOTAL DUES PAID IN FY 24-25	Difference	% increase
APACHE JUNCTION	41,153	0.585	\$4,700	\$24,075	\$28,775	\$26,997	\$1,778	6.58%
AVONDALE	93,545	0.575	\$4,700	\$53,788	\$58,488	\$54,889	\$3,599	6.56%
BENSON	5,337	0.595	\$4,700	\$3,176	\$7,876	\$7,551	\$325	4.30%
BISBEE	4,994	0.595	\$4,700	\$2,971	\$7,671	\$7,355	\$316	4.30%
BUCKEYE	108,909	0.565	\$4,700	\$61,534	\$66,234	\$61,506	\$4,728	7.69%
BULLHEAD CITY	43,302	0.585	\$4,700	\$25,332	\$30,032	\$28,535	\$1,497	5.25%
CAMP VERDE	12,489	0.595	\$4,700	\$7,431	\$12,131	\$11,573	\$558	4.82%
CAREFREE	3,642	0.595	\$4,700	\$2,167	\$6,867	\$6,602	\$265	4.01%
CASA GRANDE	63,743	0.575	\$4,700	\$36,652	\$41,352	\$37,518	\$3,834	10.22%
CAVE CREEK	5,152	0.595	\$4,700	\$3,065	\$7,765	\$7,427	\$338	4.56%
CHANDLER	280,167				\$111,615	\$106,300	\$5,315	5.00%
CHINO VALLEY	13,815	0.595	\$4,700	\$8,220	\$12,920	\$12,291	\$629	5.12%
CLARKDALE	4,904	0.595	\$4,700	\$2,918	\$7,618	\$7,257	\$361	4.97%
CLIFTON	3,780	0.595	\$4,700	\$2,249	\$6,949	\$6,649	\$300	4.51%
COLORADO CITY	2,734	0.595	\$4,700	\$1,627	\$6,327	\$5,954	\$373	6.26%
COOLIDGE	18,293	0.595	\$4,700	\$10,884	\$15,584	\$14,025	\$1,559	11.12%
COTTONWOOD	13,124	0.595	\$4,700	\$7,809	\$12,509	\$11,878	\$631	5.31%
DEWEY-HUMBOLDT	4,540	0.595	\$4,700	\$2,701	\$7,401	\$7,056	\$345	4.89%
DOUGLAS	15,638	0.595	\$4,700	\$9,305	\$14,005	\$13,386	\$619	4.62%
DUNCAN	670	0.595	\$4,700	\$399	\$5,099	\$4,881	\$218	4.46%
EAGAR	4,437	0.595	\$4,700	\$2,640	\$7,340	\$7,019	\$321	4.57%
EL MIRAGE	35,850	0.585	\$4,700	\$20,972	\$25,672	\$24,652	\$1,020	4.14%
ELOY	18,528	0.595	\$4,700	\$11,024	\$15,724	\$14,214	\$1,510	10.62%
FLAGSTAFF	76,586	0.575	\$4,700	\$44,037	\$48,737	\$46,249	\$2,488	5.38%
FLORENCE	24,291	0.595	\$4,700	\$14,453	\$19,153	\$18,633	\$520	2.79%
FOUNTAIN HILLS	23,611	0.595	\$4,700	\$14,049	\$18,749	\$18,057	\$692	3.83%
FREDONIA	1,302	0.595	\$4,700	\$775	\$5,475	\$5,249	\$226	4.30%
GILA BEND	1,854	0.595	\$4,700	\$1,103	\$5,803	\$5,569	\$234	4.20%
GILBERT	275,411				\$111,615	\$106,300	\$5,315	5.00%
GLENDALE	253,855				\$111,615	\$106,300	\$5,315	5.00%
GLOBE	7,179	0.595	\$4,700	\$4,272	\$8,972	\$8,615	\$357	4.14%
GOODYEAR	111,805	0.565	\$4,700	\$63,170	\$67,870	\$61,419	\$6,451	10.50%
GUADALUPE	5,217	0.595	\$4,700	\$3,104	\$7,804	\$7,514	\$290	3.86%
HAYDEN	516	0.595	\$4,700	\$307	\$5,007	\$4,795	\$212	4.42%
HOLBROOK	4,833	0.595	\$4,700	\$2,876	\$7,576	\$7,267	\$309	4.25%
HUACHUCA CITY	1,600	0.595	\$4,700	\$952	\$5,652	\$5,420	\$232	4.28%
JEROME	460	0.595	\$4,700	\$274	\$4,974	\$4,765	\$209	4.38%
KEARNY	1,817	0.595	\$4,700	\$1,081	\$5,781	\$5,513	\$268	4.86%
KINGMAN	35,334	0.585	\$4,700	\$20,670	\$25,370	\$24,054	\$1,316	5.47%
LAKE HAVASU CITY	59,257	0.575	\$4,700	\$34,073	\$38,773	\$36,909	\$1,864	5.05%
LITCHFIELD PARK	6,884	0.595	\$4,700	\$4,096	\$8,796	\$8,467	\$329	3.89%
MAMMOTH	1,133	0.595	\$4,700	\$674	\$5,374	\$5,133	\$241	4.70%
MARANA	58,430	0.575	\$4,700	\$33,597	\$38,297	\$35,279	\$3,018	8.56%
MARICOPA	71,022	0.575	\$4,700	\$40,838	\$45,538	\$40,960	\$4,578	11.18%
MESA	511,648				\$129,360	\$123,200	\$6,160	5.00%
MIAMI	1,532	0.595	\$4,700	\$912	\$5,612	\$5,377	\$235	4.36%
NOGALES	19,702	0.595	\$4,700	\$11,723	\$16,423	\$15,805	\$618	3.91%
ORO VALLEY	48,311	0.585	\$4,700	\$28,262	\$32,962	\$31,507	\$1,455	4.62%
PAGE	7,320	0.595	\$4,700	\$4,355	\$9,055	\$8,693	\$362	4.17%
PARADISE VALLEY	12,502	0.595	\$4,700	\$7,439	\$12,139	\$11,685	\$454	3.88%
PARKER	3,400	0.595	\$4,700	\$2,023	\$6,723	\$6,416	\$307	4.78%
PATAGONIA	789	0.595	\$4,700	\$469	\$5,169	\$4,954	\$215	4.35%
PAYSON	16,731	0.595	\$4,700	\$9,955	\$14,655	\$13,992	\$663	4.74%
PEORIA	198,750				\$111,615	\$106,300	\$5,315	5.00%
PHOENIX	1,650,070				\$167,055	\$159,100	\$7,955	5.00%
PIMA	3,036	0.595	\$4,700	\$1,806	\$6,506	\$6,199	\$307	4.96%
PINETOP-LAKESIDE	4,191	0.595	\$4,700	\$2,494	\$7,194	\$6,869	\$325	4.73%
PRESCOTT	47,757	0.585	\$4,700	\$27,938	\$32,638	\$31,158	\$1,480	4.75%
PRESCOTT VALLEY	50,045	0.575	\$4,700	\$28,776	\$33,476	\$31,982	\$1,494	4.67%
QUARTZSITE	2,389	0.595	\$4,700	\$1,421	\$6,121	\$5,849	\$272	4.66%
QUEEN CREEK	76,570	0.575	\$4,700	\$44,028	\$48,728	\$43,404	\$5,324	12.27%
SAFFORD	10,270	0.595	\$4,700	\$6,111	\$10,811	\$10,369	\$442	4.26%
SAHUARITA	36,356	0.585	\$4,700	\$21,268	\$25,968	\$24,457	\$1,511	6.18%
SAN LUIS	37,966	0.585	\$4,700	\$22,210	\$26,910	2/28/1967	\$2,379	9.70%

CITY/TOWN	2023 Census Population Estimates	PC Rate	\$4,700 BASE	PER CAPITA	PROPOSED TOTAL DUES FY 25-26	TOTAL DUES PAID IN FY 24-25	Difference	% increase
SCOTTSDALE	244,394				\$111,615	\$106,300	\$5,315	5.00%
SEDONA	9,819	0.595	\$4,700	\$5,842	\$10,542	\$10,080	\$462	4.59%
SHOW LOW	12,192	0.595	\$4,700	\$7,254	\$11,954	\$11,372	\$582	5.12%
SIERRA VISTA	44,431	0.585	\$4,700	\$25,992	\$30,692	\$29,946	\$746	2.49%
SNOWFLAKE	6,670	0.595	\$4,700	\$3,969	\$8,669	\$8,219	\$450	5.47%
SOMERTON	14,594	0.595	\$4,700	\$8,683	\$13,383	\$12,773	\$610	4.78%
SOUTH TUCSON	4,521	0.595	\$4,700	\$2,690	\$7,390	\$7,088	\$302	4.26%
SPRINGERVILLE	1,727	0.595	\$4,700	\$1,028	\$5,728	\$5,485	\$243	4.42%
ST. JOHNS	3,362	0.595	\$4,700	\$2,000	\$6,700	\$6,437	\$263	4.09%
STAR VALLEY	2,545	0.595	\$4,700	\$1,514	\$6,214	\$5,949	\$265	4.46%
SUPERIOR	2,571	0.595	\$4,700	\$1,530	\$6,230	\$5,920	\$310	5.23%
SURPRISE	158,285	0.565	\$4,700	\$89,431	\$94,131	\$87,767	\$6,364	7.25%
TAYLOR	4,272	0.595	\$4,700	\$2,542	\$7,242	\$6,905	\$337	4.88%
TEMPE *	189,834				\$111,615	\$104,913	\$6,702	6.39%
THATCHER	5,486	0.595	\$4,700	\$3,264	\$7,964	\$7,601	\$363	4.78%
TOLLESON	7,173	0.595	\$4,700	\$4,268	\$8,968	\$8,637	\$331	3.83%
TOMBSTONE	1,312	0.595	\$4,700	\$781	\$5,481	\$5,248	\$233	4.43%
TUCSON	547,239				\$129,360	\$123,200	\$6,160	5.00%
TUSAYAN	583	0.595	\$4,700	\$347	\$5,047	\$4,835	\$212	4.38%
WELLTON	2,572	0.595	\$4,700	\$1,530	\$6,230	\$5,936	\$294	4.96%
WICKENBURG	8,123	0.595	\$4,700	\$4,833	\$9,533	\$9,014	\$519	5.76%
WILLCOX	3,202	0.595	\$4,700	\$1,905	\$6,605	\$6,327	\$278	4.40%
WILLIAMS	3,463	0.595	\$4,700	\$2,060	\$6,760	\$6,437	\$323	5.03%
WINKELMAN	294	0.595	\$4,700	\$175	\$4,875	\$4,668	\$207	4.43%
WINSLOW	8,517	0.595	\$4,700	\$5,068	\$9,768	\$9,482	\$286	3.01%
YOUNGTOWN	6,919	0.595	\$4,700	\$4,117	\$8,817	\$8,494	\$323	3.80%
YUMA	100,858	0.565	\$4,700	\$56,985	\$61,685	\$58,690	\$2,995	5.10%
*New CAP	5,955,436				2,525,201	2,387,552	\$137,649	~5%

PER CAPITA RATES	FY24, FY25	FY26
0 - 25,000	.57	0.595
25,001 - 50,000	.56	0.585
50,001 - 100,000	.55	0.575
100,001 - 185,000	.54	0.565

DUES CAP FORMULA	FY18, FY19	FY20, FY21, FY22, FY23	FY24	FY25	FY26
Populations over 1.5 million	\$145,300	151100.000	\$158,000	\$159,100	\$167,055
Populations over 1 million	\$131,100	136300.000	\$142,500	\$143,500	\$150,675
Populations 400,000 - 999,999	\$112,400	116900.000	\$122,300	\$123,200	\$129,360
Populations 185,000 - 399,999	\$97,000	100800.000	\$105,500	\$106,300	\$111,615

Historical Record

Key: No change Increase Reduction

- *For FY25, the Executive Committee approved to keep dues at the same rate as FY24 with dues figures calculated using the 2022 census figures. Increased the CAPS by ~.7%.
- *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.

2025-2026 Property Corporation Budget

PRELIMINARY DRAFT

REVENUES	Budget FY 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026
Rental Income	133,400	133,460	60	137,475
Building Improvement Fund*	10,000	10,000	---	10,000
Interest	20	13	(7)	20
Miscellaneous	3,000	2,985	(15)	3,000
TOTAL REVENUES	146,420	146,458	38	150,495
EXPENDITURES				
Accounting and Auditing	8,650	8,702	52	9,000
Capital Outlay	20,000	0	(20,000)	20,000
Insurance	6,500	3,328	(3,172)	6,500
Maintenance Services/Agreements	60,000	62,297	2,297	62,300
Operating Expenses	6,000	6,000	0	6,000
Repairs and Maintenance	15,000	14,500	(500)	15,000
Utilities	30,000	32,604	2,604	30,000
TOTAL EXPENDITURES	146,150	127,431	(18,719)	148,800
Revenues Over (Under) Expenditures	\$270	\$19,027	\$18,757	\$1,695
Beginning Fund Balance	\$89,460	\$89,460		\$108,487
Ending Fund Balance	\$89,730	\$108,487	\$18,757	\$110,182

	Ending Balance	FY	Rev over Exp
Total fund balance as of July 1, 2024	\$89,460	23-24	(\$7,473)
Total fund balance as of July 1, 2023	\$96,933	22-23	(\$114,595)
Total fund balance as of July 1, 2022	\$211,528	21-22	\$13,810
Total fund balance as of July 1, 2021	\$197,718	20-21	\$69,362
Total fund balance as of July 1, 2020	\$128,356	19-20	\$18,252
Total fund balance as of July 1, 2019	\$110,104	18-19	\$18,673
Total fund balance as of July 1, 2018	\$91,431	17-18	\$13,041
Total fund balance as of July 1, 2017	\$78,390	16-17	(\$11,916)
Total fund balance as of July 1, 2016	\$90,306	15-16	(\$13,735)
Total fund balance as of July 1, 2015	\$104,041	14-15	\$20,968
Total fund balance as of July 1, 2014	\$83,073	13-14	

2025-2026 Property Corporation Budget Narrative

PRELIMINARY DRAFT

REVENUES	Budget FY 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026
Rental Income	133,400	133,460	60	137,475
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) - \$3,000; The Arizona Republic (Room 106) - \$7,200; Arizona Mirror (Room 105) - \$10,800; Associated Press (2 desks @ \$110 ea/mo) - \$2,640; Arizona News Radio (2 desks @ \$110 ea/mo) - \$2,640; Capitol Media Services (1 desk @ \$110 ea/mo) - \$1,320; Arizona Agenda (1 desk @ \$110 ea/mo) - \$1,320; Axios (1 desk @ \$110 ea/mo) - \$1,320; KJZZ (1 desk @ \$110 ea/mo) - \$1,320; Plus estimated taxes \$915. [Rent increases took effect July 1, 2025. This was the first increase since 2009.]				
Building Improvement Fund	10,000	10,000	---	10,000
The League contributes \$10,000 into a fund to save for future building improvements. [The Building Improvement Fund has collected \$60,000 since it started in FY19.]				
Interest	20	13	(7)	20
The Property Corporation's funds are invested in a high balance savings account.				
Miscellaneous	3,000	2,985	(15)	3,000
This category includes fees from Associated General Contractors for our shared refuse container and other miscellaneous revenues.				
TOTAL REVENUES	146,420	146,458	38	150,495

EXPENDITURES	Budget FY 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026
Accounting and Auditing	8,650	8,702	52	9,000
This line item includes the CPA audit of Property Corporation accounts and for monthly accounting services and preparation of audit work papers.				
Capital Outlay	20,000	0	(20,000)	20,000
This item is used to make necessary repairs and improvements to the building.				
Insurance	6,500	3,328	(3,172)	6,500
This item includes building, flood and liability insurance				
Maintenance Services/Agreements	60,000	62,297	2,297	62,300
This category includes maintenance agreements for the elevator, air conditioning, parking lot sweeping and pest control, plus janitorial services, lawn service and refuse collection plus				
Operating Expenses	6,000	6,000	0	6,000
Items in this account include light bulbs, paper goods, soap, and cleaning supplies. It also includes corporation fees, business license fees and other annual operating costs.				

Prior Years Actuals

FY23-24 Actual	FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual
\$132,084.90	\$131,445.80	\$130,622.10	\$129,696.00	\$129,696.00

\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
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\$15.37	\$17.03	\$14.97	\$14.60	\$30.53
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\$2,708.40	\$1,947.01	\$5,085.49	\$4,186.56	\$2,287.20
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FY23-24 Actual	FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual
\$8,318.00	\$7,849.00	\$7,620.00	\$7,570.00	\$7,520.00

\$19,318.75	\$0.00	\$8,106.80	\$17,988.88	\$18,474.19
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\$5,144.00	\$3,743.22	\$6,703.35	\$6,451.00	\$6,379.00
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\$56,275.70	\$52,800.03	\$44,700.58	\$36,063.88	\$40,427.75
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\$3,941.45	\$7,599.07	\$3,223.83	\$4,943.37	\$3,559.20
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EXPENDITURES	Budget FY 2025	Expected FY 2025	Over / (Under)	PROPOSED FY 2026
Repairs and Maintenance	15,000	14,500	(500)	15,000
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. <i>[FY26 - next sealcoat due ~ March 2026.]</i>				
Utilities	30,000	32,604	2,604	30,000
Current utilities include Arizona Public Service, City of Phoenix, Southwest Gas.				
TOTAL EXPENDITURES	146,150	127,431	(18,719)	148,800
Revenues Over (Under) Expenditures	\$270	\$19,027	\$18,757	\$1,695
Beginning Fund Balance	\$89,460	\$89,460		\$108,487
Ending Fund Balance	\$89,730	\$108,487	\$18,757	\$110,182

FY23-24 Actual	FY22-23 Actual	FY21-22 Actual	FY20-21 Actual	FY19-20 Actual
\$21,428.15	\$48,911.07	\$11,060.29	\$9,427.66	\$17,956.11

\$28,255.76	\$24,798.16	\$23,089.24	\$24,862.27	\$21,615.76
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EXECUTIVE COMMITTEE MEETING

Friday, February 7, 2025

Agenda Item #4 Proposed Audit Firm Contract

Summary: The League contracts with a private accounting firm to perform the annual audits. The contract length is three years. The contract with CliftonLarsonAllen expired at the end of the 2024 audit. After 18 years with CLA, we were due for a change. An RFP was sent out to several accounting firms. Only Heinfeld Meech submitted a proposal for audit services. Therefore, League staff recommends accepting the Heinfeld Meech contract for the next three years.

Responsible Person: Tom Belshe, Executive Director

Attachment: Audit Costs

Action Requested: Approval

Audit Costs for Fiscal Years Ending . . .

Heinfeld & Meech, Tucson			
	2001	2002	2003
League	\$5,850	\$5,850	\$5,850
Property Corporation	\$2,500	\$2,500	\$2,500
ACMA		\$2,750	
Lisa Lombard & Assoc., Phoenix			
	2004	2005	2006
League	\$6,000	\$6,000	\$6,000
Property Corporation	\$2,700	\$2,700	\$2,700
ACMA	\$2,700	\$2,700	\$2,700
GFOAz	\$3,500	\$2,800	\$2,800
Cronstrom Osuch & Co, Scottsdale			
	2007	2008	2009
League	\$8,550	\$8,775	\$9,000
Property Corporation	\$950	\$975	\$1,000
ACMA	\$2,850	\$2,925	\$3,000
GFOAz	\$2,850	\$2,925	\$3,000
LarsenAllen, Mesa (formerly Cronstrom Osuch)			
	2010	2011	2012
League	\$9,500	\$9,750	\$10,000
Property Corporation	\$1,500	\$1,750	\$2,000
ACMA	\$4,000	\$4,250	\$4,500
GFOAz	\$4,000	\$4,250	\$4,500
CliftonLarsenAllen, Phoenix (formerly LarsenAllen)			
	2013	2014	2015
League	\$10,000	\$10,250	\$10,500
Property Corporation	\$2,000	\$2,250	\$2,500
ACMA	\$4,500	\$4,750	\$5,000
GFOAz	\$4,500	\$4,750	\$5,000
AMCA (Review)		\$3,000	\$3,300
CliftonLarsenAllen, Phoenix			
	2016	2017	2018
League	\$10,500	\$10,750	\$10,750
Property Corporation	\$2,500	\$2,750	\$2,750
ACMA	\$5,000	\$5,250	\$5,250
GFOAz	\$5,000	\$5,250	\$5,250
AMCA (Review)	\$3,300	\$3,465	\$3,465
CliftonLarsenAllen, Phoenix			
	2019	2020	2021
League	\$11,000	\$11,220	\$11,390
Property Corporation	\$2,900	\$2,950	\$3,000
ACMA	\$5,400	\$5,500	\$5,585
GFOAz	\$5,400	\$5,500	\$5,585
AMCA (Review)	\$3,560	\$3,630	\$3,685
CliftonLarsenAllen			
	2022	2023	2024
League	\$12,259	\$12,565	\$12,879
Property Corporation	\$3,229	\$3,308	\$3,392
ACMA	\$6,012	\$6,162	\$6,316
GFOAz	\$6,012	\$6,162	\$6,316
AMCA (Review)	\$3,948	\$4,043	\$4,144
Heinfeld Meech **Proposed**			
	2025	2026	2027
League	\$14,000	\$14,400	\$14,850
Property Corporation	\$4,000	\$4,150	\$4,300
ACMA	\$8,500	\$8,750	\$9,050
GFOAz	\$7,000	\$7,200	\$7,450
AMCA (Review)	\$6,500	\$6,700	\$6,800



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

League Budget Report
Property Corporation Budget Report

League of Arizona Cities & Towns
FY 2024-2025 Budget vs. Actual
July through December 2024

	Jul - Dec 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Affiliate Group Contribution	87,416.65	197,000.00	-109,583.35	44.4%
4005 · Annual Conference	898,700.00	800,000.00	98,700.00	112.3%
4010 · Dues	2,387,512.00	2,387,552.00	-40.00	100.0%
4020 · Miscellaneous	3,659.51	16,000.00	-12,340.49	22.9%
4016 · Partnership Programs	4,045.78	42,000.00	-37,954.22	9.6%
4030 · Risk Pool	98,787.38	202,000.00	-103,212.62	48.9%
4035 · Seminars & Meetings	30,530.00	53,000.00	-22,470.00	57.6%
4040 · Interest Income	63,891.55	110,000.00	-46,108.45	58.1%
Total Income	3,574,542.87	3,807,552.00	-233,009.13	93.9%
Expense				
5005 · Annual Conference (Expense)	593,813.81	530,000.00	63,813.81	112.0%
5010 · Benefits	291,279.90	645,000.00	-353,720.10	45.2%
5015 · Capital Outlay	36,631.13	15,000.00	21,631.13	244.2%
5030 · Equipment Rental & Maintenance	3,332.47	7,000.00	-3,667.53	47.6%
5035 · Executive Committee	2,600.97	7,000.00	-4,399.03	37.2%
5050 · Insurance	859.80	8,000.00	-7,140.20	10.7%
5055 · Postage & Shipping	311.70	6,000.00	-5,688.30	5.2%
5057 · PR & Communications	50,469.05	64,000.00	-13,530.95	78.9%
5060 · Printing	1,976.52	14,000.00	-12,023.48	14.1%
5065 · Professional Services				
5065-1 · Accounting Services	29,201.75	52,000.00	-22,798.25	56.2%
5065-3 · Legal Services	3,700.50	30,000.00	-26,299.50	12.3%
5065-2 · Contract Lobbying & Consul...	284,255.00	411,000.00	-126,745.00	69.2%
Total 5065 · Professional Services	317,157.25	493,000.00	-175,842.75	64.3%
5070 · Rent	52,500.00	105,000.00	-52,500.00	50.0%
5071 · Salaries	838,813.94	1,809,000.00	-970,186.06	46.4%
5075 · Seminars and Meetings	33,784.84	48,000.00	-14,215.16	70.4%
5085 · Subscriptions & Dues	48,609.20	72,000.00	-23,390.80	67.5%
5090 · Supplies	36,632.84	56,000.00	-19,367.16	65.4%
5095 · Telecommunications	16,090.24	20,000.00	-3,909.76	80.5%
5100 · Travel	21,637.44	20,000.00	1,637.44	108.2%
5115 · Prop Corp-Bldg Improvement Fu...	0.00	10,000.00	-10,000.00	0.0%
Total Expense	2,346,501.10	3,929,000.00	-1,582,498.90	59.7%
Net Ordinary Income	1,228,041.77	-121,448.00	1,349,489.77	-1,011.2%
Net Income	1,228,041.77	-121,448.00	1,349,489.77	-1,011.2%

Property Corporation
FY 2024-2025 Budget vs. Actual
July through December 2024

	Jul - Dec 24	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	77,481.98	133,400.00	-55,918.02	58.1%
4005 · Miscellaneous	0.00	3,000.00	-3,000.00	0.0%
4010 · Interest	7.22	20.00	-12.78	36.1%
Total Income	77,489.20	146,420.00	-68,930.80	52.9%
Expense				
5000 · Maintenance Services/Agreements	29,963.60	60,000.00	-30,036.40	49.9%
5015 · Utilities	16,693.35	30,000.00	-13,306.65	55.6%
5020 · Repairs and Maintenance	5,865.94	15,000.00	-9,134.06	39.1%
5025 · Operating Expenses	2,120.01	6,000.00	-3,879.99	35.3%
5030 · Accounting and Auditing	5,867.00	8,650.00	-2,783.00	67.8%
5035 · Insurance	-488.00	6,500.00	-6,988.00	-7.5%
5040 · Capital Outlay	0.00	20,000.00	-20,000.00	0.0%
Total Expense	60,021.90	146,150.00	-86,128.10	41.1%
Net Ordinary Income	17,467.30	270.00	17,197.30	6,469.4%
Net Income	17,467.30	270.00	17,197.30	6,469.4%