



**PUBLIC NOTICE
REGULAR MEETING FOR THE COMMON COUNCIL OF
YOUNGTOWN, ARIZONA**

MAY 16, 2024

Immediately following the Agua Fria Ranch Community Facilities District Board Meeting which begins at 5:30 p.m.

The Town of Youngtown provides notice that it will conduct its Town Council meeting on **May 16, 2024 Immediately following the Agua Fria Ranch Community Facilities District Board Meeting which begins at 5:30 p.m.**, through *in-person and technological* means. **Doors open at 5:15 p.m.** for public seating. The public may be asked to temporarily relocate if an executive session occurs. The public will be invited back when the Council returns from executive session. Council members may attend the Council meeting in-person or via video/telephone conference, as authorized by A.R.S. Section 38-431(4).

The in-person meeting will occur at **12033 N. Clubhouse Square, Youngtown AZ 85363**, in the Town Council Chambers. The public may also listen to the Town Council meeting by calling in telephonically using the conference call and meeting identification number provided below. **Please state your name when you call in, then mute your telephone for the remainder of the call to ensure the Town Council can conduct its meeting without interference.**

If appearing remotely, you may provide comments by muting and unmuting your phone when recognized by the Mayor during public comment portions of the agenda. Chat is not available. You may also submit a public comment form to Town Clerk Nicole Smart, nsmart@youngtownaz.org, at least one hour before the meeting to submit a written comment. All comments must be submitted in writing before the meeting or verbally made during the meeting by either coming up to the podium to speak or unmuting your phone when recognized.

DATE: May 16, 2024
TIME: Immediately following the Agua Fria Ranch Community Facilities District Board Meeting which begins at 5:30 p.m.
PLACE: Join the Regular Meeting by phone: 1-346-248-7799
Meeting ID: 865 8749 7317
Password: 743969
Link to the zoom meeting:
<https://us02web.zoom.us/j/86587497317?pwd=bXFhZ0tDVzh0eVJOMlIhsbTh2VVp2QT09>

1. **Call to Order**
2. **Roll Call**
3. **Pledge of Allegiance and Invocation**
4. **Summary of Current Events:** Brief Summary of Current Events pursuant to ARS § 38-431.02(K). Council may not propose, discuss, or take legal action on the current event updates.
 - A. Summary of Current Events from Mayor and Council.
 - B. Summary of Current Events from Town Manager.
5. **Staff Reports:** Staff may provide reports to Council on the following subjects which may include discussion with Council. Council will not take legal action.
 - A. **Library:** The Library Manager may report to Council on library operations, monthly activities, book club events, and upcoming author visits.
 - B. **Public Works:** The Public Works Manager may report to Council regarding maintenance of Town facilities, recreational facilities, streets, parks, and schedules for work in the Town.

- C. **Community Development:** The Community Development Manager and/or Community Development Coordinator may report to Council regarding business outreach, economic development projects, and code enforcement operations and activity reports.
- D. **Finance:** The Finance Manager may report to Council regarding the Town's budget and monthly expenditures.
- E. **Town Clerk:** The Town Clerk may report to Council regarding Town events, activities, meetings, and promotion of the Town on its website and social media sites.
- F. **Municipal Court:** The Court Administrator may report to Council regarding activities of the Municipal Court, citations, hearings, and schedules.

6. **Response to Call to the Community**

7. **Citizens Comments/Appearances from the Floor:** Please complete a speaker request form for the Town Clerk, listing the subject you would like to discuss. Each speaker is limited to five (5) minutes. Before you begin to speak, identify yourself clearly by stating for the record your name and address. Non-Agenda items: This is the time for citizens who would like to address the Town Council on any non-agenda item. The Council will listen to comments, and may take one of the following: 1) Respond to criticism; 2) Request that staff investigate and report on the matter; or 3) Request that the matter be scheduled on a future agenda.

8. **Consent**

- A. **Approval of the Regular Council Meeting minutes of May 2, 2024.**
- B. Approval of Amendment No. 2 to the Agreement between Town of Youngtown and Affinium Security & Protection from May 19, 2024 to May 18, 2025 is requesting a 4% increase, and not to exceed \$450,000.
- C. Approval of the amendment to the Transit Services Agreement with the Regional Public Transportation Authority for the period beginning July 1, 2024 and ending June 30, 2025 in the amount of \$108,023 for Paratransit Service Funds.
- D. Approval of the agreement between the Town of Youngtown and Independent Newsmedia, Inc for publication of the Youngtown Village Reporter in the amount of \$3,100.65 each month.
- E. Approval of Amendment #3 of the renewal Agreement for Services between the Town of Youngtown and AZ Code Consultants, LLC for plan review and building inspection services from July 1, 2024 to June 30, 2025 and no change on the fees.
- F. Approval of an agreement between Municipal Court Judge Anderson and the Town of Youngtown for magistrate services in the amount of \$1,700 per month for the period of July 1, 2024 and ending June 30, 2026.

9. **Business**

- A. **Presentation, Discussion, and/or Action Re:** Presentation of the 2024-2025 Preliminary Expenditure Projections (Malia)
- B. **Presentation and Discussion Re:** Presentation of the proposed budget documentation for FY 2025 North Youngtown Street Light Improvement District (NYT SLID). (Blackman)
- C. **Presentation and Discussion Re:** Presentation of the proposed budget documentation for FY 2025 Agua Fria Ranch Street Light Improvement District (AFR SLID) (Blackman)

- D. **Presentation, Discussion, and/or Action Re:** Colby & Powell, PLC review and acceptance of the Fiscal Year 2023 Financial Audit Findings, and update on current status of the Town (Matt Bingham/Malia)
 - E. **Presentation and/or Discussion Re:** Sun City Fire and Medical District (SCFD) Report, which may include discussion of inspections, fire prevention, staffing levels, response times, community needs, and ambulance services. (Schmitz)
 - F. **Presentation and/or Discussion Re:** Maricopa County Sheriff's Office (MCSO) Report, which may include discussion of crime statistics, specific crimes including traffic violations, thefts, violent crimes, trespass and issues with homelessness, crime prevention, MCSO staffing levels, community needs, and response times. (Stutsman)
 - G. **Presentation, Discussion and/or Action Re:** Approval of an Agreement for Law Enforcement Services with Maricopa County on Behalf of the Sheriff's Office for the period of July 1, 2024 through June 30, 2027 (Blackman)
 - H. **Presentation, Discussion and/or Action Re:** Proposed agreement with Greater Phoenix Economic Council (GPEC) for the period beginning July 1, 2024 and ending June 30, 2025 in the amount of \$3,457 (Ashley Busada/Arrington)
 - I. **Presentation, Discussion and / or Action Re:** Ongoing efforts to address criminal activity, nuisances, and homelessness in the Town (Mayor)
10. **Call to Executive Session:** Convene Executive Session pursuant to ARS § 38-431.03(A)(3) for discussion or consultation for legal advice with the Town Attorney regarding any above agenda items, as needed.

11. **Future Agenda & Meetings**

- A. There may be discussion of whether to place an item on a future agenda and the date, but not the merits of the item.
- B. Announcement of the next Council Meeting, which will be **Thursday, June 6, 2024 at 5:30 p.m.**

Adjournment

*NOTE: Persons with special accessibility needs, including large print materials or interpreter, should contact the Town Clerk's office at (623) 933-8286 or TDD (623) 974-3665 no later than 24 hours in advance of regular scheduled meeting times. Citizens may appear before the Council to present their views on any subject concerning Town Government. The Council, however, may not discuss, consider or decide items NOT on the Agenda (ARS § 38-431.02 (H)) The Council will, if necessary, follow up at a later date. Due to limitation of time, citizens' comments are requested not to exceed five (5) minutes.

POSTING CERTIFICATION OF THIS NOTICE

The undersigned hereby certified that a copy of the attached notice and agenda were duly posted by 5:00 p.m. on **May 13, 2024** in the Town's designated posting locations pursuant to Resolution No. 06-04 and on the Town's website.



Nicole Smart, Town Clerk

AGENDA DATE: May 16, 2024

STAFF REPORT TO COUNCIL

DEPARTMENT: <i>General Government</i>	DEPARTMENT REPORT SUBMITTED BY: <i>Town Manager, Jeanne Blackman</i>
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REPORT:

- Continue to work with our Finance Manager, Penny Malia, Department Managers and Town Staff on budget documents. Updating all contracts that are up for renewal with the Town Clerk.
- The Town Council and Staff attended the barbeque for Sun City Fire & Medical District and Maricopa County Sheriff's Office at Station 133.
- Participated in a meeting with Mayor LeVault, Maricopa County, El Mirage and MCSO regarding outreach and cleanup efforts in the river bottom.
- Participated in the zoom meeting with the Arizona Municipal Risk & Retention Pool regarding insurance issues for special events.
- Attended a virtual monthly touch base meeting with Maricopa County regarding the CDBG (community development block grant) program.



STAFF REPORT TO COUNCIL

DEPARTMENT: Public Works	DEPARTMENT REPORT SUBMITTED BY: Marty Mosbrucker, Public Works Manager
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REPORT:

- Backflow testing conducted.
- Gathered quotes: Flag pole.
- Staff review of stormwater management plan.
- Installed metal plants in cactus garden.
- Installed curtains in clubhouse kitchen.
- Irrigation system repairs performed.
- Lake fountain motor under warranty- install after delivery.
- Town Hall kitchen cabinets on order.
- Pressure washed park ramadas.



STAFF REPORT TO COUNCIL

DEPARTMENT: LIBRARY	DEPARTMENT REPORT SUBMITTED BY: MARY VASS
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The Arizona State Library announced the recipients of the Library Services and Technology Act (LSTA) grants on May 3rd. The Youngtown Public Library was awarded two of these competitive grants.

Storytime 2.0 was awarded \$4000 for books and materials to enhance our storytimes and early literacy learning. The grant will create an imaginative play area in the Children's section of the library as well as purchase additional picture books and easy reader books for the library collection.

Golf Cart Bookmobile was awarded \$11,616 to transform one of the Town's golf carts to a bookmobile. The grant will provide books, materials, and electronic equipment to bring the library to the residents of our local assisted living and independent living facilities.

The Peoria Family Resource Center joined Storytime with Miss Mary on May 1st to inform our families of the services and early learning programs they provide to all families in the West Valley.

Mary Vass visited the Ventana Winds Assisted Living Facility on May 2nd delivering new Stay Sharp kits. These kits have been a hit for their Memory Care units.

The Rather Be Reading Book Club met on May 7th discussing the works of father/daughter writing team, Tony and Anne Hillerman. Tony Hillerman wrote police detective stories set on the Navajo Nation and Anne has carried on the books after his death.

Miss Mary held a special Mother's Day Storytime on May 8th.

The Friends of the Youngtown Public Library met on May 9th. This is their final meeting until September.

Mary Vass attended the Electronic Resources User Group meeting on May 9th at the Buckeye Public Library Downtown branch.

Registration for the Adventure Begins at Your Library Summer Reading Program began on May 1st. The program starts on June 1st and is open to all ages.

Storytime with Miss Mary meet seach Wednesday morning with books, songs, and fun.

Upcoming events:

5/13 – Bilingual Storytime with Miss Mary at Luke AFB
5/13 – Cards, Games, & More @ the Library at Luke AFB
5/14 – Storytime with Miss Mary at the Peoria Family Resource Center
5/15 – MCSO Storytime with Miss Mary at 10:30 a.m.
5/21 – Lifestream Book Club at 2:00 p.m.
5/22 – Storytime with Miss Mary at 10:30 a.m.
5/28 – Cards, Games, & More @ the Library at 1:00 p.m.
6/1 – Adventure Begins at Your Library Summer Reading Program begins

Services we offer:

- *FREE WI-FI: Mon-Thur from 10:00 a.m. – 4:00 p.m.*
- *FREE Public Access Computers*
- *FREE Fax Service (10-page limit)*
- *FREE Tax Forms*
- *Copies/Printing \$.15 a page*

**STAFF REPORT TO COUNCIL**

DEPARTMENT: Town Clerk/Community Development Coordinator	DEPARTMENT REPORT SUBMITTED BY: Nicole Smart
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REPORT:

- The monthly Business License Report for April 2024 is attached for your review.
- Attended the virtual AMCA Spring Best Practices – Campaign Finance Refresher.
- Working with Town Manager Blackman to complete the Town Hall kitchen and storage renovation.
- The Cactus Garden and Digital Signage beautification has been completed.
- Working with Town Manager Blackman to renovate the Kitchen/Clubhouse.
- Working on updating contracts that are due for renewal for this fiscal year.
- Booking appointments for Passport transactions. As of today, we have processed 115 passports.
- Working on the Town's new Website with Revize.
- Working on future Town events.
- Updating Standard Operating Procedures manual for Town Hall.
- Reviewing the Policy and Administration Guidelines Manual.
- Reviewing the Youngtown General Plan 2025 for updates, and will bring the draft forward to Council for approval.
- Working with the Town Manager on the Home Rule Expenditure Limitation.
- Working on obtaining all of the No Trespassing forms from the commercial businesses.
- Working on obtaining all of the contact information for the churches in Town.
- I would encourage all staff and Council to "like" the Town's page and submit pictures and stories. www.facebook.com/townofyoungtownaz, and "Twitter"



Town of Youngtown

April 2024 Business License Report

New Business Licenses

- Transient 9
- Commercial 0
- Home Based 0

Renewals Business License

- Transient 0
- Commercial 0
- Home Based 0

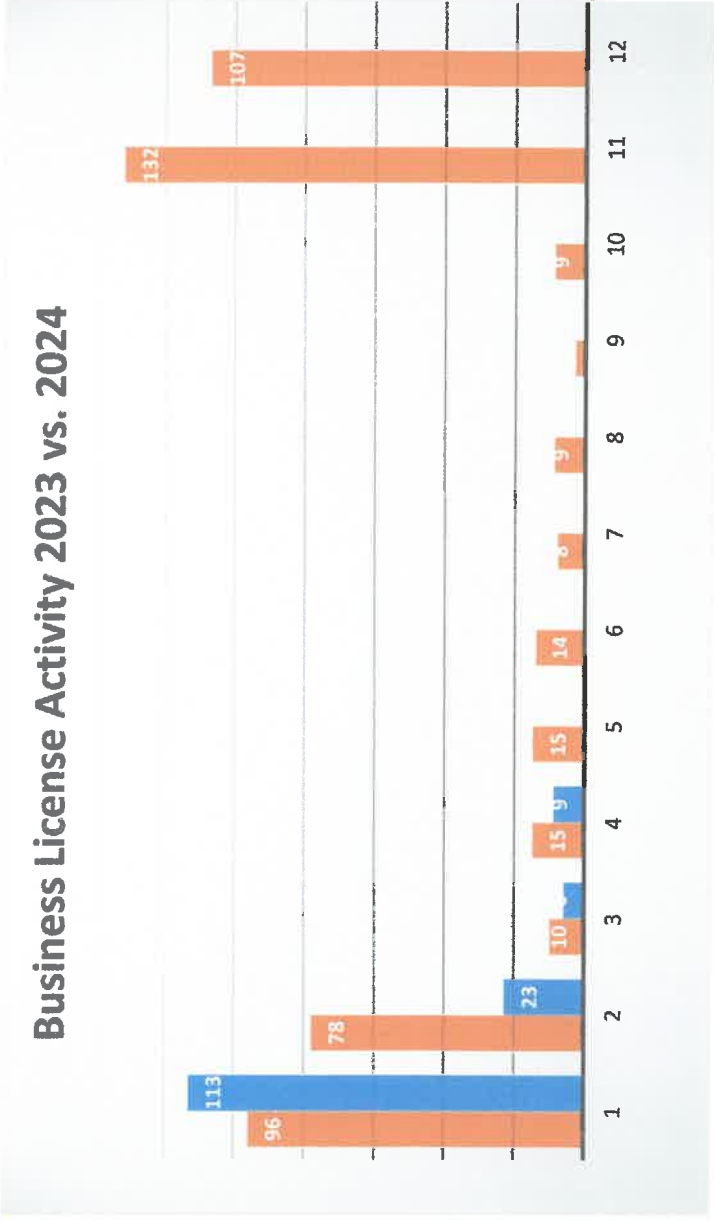
New Business Licenses		Renewals Business License	
Transient	\$640.00	Transient	
Commercial		Commercial	
Home Based		Home Based	
TOTALS	\$640.00	TOTALS	\$0.00

Total Revenue for April 2024 = \$640.00

There were no new Commercial Businesses for the Month of April.

There were no new Home Based Businesses for the Month of April.

	2023	2024
Jan	96	113
Feb	78	23
Mar	10	6
Apr	15	9
May	15	
Jun	14	
Jul	8	
Aug	9	
Sep	3	
Oct	9	
Nov	132	
Dec	107	
Total	496	





**MINUTES OF THE REGULAR MEETING
COMMON COUNCIL OF YOUNGTOWN, AZ
12033 N. CLUBHOUSE SQUARE, TOWN COUNCIL CHAMBERS
THURSDAY, MAY 2, 2024**

1. **Call to Order:** Mayor LeVault called the meeting to order at 5:30 p.m.
2. **Roll Call: Roll Call:** Council present: Mayor Michael LeVault, Vice Mayor Chuck Vickers, Councilmembers Margaret Chittenden, Mike Francis, Karen Haney Duncan, and Jim Starke. Councilmember Hout called in telephonically.

Mayor LeVault noted that a quorum is established for transacting business.

Staff present: Town Manager Jeanne Blackman, Town Clerk Nicole Smart, and Town Attorney Trish Stuhan.

3. **Pledge of Allegiance and Invocation:** Councilmember Haney Duncan led the Pledge and Town Manager Blackman gave the Invocation.

4. **Summary of Current Events:**

Mayor LeVault mentioned he and Vice Mayor Vickers attended a class last Friday at the Fire Department Administration building regarding the new and better battery storage facility. We also ended up taking an onsite tour at the Invenergy Facility, just North of the APS substation on Olive Avenue.

They talked about the challenges that firefighters are facing with this new technology. We spent five years interacting back and forth between the departments to get the safest, most modern cutting-edge facility.

Vice Mayor Vickers mentioned the information we received was how to fight a fire at the battery storage facility. We walked the facility area and it is very safe. They can get three full sized fire engines up the hill in front of the gate, and it is fully accessible to trained personnel and firefighters needing to be at the facility.

Councilmember Chittenden reminded everyone that AARP Youngtown Chapter 1, is hosting a Shred-a-Thon on May 4th, from 9:00 a.m. to 1:00 p.m., and the cost per box or bag is \$3.00. Also, May 3rd AARP is having their dinner at 5:30 p.m. and everyone is invited.

Summary of Current Events from Town Manager

Town Manager Blackman attended the Maricopa Association of Governments monthly management meeting.

Town Manager Blackman met with Mayor LeVault, Community Development Manager Gregory Arrington, Town Engineer Grant Anderson, and Town Attorney Trish Stuhan to discuss next steps regarding the Ulysses project.

Town Manager Blackman continues working on finalizing budget documentation for presentation to Council.

Town Manager Blackman mentioned the library held a very successful story time at the Community Garden. Special thanks to Vice Mayor Chuck Vickers, Mercy Vickers, Kathryn French, Mike Francis, and our Public Works team for getting the garden going and “growing” again and to Library Manager Mary Vass for all of her hard work in coordinating this initiative.

Town Manager Blackman mentioned the Greer Park trees: West Coast Arborists (WVA) – a company that has been in business for 52 years, reviewed the status of the declining Ash trees in Greer Park. WVA recommended removal due to the trees declining and dying state. The three trees were removed and replaced with arborist recommended Elm trees.

Town Manager Blackman mentioned the flashing light is being installed at the stop sign on Hackbarth to call attention to the required stop.

Town Clerk Smart mentioned we are set up to deliver and receive e-fax electronically. We will not be using the fax machine anymore.

5. **Staff Reports:** Staff may provide reports to Council on the following subjects which may include discussion with Council. Council will not take legal action.
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 - B. **Public Works:** The Public Works Manager may report to Council regarding maintenance of Town facilities, recreational facilities, streets, parks, and schedules for work in the Town.
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 - F. **Municipal Court:** The Court Administrator may report to Council regarding activities of the Municipal Court, citations, hearings, and schedules.

6. **Response to Call to the Community:** No response from the Community.

7. **Citizens Comments/Appearances from the Floor:**

Youngtown Citizen Mercy Vickers gave an update on the Community Garden. They donated thirteen heads of romaine lettuce to the food bank this week. They have a lot of tomatoes, which are not ripe at the moment, however, we had residents come in and we gave them green beans, broccoli, and strawberries. We have a lot of other vegetables coming in, and we have a lot of spaghetti squash.

The library had their story time at the Community Garden, and the kids were adorable and had a good time. The kids checked out the garden, and they loved the ladybugs. Mercy mentioned the Library Manager Mary Vass said they will come again next year, and have a ladybug release for Earth Day.

Mercy Vickers mentioned they have awesome volunteers coming in to help with the Community Garden. They are awesome helping us clean up, water the plants, and dig out shrubs that need to be taken out. This Saturday, we are opening up for our evening potlucks and it starts at 6:00 p.m. Bring a dish, and water or soda, etc. No alcohol of any sort is allowed.

Youngtown Citizen Tony Malejko is curious about the fire suppression systems installed for the battery storage, and does our fire department have any additional equipment in order to fight these fires, especially for the battery storage facility.

Mayor LeVault mentioned this is not an agenda item, however, he can speak to him after the Council meeting.

8. Consent

A. **Approval of the Regular Council Meeting minutes of March 18, 2024.**

Councilmember Chittenden

Second Councilmember Haney Duncan

Motion passed unanimously on a voice vote with all Councilmembers in attendance voting. Councilmember Hout's telephonic voice vote was noted as a yes.

9. Business

A. **Presentation, Discussion, and/or Action Re:** Presentation of the Revenue projections for Fiscal Year 2024-2025 and Financial Status.

Finance Consultant Penny Malia presented the Revenue projections for Fiscal Year 2024-2025, and she will present the Financial Status at the May 16, 2024 Council Meeting. Discussion followed regarding the budget.

Penny Malia explained the local sales tax for fiscal year 2023-2025. The estimated local sales tax for fiscal year 2023 was budgeted for \$2,007,121 and the actuals were \$2,818,759 and fiscal year 2024 was budgeted at \$2,562,436 and the estimate for fiscal year end 2024 is \$3,139,97. For fiscal year 2025, we are proposing local sales tax at \$3,171,336.

The franchise taxes, for fiscal year 2023, were budgeted at \$215,000, and the actual was \$220,000, and for fiscal year 2024 the budget was \$226,000 and the estimated fiscal year end for 2024 is \$257,000 and for fiscal year 2025 we are projecting the taxes to be \$260,000.

State shared revenues for fiscal year 2023-2024, the Town sales tax for fiscal year 2023 was budgeted at \$1,009,960, and the actuals were \$1,036,520. For fiscal year 2024 it was budgeted at \$1,055,580, and for fiscal year end 2024 it was estimated at \$1,330,470, and for fiscal year 2025 the proposed state sales tax is \$1,069,094.

Mayor LeVault asked if sales tax estimate numbers we are looking at tonight, are these coming from the League for the most part, and do we think they are spot on?

Finance Consultant Malia mentioned we received the preliminary numbers in March, and then the final numbers will be provided in May. We still have some wiggle room; however, we do not expect that there will be any big changes. However, we received the estimate early on, and we rely on what they are telling us.

For the State income tax that was budgeted for fiscal year 2023 was \$1,361,869 and the actuals were \$1,330,187, for fiscal year 2024 it was budgeted for \$1,880,381, and it was estimated at \$1,856,796, and the income tax for fiscal year 2025 budget is \$1,504,830.

The auto license tax for fiscal year 2023 was budgeted for \$334,089 and the actuals were \$347,838. For fiscal year 2024 it was budgeted for \$359,226 and our fiscal year end 2024 is estimated for \$346,012. For fiscal year 2025 the estimate is budgeted for \$358,205.

Business licenses for fiscal year 2023 were budgeted for \$37,875, and the actuals were \$42,772. For fiscal year 2024 it was budgeted for \$40,000 and our fiscal year end 2024 was estimated at \$40,000. For fiscal year 2025 the proposed budget is \$40,000.

Building permits for fiscal year 2023 were budgeted for \$677,000, and the actuals were \$282,307. For fiscal year 2024 it was budgeted for \$225,000 and it was estimated for fiscal year end 2024 at \$347,000. For fiscal year 2025 the proposed budget is \$275,000 due to large projects happening in the Town.

The library revenues for fiscal year 2023 was budgeted for \$404 and the actuals were \$400. For fiscal year 2024 it was budgeted for \$354 and it was estimated for fiscal year end 2024 for \$601. For fiscal year 2025 the proposed budget is \$607.

The interest for fiscal year 2024 was budgeted for \$2,235, and the actuals were \$131,928. For fiscal year 2024 it was budgeted for \$113,039 and it was estimated for fiscal year end 2024 for \$191,293. For fiscal year 2025 the proposed budget is \$193,206.

The budgeted general fund revenues for fiscal year 2024 is \$6,597,745. The estimated general fund revenues for fiscal year end 2024 is \$7,660,645, which over realized revenues by \$1,602,900. This was primarily a result of Town Sales Tax, Building Permits, and LGIP Interest.

The fiscal year 2023 GF Audited General Fund Balance is \$8,296,296. The Town has a \$3,000,000 reserve policy which leaves a fund balance at \$5,296,296. Contingency reserve is at \$2,506,794 in fiscal year 2023 leaving \$2,223,967. Will need to see where fiscal year 2024 ends up after estimated expenditures by departments.

The HURF Revenues for fiscal year 2023 was budgeted for \$559,717, and the actuals were \$545,296. For fiscal year 2024 it was budgeted at \$544,440 and is estimated at \$539,720 for fiscal year end 2024. For fiscal year 2025 the proposed budget is \$537,074.

The next steps are the Expenditure Projections on May 16, 2024, Tentative Budget Adoption on June 6, 2024, and the Final Budget Adoption on June 20, 2024.

Mayor LeVault asked if the construction tax being paid by the developers or construction companies doing work in Youngtown is coming back to us and how can we be sure?

Town Manager Blackman mentioned they have access to the software and will monitor and review the money the Town received from the construction tax.

Town Attorney Stuhan stated that Department of Revenue Agreement that State Law says we have to enter into an agreement, and we did lose a lot of that ability to do our own internal audits and have our own auditor, but in this last negotiation round, the League of Arizona Cities and Town really did fight for Cities and Towns to have more access. So, taxpayer information is highly confidential, but we cannot even share all of it with Council, however, we can identify certain people like Pat, Jeannie to be involve to receive ADOR updates and there are some processes to built in if you have concerns. Our hands are tied a lot by the State Legislature; however, we have a better agreement now in place to allow a bit more transparency for certain designated staff to do due diligence for the Town and try to protect us.

Youngtown Citizen Kathryn French, President of the Agua Fria Ranch Homeowners Association asked in regards to the Fiscal Year 2023 Budget, where it says \$2,235, is this the only amount that was made on all the money that we have in accounts that year.

Mayor LeVault mentioned we are getting paid at four to five percent levels on those rates, and all of our money is in a very safe accounts, and we rely on the State Treasurer actually to invest a lot of money in the LGIP Accounts.

Discussion followed, including business licenses, permits, incoming fees, rental tax, and construction tax.

- B. Presentation, Discussion and/or Action Re:** Approval of Ordinance 2024-03 Amending Title 17 Zoning, Chapter 17.40 C-2 Commercial District, Section 17.40.110 Medical marijuana cultivation, infusion or manufacturing facility regulations and medical marijuana dispensary regulations. The applicant requests a revision to Section N, regarding business hours. The Town Code currently allows medical marijuana dispensaries to be open for business between the hours of 8:00 a.m. and 8:00 p.m. on Sundays. The effect of this amendment would allow medical marijuana dispensaries to operate until 10:00 p.m. on Sundays.

Town Attorney Stuhan mentioned the Town originally adopted zoning regulations, and we do not control all private businesses. When medical marijuana was first legalized, we decided where those types of facilities could be located in Youngtown, so we would not have incompatible uses next to each other. You can also have some reasonable regulations like hours of operations, and will the operations effect the type of traffic flow and create a problem.

Historically the Town adopted those medical marijuana dispensary regulations and over time, when recreational marijuana was legalized, the Town incorporated most of those regulations. Tonight, we are looking at approval of ordinance 2024-03 to extend the hours on Sundays to be open until 10:00 p.m. At the moment they are open Monday through Saturday 8:00 to 10:00 p.m. and Sundays 8:00 a.m. to 8:00 p.m. This is a local decision of what your hours are, what is a reasonable return on investment, and trying to make sure that you are also offering enough services to your residents, while not having any operations that late at night due to public safety concern.

Mayor LeVault mentioned in a very real sense the Town has been pre-emptive in terms of the kinds of regulations that we can impose. The voters of Arizona have voted on the recreational marijuana and decided that they want this to be legal, and the things that we can do to restrict this kind of business is very limited, because of legislative.

Applicant Andrew Holstein from Curaleaf mentioned they are looking at aligning all of their businesses with the same hours of operation. They are looking to expand their hours to align with the rest of the market. We do see around 8:00 p.m. on Sunday a pretty heavy rush of people trying to get in at that last hour. Andrew does believe that adding those extra hours into the day would allow us to kind of ease our customer flow in the parking lot as well. This allows more working hours for their team members, and believes this is a better opportunity for everybody.

Vice Mayor Vickers asked in respect to walk-ins and drive-ins, do you have more people pulling in or an influx of people walking into the business?

Applicant Andrew Holstein from Curaleaf mentioned at the moment we have walk-in customers and medical patients' delivery, which is less than 8% of their business. The Department of Health Services is going to be required at the end of 2025 to release regulations on approval for adult use delivery.

Councilmember Haney Duncan ask if they ever run into issues with the homeless people causing problems in their establishments?

Councilmember Chittenden asked how many cameras do they have, and if we have heard any calls to Maricopa County Sheriff's Office?

Applicant Andrew Holstein from Curaleaf said this location is one of our lowest risk locations in the State, and we do not have any issues with the homeless people. We have over 28 cameras that have every blind spot covered. We do have sixteen other retail establishments. And, we have not had any big problems with Motel Six.

1. Mayor LeVault opened the public hearing at 6:31 p.m. to take testimony from the public related to Ordinance 2024-03.

Youngtown Citizen Kathryn French, President of the Agua Fria Ranch Homeowners Association. I understand the desire to want to push back the time to 10 p.m. because you get an eight o'clock rush on Sunday night. Does that mean all you did was push it back so that you get two more hours of business, but now you just have the same rush you had before, just two hours later. She is wondering how that works?

Applicant Andrew Holstein from Curaleaf mentioned in hearing from our own customers that we have folks in the area that get off work around eight o'clock, and they are trying to get to the store before we close. We are regulated by the Arizona Department of Health Services, that the door is to be shut at eight o'clock, and we are not allowed to let in any more customers. If they are inside the store we can serve them, however, if there are people outside, we can no longer let them in.

Mayor LeVault thinks that extra couple of hours will mitigate that last minute rush.

Applicant Andrew Holstein from Curaleaf mentioned we are looking at potentially twenty additional customers per hour of those last two hours which is not our average of 50 to 75 customers per hour.

Councilmember Chittenden asked how much more business will you get between eight and ten p.m. on Sunday?

Applicant Andrew Holstein from Curaleaf mentioned adding an additional two hours, we could bring in about \$750 net revenue per hour.

Town Manager Blackman stated she receives reports from Affinium and we have not received any complaints whatsoever in regards to Curaleaf.

Applicant Andrew Holstein from Curaleaf mentioned our evening hours are slower around four to five p.m., and the rush picks up after six p.m.

2. Mayor LeVault closed the public hearing at 6:35.
3. **Consideration and Action** to approve, deny, or approve with modifications Ordinance 2024-03.

Approval of Ordinance 2024-03 Amending Text Amendment allowing medical marijuana dispensaries to operate until 10:00 p.m. on Sundays

Councilmember Francis

Second Councilmember Starke

Motion passed 6-1 on a roll call vote of six (6) ayes, (1) abstained (0) nays. (Yay, Councilmembers Francis, Chittenden, Starke, Vice Mayor Vickers, and Mayor LeVault. (Abstained) Councilmember Haney Duncan. Councilmember Hout's telephonic voice vote was noted as a yes.

- C. **Presentation, Discussion and/or Action Re:** Approval of Retention of Town Prosecutor Michelle Stinson from Pierce Coleman, PLLC in the amount of \$3,000 a month.

Town Attorney Stuhan presented the approval of Retention of Town Prosecutor in the amount of \$3,000 a month.

Town Attorney Stuhan mentioned Pierce Coleman serves as the Town Attorney and she has worked with Youngtown over the last ten years. As the Town Attorney we provide the advice and representation to Council, and supporting the Town Manager and providing legal advice and council to the Town.

We have a pre-existing contract for legal services as the Town Attorney. We have not historically provided any prosecution services nor have we reached out and asked to provide those. You've has some really good prosecutors over the years. But historically, they did not provide any criminal assistance over the last five years. A lot of our Cities and Towns were struggling to keep any in house departments or to have contractors that could come out and provide prosecution services, so we did expand into criminal prosecution and this is something Michelle Stinson had to deal with over the last few years, and she is my assistant on the civil side.

When we were looking at the Town's current prosecution contract, which expires at the end of the month, and talking with the town Manager, this is absolutely a council decision of how

do you want your prosecution services handled? Michelle has been working pretty hard in training code officers, and supporting them, and getting them ready for court, and if gets beyond civil, habitual offenders become criminal. This is something that Michelle noted, if they need a long form complaint this is something she is already familiar with, so this is a seamless move into prosecution handling, however, this is a policy decision.

Mayor LeVault asked if the fees will remain the same?

Town Attorney Stuhan stated yes, the fees will remain the same.

Councilmember Chittenden mentioned it is time for a change, and Trish's office has expertise in their office.

Councilmember Haney Duncan also thinks the change would be good, because we have residents out here thinking that we are not doing anything.

Town Manager Blackman mentioned that she brought this forward to Council and she wants this to pass. She understands that Council has to approve this. We had a property that we had issues with for ten years, and the attorneys assisted us and it went to Superior Court. This was a ten years process that should have not had taken that long. So having somebody who has that expertise on the other end to be able to tie this all together will ensure that we complete the process.

Councilmember Haney Duncan agrees with Town Manager Blackman.

Approval of Retention of Town Prosecutor Michelle Stinson from Pierce Coleman, PLLC in the amount of \$3,000 a month.

Councilmember Francis

Second Councilmember Haney Duncan

Motion passed 7-0 on a roll call vote of six (7) ayes, (0) abstained (0) nays. (Yay, Councilmembers Francis, Hayne Duncan, Chittenden, Starke, Vice Mayor Vickers, and Mayor LeVault. Councilmember Hout's telephonic voice vote was noted as a yes.

D. Presentation, Discussion and/or Action Re: Approval of Resolution 2024-02 to designate the Town Manager as the CFO.

Town Manager Blackman stated this is a requirement to designate who would be the chief financial officer on behalf of the town, and that has been made since she has been here, once approved, we need to submit the Resolution to the Auditor General every year.

Mayor LeVault mentioned our Town Manger wears multiple hats. This helps us with our budget, and every year that we go through an audit, our auditors make sure we are not doing something that is impairing internal controls or preventing proper segregation of duties.

Approval of Resolution 2024-02 to designate the Town Manager as the CFO.

Councilmember Haney Duncan

Second Councilmember Starke

Motion passed unanimously on a voice vote with all Councilmembers in attendance voting. Councilmember Hout's telephonic voice vote was noted as an abstention.

- E. Presentation, Discussion and/or Action Re:** Approval of Amendment #3 of the renewal Agreement for Services between the Town of Youngtown and Apostolic Faith Center, for on-call services for residential yard work assistance, nuisance abatement, and other cleanup activities sponsored by Youngtown's Public Works and Code Enforcement departments to assist with community efforts to remove weeds, trash, and debris from public property for the term beginning May 13, 2024 until May 13, 2025 in the amount of \$2,000 a month.

Mayor LeVault asked when will the probationers be back?

Town Manager Blackman mentioned the County disbanded the probationers because of Covid, and we have been in touch with them and hopefully in the near future we will be able to reinstate the program. Town Manager Blackman mentioned the Apostolic Faith Center is out there every Wednesday at about 5:30 a.m. cleaning the alleyways, and they sometimes have about four to six loads of stuff they have picked up. This helps them and the money they receive goes back into their programs, and it helps people that are less fortunate. They have not increased their prices, and they do a significant amount of work every Wednesday.

Councilmember Hout asked how many properties have they served last year?

Town Manager Blackman stated they do not serve any properties. They are cleaning the alleyways, and pick up junk that is left there, and they pick up six to seven loads every week. They also help public works when needed.

Councilmember Chittenden mentioned they have been extremely busy, and Public Works has mentioned that when they have asked them to do work, they are always on time to do the job.

Mayor LeVault mentioned we are not strangers to outsourcing, that's one way that we keep our budget under control.

Approval of Amendment #3 of the renewal Agreement for Services between the Town of Youngtown and Apostolic Faith Center in the amount of \$2,000 a month for a term beginning May 13, 2024 until May 13, 2025.

Councilmember Chittenden

Second Councilmember Francis

Motion passed unanimously on a voice vote with all Councilmembers in attendance voting. Councilmember Hout's telephonic voice vote was noted as a yes.

- F. Presentation, Discussion and / or Action Re:** Ongoing efforts to address criminal activity, nuisances, and homelessness in the Town

Mayor LeVault mentioned the Town will continue doing what we are doing in regards to keeping the town safe. Council agrees that public safety is our prime directive. It is the most important function that we perform. Mayor LeVault hopes people appreciate how much success we are having with the law enforcement and public safety mechanisms that the Town put in place, and there is no such thing as crime free. The Town's objective is to make sure that the crime rate in Youngtown is as low as it can possibly be. We are always looking for ways to enhance or give additional tools to our law enforcement people. We recently approved a curfew for the Town's alleyways, much like we have in our parks. So now from 10 o'clock at night until seven in the morning, our law enforcement and security people are

able to stop pedestrians and bicyclists in these alleys and between those hours and move them out.

10. Call to Executive Session: No Call to Executive Session

11. Future Agenda & Meetings

A. Future Agenda Items – none

Adjournment

Motion to Adjourn

Councilmember Starke

Second – Councilmember Francis

Meeting Adjourned 7:01 p.m.

Michael LeVault, Mayor

Attest:

Nicole Smart, Town Clerk

Minutes approved at the May 16, 2024 Council meeting.

INFORMATION REGARDING ITEMS ON THE CONSENT AGENDA
MAY 16TH, 2024 COUNCIL MEETING

Affinium Security – Affinium has been providing security to Youngtown since August of 2021. At that time the contract was approved by Council for one year not to exceed \$250,000. Since the beginning, we have added on additional hours to Affinium’s contract and incur holiday pay on holidays to ensure we have coverage 7 days a week and 12 hours per day. Affinium has asked for a 4% increase for their services and we are proposing the contract to next exceed \$450,000.

RPTA – Regional Public Transit Authority – provides transit services to the Town of Youngtown. The proposed contract is for FY25 in the amount of \$108,023 or \$27,005.75 per quarter. The final invoice and payment may be adjusted based on the extent to which the actual cost of service is higher than the budgeted amount for service. We will also receive \$1947.00 for Public Transportation for ADA trips.

FY19 - \$85,875 and \$1600 for ADA trips.
FY20 - \$45,972 and \$1615 for ADA trips.
FY21 - \$42,790 and \$1663 for ADA trips.
FY22 - \$89,732 and \$1800 for ADA trips.
FY23 - \$128, 775 and \$1890 for ADA trips.

Amounts have fluctuated due to the pandemic and loss of ridership during the covid years. Gas prices have also significantly contributed to the fluctuation in costs.

Independent Newspapers has published the YVR for three years. When the contract first began, we were paying \$842.89 each month for the publication up to eight pages. Current cos will be \$3100.65 per month. Paper costs along with everything else has continued to impact the costs of printing.

Arizona Code Consultants has been under contract with the Town of Youngtown since October, 2017. The inspector, Barry Collins, holds an office on our Town Campus and he and his wife also bought a home and moved to Youngtown. – AZ Code Consultants handles project management for sidewalks, Ridgeview, Youngtown Flats, Dunkin’ Donuts, Invenergy and Women’s Pharmacy remodel, upgrades to Sunview as well as day to day permits, inspections and plan review. There rates had remained the same until a modest increase was submitted for FY23. Rates did not change for FY24 and will not change for FY25.

Judge Lex Anderson has been our Municipal Judge in the Courts since at least 2012 and has not increased his fees for service at all. This will be approval for a 2-year contract. His current contract is \$1700 per month.

8.B

Affinium Agreement

DOCUMENT FORTHCOMING

TRANSIT SERVICES AMENDMENT

BETWEEN

THE TOWN OF YOUNGTOWN

AND

THE REGIONAL PUBLIC TRANSPORTATION AUTHORITY

CONTRACT # 200-75-2025-11-00

This Amendment dated this 1st day of July, 2024, amends the following items of the Transit Services Agreement Contract # 200-75-2024 entered into between the Town of Youngtown and the Regional Public Transportation Authority, dated the 1st day of July 2013 as amended July 1, 2014, July 1, 2015, July 1, 2016, July 1, 2017, July 1, 2018, July 1, 2019, July 1, 2020, July 1, 2021, July 1, 2022, and July 1, 2023.

The following Schedules amend those Schedules of the agreement entered into July 1, 2023.

The attached Schedule C amends Schedule C entered into July 1, 2023.

The attached Schedule E amends Schedule E entered into July 1, 2023.

All other terms of the Parties Transit Services Agreement dated July 1, 2013 remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties have each executed this Agreement as of the date first set forth above.

REGIONAL PUBLIC TRANSPORTATION AUTHORITY (RPTA)

By: _____
Jessica Mefford-Miller, Chief Executive Officer

APPROVED AS TO FORM:

By: _____
Regional Public Transportation Authority, Chief Legal Officer

Town of Youngtown

By: _____
Michael LeVault, Mayor

By: _____
Nicole Smart, Town Clerk

APPROVED AS TO FORM:

By: _____
Trish Stuhan, Member Attorney

SCHEDULE “C” – PARATRANSIT SERVICES, FINANCIAL INFORMATION AND COST ESTIMATE

For the period from July 1, 2024 through June 30, 2025, the Town of Youngtown will pay the Regional Public Transportation Authority a total of **\$108,023.00** for the provision of paratransit services. This payment will be broken into quarterly installments of **\$27,005.75**, which shall be due and payable within thirty (30) calendar days of the receipt of an invoice from RPTA. IGA billings will be processed for the full fiscal year based on the above referenced installments. A final invoice will occur once the final recon has been completed after our year end close. This final invoice and payment may be adjusted based on the extent to which the actual cost of service is higher than the budget amount for service.

**FY25 Paratransit Service
Funded by Town of Youngtown**

	<u>Paratransit</u>
Trips:	
Paratransit Trips	1,500
<u>Total Trips</u>	<u>1,500</u>
 Cost:	
Contractor Transportation Cost	\$99,707
RPTA Salaries, Fringes & OHD	\$15,933
<u>Total Gross Program Cost</u>	<u>\$115,640</u>
<u>Total Fare Revenue</u>	<u>(\$5,670)</u>
<u>Total Net Program Cost Before PTF</u>	<u>\$109,970</u>
PTF Balance Available	\$1,947
PTF Applied	\$1,947
Member City Contributions:	
Paratransit Service	\$108,023
<u>Total Member City Contribution</u>	<u>\$108,023</u>

ADA certified and ADA eligible visitors

**SCHEDULE “E” – AMERICANS WITH DISABILITIES ACT (ADA)
PUBLIC TRANSPORTATION FUNDS (PTF) AVAILABILITY**

For the period July 1, 2024 to June 30, 2025 the maximum amount of Public Transportation Funds (PTF) available for the Town of Youngtown is **\$1,947.00**. The PTF will pay actual costs for ADA trips and other requests for Paratransit service made by ADA certified Riders up to the maximum amount. A final reconciliation at fiscal year-end will be performed and adjustments, if necessary, will be made using actual ADA eligible costs.

Any remaining ADA PTF funds not used up to the maximum reimbursements may be requested by Town for other ADA certified rider eligible expenses, and certified by the Town’s chief financial officer or designee. RPTA will reimburse Town within thirty (30) business days based upon availability of funds. Town may request that reimbursements be made electronically. Wire transfers must be pre-arranged through the RPTA Finance Department.

Maximum amount: **\$1,947.00**

AGREEMENT BETWEEN
THE TOWN OF YOUNGTOWN
AND
INDEPENDENT NEWSMEDIA, INC., USA,

Insomuch as the Town of Youngtown, Arizona, a municipal corporation, hereinafter referred to here as Youngtown, and Independent Newsmedia, Inc., USA, a Delaware corporation, hereinafter referred to as publisher, mutually desire to produce a monthly newsletter, the purpose of this Agreement is to set forth the specific provisions and requirements of both parties.

This Agreement constitutes the entire agreement and understanding between the parties to this Agreement and supersedes all prior and contemporaneous negotiations and understandings between the parties.

Both parties hereby agree to fulfill all provisions and requirements as outlined below:

I. GENERAL PROVISIONS.

- a. This Agreement provides for the publisher to print a newspaper to be known as “The Youngtown Village Reporter” the official monthly newsletter of Youngtown, providing information about Youngtown to its residents.
- b. The finished size of The Youngtown Village Reporter will be 8 pages, with a page size of 11” wide by 13 3/4” high. All pages will be printed on newsprint. Four-color is included on all pages.
- c. Youngtown will be totally responsible for the content of those 8 pages.
- d. The publisher will provide design of each page with final approval for press by Youngtown. Press deadline is 4 p.m. Monday following the first Friday of each month.
- e. There will be no advertising other than that sold by Youngtown included in the newspaper, unless approved in advance by Youngtown.
- f. Youngtown gives exclusive rights to the publisher to print the Youngtown Village Reporter for 12 consecutive months with an option to renew for an additional 12 months. Both parties may terminate this contract for any reason, notwithstanding any other terms of this Agreement, with sixty (60) days written notice.

II. FINANCIAL RESPONSIBILITY.

- a. Youngtown agrees to pay \$3,100.65 each month for the publication's cost for a publication up to 8 pages.
- b. Youngtown may purchase display advertising with the publisher in any weekly or daily newspaper at 25 percent off the 52-week rate. Youngtown may receive 50 percent off digital display advertising at YourValley.net.

III. PRINTING/PRODUCTION/DISTRIBUTION

- a. The printing image area of all inside pages is 10" wide by 12.5" high. Double truck position is 20.75" wide x 12.5" high.
- b. The publisher will be responsible for all printing and bindery work in conjunction with the publishing the Youngtown Village Reporter. The highest standards will be considered in all phases of production to ensure a finished product both parties will be proud of.
- c. A maximum of 3,500 newspapers will be produced each month with mail-delivered prior to the first of the following month, or sooner, based on Youngtown's delivery date preference.
- d. Additional copies may be obtained at a cost of \$400 per thousand.
- e. Youngtown will maintain all rights to the finished product.

IV. TERMS AND CONDITIONS

- a. The publisher shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted. Youngtown has no obligation to provide the publisher, its employees or subcontractors, any business registrations or licenses required to perform the specific services set forth in this agreement. Youngtown has no obligation to provide tools or equipment to the publisher.
- b. This Agreement is subject to the provisions of A.R.S. § 38-511, governing conflicts of interest.
- c. The publisher is an independent contractor, and this Agreement does not create an employee/employer relationship between the parties.

d. To the extent applicable under of A.R.S. § 41-4401, the publisher and any of its subcontractors, as applicable, warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the Verify requirements under A.R.S. § 23-214(A). The publisher or its subcontractor's failure to comply with such warranty shall be deemed a material breach of the agreement and may result in the termination of the agreement by Youngtown.

e. To the extent applicable under Title 35, Chapter 2, Article 9, of the A.R.S., the parties hereby certify that they are not currently engaged in, and agree for the duration of this contract to not engage in, a "boycott" of goods or services from Israel, as such term is defined in A.R.S. § 35-393.

f. Pursuant to and in compliance with A.R.S. § 35-394, Vendor hereby agrees and certifies that it does not currently, and agrees for the duration of this Agreement that Vendor will not, use: (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (3) any Vendors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. Vendor also hereby agrees to indemnify and hold harmless the Town, its officials, employees, and agents from any claims or causes of action relating to the Town's action based upon reliance upon this representation, including the payment of all costs and attorney fees incurred by the Town in defending such as action.

g. Any provisions not covered in the Agreement must be discussed between the parties involved and mutually agreed upon in writing.

h. Any provisions not covered in the Agreement must be discussed between the parties involved and mutually agreed upon in writing.

IN WITNESS WHEREOF, the parties enter into this Agreement, effective on the date last signed below:

[SIGNATURES ON NEXT PAGE]

Town of Youngtown

By _____
Michael LeVault, Mayor

Attest:

Nicole Smart, Town Clerk
Approved as to Form:

Pierce Coleman, PLLC
Town Attorney
Trish Stuhan

By _____
Charlene Bisson, Publisher
Independent Newsmedia, Inc., USA

**AMENDMENT NO. 3 TO THE AGREEMENT FOR SERVICES
BETWEEN
THE TOWN OF YOUNGTOWN
AND
AZ CODE CONSULTANTS, LLC**

THIS AMENDMENT NUMBER 3 TO THE AGREEMENT FOR SERVICES (this “Amendment”) dated May 16, 2024 between the Town of Youngtown, an Arizona municipal corporation (the “Town”) and AZ Code Consultants, LLC, an Arizona limited liability company, (the “Contractor”), (collectively, “the parties”).

RECITALS

- A. The Town and the Contractor entered into an Agreement for Services dated May 6, 2021, as amended (collectively, the “Agreement”). The terms of the Agreement are incorporated herein by reference.
- B. The Town has determined that additional Services (the “Additional Services”) are necessary.
- C. The Town and Contractor desire to amend the Agreement to renew the Agreement for its second renewal term and to add a new Paragraph 7.11 to Section 7.0 ASSURANCES.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the Contractor hereby agree as follows:

1. Contract Term. The Contract term is renewed from ~~July 1, 2022 through June 30, 2023 as the First Renewal Term. July 1, 2023 through June 30, 2024 as the Second Renewal Term.~~ **July 1, 2024 through June 30, 2025 as the Third Renewal Term.**
2. The parties agree to amend Section 7.0 ASSURANCES to add paragraph 7.11 to the Agreement, as follows:

7.11. China. Pursuant to and in compliance with A.R.S. § 35-394, Contractor hereby agrees and certifies that it does not currently, and agrees for the duration of this Agreement that Contractor will not, use: (i) the forced labor of ethnic Uyghurs in the People’s Republic of China; (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China; or (iii) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China. Contractor also hereby agrees to indemnify and hold harmless the City, its officials,

employees, and agents from any claims or causes of action relating to the City’s action based upon reliance upon this representation, including the payment of all costs and attorney fees incurred by the City in defending such as action.

3. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

4. Non-Default. By executing this Amendment, the Contractor affirmatively asserts that (i) the Town is not currently in default, nor has it been in default at any time prior to this Amendment, under any of the terms or conditions of the Agreement and (ii) any and all claims, known and unknown, relating to the Agreement and existing on or before the date of this Amendment are forever waived.

5. Conflict of Interest. This Amendment and the Agreement may be cancelled by the Town pursuant to A.R.S. § 38-511.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date and year first set forth above.

“Town”

TOWN OF YOUNGTOWN,
an Arizona municipal corporation

By _____
Michael LeVault, Mayor

ATTEST:

Nicole Smart, Town Clerk

APPROVED AS TO FORM:

Trish Stuhan, Town Attorney

“Contractor”

AZ CODE CONSULTANTS, LLC,
an Arizona limited liability company

By: _____
H.L. “Bert” Stone, C.B.O., Owner
3707 East Southern Avenue, Suite 1099
Mesa, Arizona 85206

The Town of Youngtown, Arizona
CONTRACT FOR MUNICIPAL JUDGE SERVICES

This Contract for Municipal Judge Services is entered into this 16th day of May, 2024 by and between the Town of Youngtown, Arizona (“Town”), and Lex Anderson (“Anderson”).

RECITALS:

1. Town desires to re-appoint Anderson as Municipal Judge of the Youngtown Municipal Court and Anderson desires to accept such appointment subject to the terms and conditions of this Contract.
2. Town and Anderson recognize that the executive and judicial branches of government are separate and courts must be independent, unfettered, and free from directive, influence and interference from any extraneous source.

NOW, THEREFORE in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Anderson shall serve as Municipal Judge of the Youngtown Municipal Court as prescribed by the Ordinances of the Town of Youngtown, Arizona, Arizona State Statutes, and all governing Rules of the Court as promulgated by the Arizona Supreme Court including the Code of Judicial Conduct and Rule 45 of the Arizona Supreme Court.
2. Anderson shall fulfill the duties set forth in the Youngtown Municipal Code. During the term of this Contract, Anderson shall be present and conduct court minimally four times a month with additional dates as needed as determined by Anderson. Court shall generally be held on Thursday. Anderson shall be responsible for ensuring that all persons arrested by law enforcement are given their initial appearances within the maximum allowable time, and in accordance with the Rules of Criminal Procedure.
3. In the event Anderson is not able, for any reason, to be present and/or conduct court on the first, second, third and fourth Thursday of each month during the term of this Contract, Anderson shall make arrangements for and compensate Municipal Judge pro tem to conduct Anderson’s duties on the dates of his absence. The Municipal Judge pro tem shall meet the requirements of the Arizona Supreme Court and shall be approved by the Town Manager prior to sitting as the Town’s Municipal Judge as a substitute for Anderson.
4. Anderson shall answer and report directly to the Mayor and Common Council of the Town of Youngtown, Arizona.

5. Anderson shall act as the Chief Administrative Officer over the Municipal Court and shall abide by all rules and regulations of the Town, including the Town Personnel Rules and Policy Manual. Anderson shall be responsible for administering the budget of the Municipal Court and preparing and submitting budget documents to the Town Manager for review and approval with the Town Council in accordance with Town's budgetary procedures and State law.
6. Anderson may only be removed from the office of Municipal Judge of the Youngtown Municipal Court during the term of this Contract: (1) for cause; or (2) if the Youngtown Municipal Court ceases to exist. For purposes of this Contract, "cause" includes, but is not limited to any one of the following: violation of this Contract; failure to comply with orders or rules of the Arizona Supreme Court for the operation of a Municipal Court; failure to comply with state laws; failure to fulfill the duties required by the Youngtown Municipal Code; bringing discredit to the Youngtown Municipal Court; failure to attend scheduled Court proceedings; or being late for scheduled Court proceedings on a consistent basis, as determined by the Town Council. Upon expiration of this Contract, if a new contract has not been entered into, the above terms shall be extended on a month-to-month basis until either a new agreement is executed or Town has notified Anderson that no new agreement will be executed.
7. Subject to the termination events outlined in paragraph 6, above, this Contract shall be for a term of two (2) years, beginning on the 1st day of July, 2024, and terminating on the 30th day of June, 2026.
8. Anderson shall receive compensation in the amount of \$1700.00 per month during the term of this Contract.
9. The Town agrees to pay for medical, vision and dental insurance for Anderson based on the schedule for all full-time employees.
10. The parties acknowledge that this Contract is subject to cancellation pursuant to A.R.S. § 38-511.
11. The Town has been assisted by counsel of its own choosing in connection with the preparation and execution of this Contract. Anderson has either been assisted by counsel in connection with the preparation and execution of this Contract or has chosen to forego such legal representation of his own accord. This Contract shall be construed according to the fair meaning of its language. The rule of construction that ambiguities shall be resolved against the party who drafted a provision shall not be employed in interpreting this Contract.
12. This Contract constitutes the entire agreement between the parties pertaining to the subject matter of this Contract. All prior and

contemporaneous agreements, representations, and understandings of the parties, oral or written, are suspended and merged within. No amendment or waiver of any provision of this Contract will be binding (a) on the Town unless it has been approved by the Town Council and (b) on Anderson unless and until it has been approved by Anderson.

AGREED TO and ENTERED ON THIS 16th day of May, 2024

Lex E. Anderson

Michael LeVault, Mayor

ATTEST:

Nicole Smart, Town Clerk

APPROVED AS TO FORM:

Trish Stuhan
Pierce Coleman, PLLC

9.A

DOCUMENT
FORTHCOMING

9.B

DOCUMENT
FORTHCOMING

9.C

DOCUMENT
FORTHCOMING



COLBY &
POWELL, PLC

CERTIFIED PUBLIC ACCOUNTANTS

1535 W. Harvard Avenue, Suite 101 · Gilbert, Arizona 85233

Tel: (480) 635-3200 · Fax: (480) 635-3201

**Other Items Communicated to Management
For the Year Ended June 30, 2023**

Jeanne Blackman
Town Manager
Town of Youngtown, Arizona

The following are recommendations and suggestions for improvements to accounting procedures and functions. We did not consider these issues as significant deficiencies or material weakness as defined by generally accepted auditing standards because we deemed these issues to be less significant and/or management is aware of the findings and are working on resolutions.

Accounting Policies and Procedures

During our audit, we noted that accounting policies and procedures were not complete and in a single document. Accounting policies and procedures are an essential part of any organization. Together, accounting policies and procedures provide a roadmap for day-to-day operations. They ensure compliance with laws and regulations, give guidance for decision-making, and streamline internal processes. Documentation of those procedures in a single location will assist management and employees in fulfilling their respective job responsibilities and the financial reporting objectives of the Town.

Sincerely,

Colby & Powell, PLC



COLBY &
POWELL, PLC

CERTIFIED PUBLIC ACCOUNTANTS

1535 W. Harvard Avenue, Suite 101 · Gilbert, Arizona 85233

Tel: (480) 635-3200 · Fax: (480) 635-3201

March 28, 2024

Honorable Members of
the Youngtown Town Council

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the Town of Youngtown, Arizona, as of and for the year ended June 30, 2023. Professional standards require that we provide information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 12, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Youngtown, Arizona are described in Note 1 to the financial statements.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Difficulties Encountered in Performing the Audit

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

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are shown in attached management representation letter.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. To our knowledge, there were no such consultations with other accountants.

Uncorrected Misstatements

There were no uncorrected misstatements, other than those that we believe were trivial to the financial statements as a whole.

Other Audit Findings or Issues

Included in our audit report issued in accordance with *Government Auditing Standards* is the Schedule of Findings and Questioned Costs. Please consult the report issued as well as the schedule for further details.

We have also provided a letter to management for some areas of improvement that we noted during our audit. Please consult the letter provided to management entitled 'Other Items Communicated to Management' for further details.

This information is intended solely for the use of Town Council and management and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to provide our services to the Town of Youngtown, Arizona and please contact us if you have any questions or comments regarding this letter.

Colby J. Powell

Attachments



**Town of Youngtown
12030 Clubhouse Square
Youngtown, Arizona 85363**

March 28, 2024

Colby and Powell, PLC
1535 W. Harvard Ave., Ste. 101
Gilbert, AZ 85233

This representation letter is provided in connection with your audit of the financial statements of the Town of Youngtown, Arizona, which comprise the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information as of June 30, 2023, and the respective changes in financial position and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of March 28, 2024, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 12, 2023, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.

- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Town is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Town from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Town Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

- 13) We have no knowledge of any fraud or suspected fraud that affects the Town and involves-
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Town's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the names of the Town's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have a process to track the status of audit findings and recommendations.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 22) The Town has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 24) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 26) As part of your audit, you assisted with preparation of the financial statements and disclosures and schedule of expenditures of federal awards. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures and schedule of expenditures of federal awards.
- 27) The Town has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 28) The Town has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 30) The financial statements include all fiduciary activities required by GASBS No. 84 , as amended.
- 31) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended.
- 32) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 33) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 34) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 35) Provisions for uncollectible receivables have been properly identified and recorded.
- 36) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

- 37) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 38) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 39) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 40) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 41) We have appropriately disclosed the Town's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 42) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 43) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 44) With respect to federal award programs:
 - a) We are responsible for understanding and complying with and have compiled with, the requirements of Title 2 *US Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
 - b) We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing, designing, implementing, and maintaining, and have established, designed, implemented, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the OMB Compliance Supplement (including its Addendum), relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards.
- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective

actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.

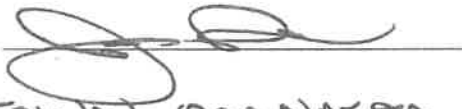
- x) We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations. [Omit this item if there are no service organizations.]

45) We are in agreement with the adjusting journal entries you have recommended, and they have been posted.

46) In regard to the GASB 68/75 adjustment services performed by you, we have-

- a) Assumed all management responsibilities.
- b) Designated Penny Malia, who has suitable skill, knowledge, or experience to oversee the services.
- c) Evaluated the adequacy and results of the services performed.
- d) Accepted responsibility for the results of the services.
- e) Ensured that the entity's data and records are complete and received sufficient information to oversee the services.

Signature:

A handwritten signature in black ink, appearing to be "Penny Malia", written over a horizontal line.

Title:

TOWN MANAGER

TOWN OF YOUNGTOWN, ARIZONA

Annual Expenditure Limitation Report
and Independent Accountants' Report
June 30, 2023

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1535 W. Harvard Avenue, Suite 101 · Gilbert, Arizona 85233

Tel: (480) 635-3200 · Fax: (480) 635-3201

INDEPENDENT ACCOUNTANT'S REPORT

The Auditor General of the State of Arizona and
The Honorable Mayor and Town Council
of the Town of Youngtown, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of the Town of Youngtown, Arizona for the year ended June 30, 2023, and the related notes to the report. The Town's management is responsible for presenting this report in accordance with the uniform expenditure reporting system as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the uniform expenditure reporting system in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the annual expenditure limitation report referred to above is presented in accordance with the uniform expenditure reporting system as described in Note 1 in all material respects.

Colby & Powell

March 28, 2024

TOWN OF YOUNGTOWN, ARIZONA
Annual Expenditure Limitation Report – Part I
Year Ended June 30, 2023

1. Economic Estimates Commission expenditure limitation	\$ 12,460,304
2. Amount subject to the expenditure limitation (total amount from Part II, Line C)	<u>5,200,855</u>
3. Amount under the expenditure limitation	<u><u>\$ 7,259,449</u></u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of Chief Fiscal Officer: _____

Name and Title: Jeanne Blackman, Town Manager

Telephone Number: (623) 933-8286 Date: March 28, 2024

See accompanying notes to report.

TOWN OF YOUNGTOWN, ARIZONA
Annual Expenditure Limitation Report – Part II
Year Ended June 30, 2023

Description	Governmental funds
A. Amounts reported on the reconciliation, line D	\$ 7,333,970
B. Less exclusions claimed:	
1. Debt proceeds	-
2. Debt service requirements	-
3. Dividends, interest, and gains on the sale or redemption of investment securities	-
4. Trustee or custodian	-
5. Grants and aid from the federal government	1,645,385
6. Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	-
7. Amounts received from the State of Arizona	-
8. Quasi-external interfund transactions	-
9. Voter-approved amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	-
10. Highway user revenues in excess of those received in fiscal year 1979-80	487,730
11. Contracts with other political subdivisions	-
12. Refunds, reimbursements, and other recoveries	-
13. Voter-approved exclusions not identified above (attach resolution)	-
14. Prior years carryforward	-
15. Qualifying capital improvement expenditures repaid in accordance with A.R.S. §41-1279.07	-
16. Total exclusions claimed	2,133,115
C. Amounts subject to the expenditure limitation	\$ 5,200,855

See accompanying notes to report.

TOWN OF YOUNGTOWN, ARIZONA
Annual Expenditure Limitation Report – Reconciliation
Year Ended June 30, 2023

Description	Governmental funds
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial	\$ 7,543,149
B. Subtractions:	
1. Items not requiring use of current financial resources:	
a. Depreciation	-
b. Loss on disposal of capital assets	-
c. Bad debt expense	-
d. Pension and other postemployment benefits (OPEB) expense	-
e. Claims incurred but not reported (IBNR)	-
f. Landfill closure and postclosure care costs	-
2. Expenditures of separate legal entities established under Arizona Revised Statutes	191,134
3. Required fees paid to the Industrial Commission of Arizona	18,045
4. Present value of net minimum lease, financed purchase, and subscription-based information technology arrangement (SBITA) contract payments recorded as expenditures at the agreements' inception	-
5. Involuntary court judgments	-
6. Total subtractions	209,179
C. Additions:	
1. Principal payments on long-term debt	-
2. Capital asset acquisitions	-
3. Amounts paid in the current year but reported as expenses in previous years:	
a. Claims previously recognized as IBNR	-
b. Landfill closure and postclosure care costs	-
4. Pension and OPEB contributions paid in the current year	-
5. Transfers to separate legal entities	-
6. Total additions	-
D. Amounts reported on part II, line A	\$ 7,333,970

See accompanying notes to report.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual expenditure limitation report (AELR) is presented as prescribed by the *Uniform Expenditure Reporting System (UERS)*, as required by Arizona Revised Statutes §41-1279.07. The AELR excludes expenditures, expenses, or deductions of certain revenues specified in the Arizona Constitution, Article IX, §20 from the total expenditures, expenses, or deductions reported in the fund financial statements.

In accordance with the UERS, a note to the AELR is presented below for any exclusion claimed on part II and each subtraction or addition in the reconciliation that cannot be traced directly to an amount reported in the fund financial statements. All references to financial statement amounts in the following notes refer to the statement of revenues, expenditures, and changes in fund balances for the governmental funds.

NOTE 2 – EXPENDITURES OF INTERGOVERNMENTAL REVENUES

The following schedule presents revenues from which exclusions have been claimed for federal grants and aid and highway user revenues in the Governmental Funds:

Grants and aid from the federal government	\$	1,645,385
Highway user revenues in excess of those received in fiscal year 1979-80		487,730
Other revenues (non-excludable)		2,772,113
 Total intergovernmental revenues as reported in the in the fund financial statements	 \$	4,905,228

NOTE 3 – EXPENDITURES OF SEPARATE LEGAL ENTITIES

The subtraction of \$191,134 for separate legal entities established under Arizona Revised Statutes consists of expenditures of a special assessment district included within the Town's reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the governmental funds category in the basic financial statements.

Principal	\$	155,000
Interest on long-term debt		35,640
Debt fees		494
 Total	 \$	191,134

TOWN OF YOUNGTOWN, ARIZONA
Notes to Annual Expenditure Limitation Report
Year Ended June 30, 2023

NOTE 4 – EXCLUSION AND CARRYFORWARD OF DIVIDENDS, INTEREST AND GAINS

The Town did not exclude any amounts for dividends, interest, and gains on the sale or redemption of investment securities in the current fiscal year. Remaining unspent, excludable revenues of \$291,989 have been carried forward to future years.

TOWN OF YOUNGTOWN, ARIZONA

Annual Financial Statements
and Independent Auditors' Report
June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Youngtown, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Youngtown, Arizona as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Youngtown, Arizona's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Youngtown, Arizona, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedule of the Town's Proportionate Share of the Net Pension/OPEB Liability – Cost-Sharing Pension Plans, Schedule of Changes in the Town's Net Pension/OPEB Liability and Related Ratios – Agent Pension Plans, and the Schedule of Town Pension/OPEB Contributions as noted in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Youngtown, Arizona's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024, on our consideration of the Town of Youngtown, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the

TOWN OF YOUNGTOWN, ARIZONA
Management's Discussion and Analysis
June 30, 2023

We (the Town of Youngtown, Arizona (Town)) are pleased to provide an overview of our financial activities for the fiscal year ended June 30, 2023. The intended purpose of Management's Discussion and Analysis (MD&A) is to provide an introduction to the basic financial statements and notes, that provides an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions, by providing an easily readable summary of operating results and reasons for changes, which will help to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities, the sources, uses, and changes in resources, adherence to budget, service levels, limitations, significant economic factors, and the status of infrastructure.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town of Youngtown, Arizona at June 30, 2023 exceed liabilities and deferred inflows of resources by \$22,752,368 (net position). Of this amount, \$10,438,875 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.
- As of the close of the current fiscal year, the Town of Youngtown, Arizona's governmental funds reported combined ending fund balances of \$12,897,854, an increase of \$1,442,557 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,482,157 or 254% of total General Fund expenditures.
- General Fund actual revenues were more than budgeted revenues by \$53,243 for the fiscal year. In addition, budgetary basis expenditures were only 58% (42% in savings) of the final budget in the General Fund.
- General Fund revenues exceeded expenditures by \$1,809,548 representing a positive variance from the final budget.
- The Town includes a separate legal entity in its report - a Community Facilities District. Although legally separate, this "component unit" is important because the Town is financially accountable for this entity. A description of this component unit is available in Note 1 on page 22. Separate financial statements are not available for this entity.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the Annual Financial Report (AFR) for the Town of Youngtown, Arizona consists of this discussion and analysis, the basic financial statements and the required supplementary schedules presented after the basic financial statements. The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town of Youngtown, Arizona finances in a manner like the private sector business.

TOWN OF YOUNGTOWN, ARIZONA
Management's Discussion and Analysis
June 30, 2023

Notes to Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements may be found on pages 22-49 of this report.

Required Supplementary Information other than MD&A

Governments have an option of including the budgetary comparison statements for the General Fund and major Special Revenue Funds as either part of the fund financial statements within the basic financial statements or as required supplementary information (RSI) after the footnotes. The Town has chosen to present these budgetary statements as part of RSI on pages 52-55. Additionally, governments are required to disclose certain information about employee pension plans. The Town has disclosed this information on pages 56-63.

TOWN OF YOUNGTOWN, ARIZONA
Management's Discussion and Analysis
June 30, 2023

Net position consists of three components. The largest portion of the Town of Youngtown, Arizona's net position (51%) reflects its net investment in capital assets (e.g., land, infrastructure, buildings and improvements, furniture, equipment and vehicles, less any related debt used to acquire those assets that is still outstanding). The Town of Youngtown, Arizona uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the Town of Youngtown, Arizona's net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

TOWN OF YOUNGTOWN, ARIZONA
Management's Discussion and Analysis
June 30, 2023

Operating grants and contributions increased by \$33,367. This increase was mainly due to an increase in Highway User Revenue Funds (HURF) from the prior year.

Capital grants and contributions increased by \$500,000. This increase is a result of the Town receiving Community Development Block Grant funding from the County for sidewalks.

Local taxes increased by \$277,554 due to increased sales tax revenue.

The Town's expenses increased by \$895,732, or 16%, mainly due to increase in patrol services from the Coronavirus State and Local Fiscal Recovery funding.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of resources that are available for spending. Such information is useful in assessing the Town's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the Town include the General Fund, Special Revenue Funds, and Debt Service Fund.

As of the end of the current fiscal year the Town's governmental funds reported combined ending fund balances of \$12,897,854, an increase of \$1,442,557 in comparison with the prior year. Approximately 89% of this total amount (\$11,482,157) constitutes General Fund unassigned fund balance, which is available for spending on the Town's general operations costs. At fiscal year-end June 30, 2023, fund balances were as follows:

Table A-3
Fund Balances

Fund	Balance	Increase (Decrease) From 2021-22
General Fund	\$ 11,638,949	\$ 1,809,548
HURF Fund	613,960	(404,721)
Grants Fund	12,984	-
CFD Debt Service Fund	502,170	30,647
Nonmajor Funds	129,791	7,083

The General Fund is the chief operating fund of the Town of Youngtown, Arizona. As a measure of the General Fund's liquidity, it may be useful to compare both General Fund's fund balance and total Town fund balance to total General Fund expenditures and total town expenditures. General Fund's fund balance represents 254% of total General Fund expenditures, while total Town fund balance represents 171% of total Town governmental expenditures.

TOWN OF YOUNGTOWN, ARIZONA
Management's Discussion and Analysis
June 30, 2023

Major capital asset events during the current fiscal year included the following:

- Street resurfacing
- Sidewalk Improvements
- Park Improvements

The following table provides a breakdown of the capital assets of the Town at June 30, 2023 and 2022.

Table A-4
Capital Assets

	Governmental Activities	
	2023	2022
Governmental activities		
Capital assets not being depreciated		
Land	\$ 1,722,239	\$ 1,722,239
Capital assets being depreciated		
Buildings and improvements	3,343,232	3,334,053
Infrastructure	18,588,801	17,107,708
Furniture, equipment, and vehicles	1,037,753	1,103,828
Total	22,969,786	21,545,589
Less accumulated depreciation for		
Buildings and improvements	(2,309,684)	(2,219,787)
Infrastructure	(8,874,987)	(8,520,965)
Furniture, equipment, and vehicles	(657,534)	(652,584)
Total	(11,842,205)	(11,393,336)
Total capital assets being depreciated	11,127,581	10,152,253
Governmental activities capital assets, net	\$ 12,849,820	\$ 11,874,492

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TOWN OF YOUNGTOWN, ARIZONA
Statement of Activities
Year Ended June 30, 2023

Functions / Programs	Program Revenue			Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions		
Primary government					
Governmental activities					
General government	\$ 2,102,705	\$ 330,303	\$ 2,211	\$ -	\$ (1,770,191)
Public safety	2,959,475	31,246	1,163,768	-	(1,764,461)
Highways and streets	813,565	-	545,296	500,000	231,731
Culture and recreation	428,070	2,500	-	-	(425,570)
Interest on long-term debt	37,584	-	-	-	(37,584)
Total governmental activities	6,341,399	364,049	1,711,275	500,000	(3,766,075)
Total primary government	\$ 6,341,399	\$ 364,049	\$ 1,711,275	\$ 500,000	(3,766,075)

General revenue

Taxes:	
Local sales taxes	2,818,750
Property taxes	363,205
Franchise taxes	220,331
Shared revenue-Urban revenue	1,330,187
Shared revenue-State sales tax	1,036,520
Shared revenue-Vehicle license tax	347,838
Investment earnings	291,989
Gain on disposition of capital assets	1,619
Miscellaneous	1,561
Total general revenue	6,412,000
Change in net position	2,645,925
Net position, beginning of year	20,106,443
Net position, end of year	\$ 22,752,368

See accompanying notes to financial statements.

TOWN OF YOUNGTOWN, ARIZONA
Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2023

Fund balances-total governmental funds		\$ 12,897,854
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		12,849,820
Some receivables are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.		4,409
Net pension/OPEB assets held in trust for future benefits are not available for Town operations and, therefore, are not reported in the funds.		59,569
Liabilities, such as net pension/OPEB liabilities and notes payable, are not due and payable in the current period and, therefore, are not reported as a liability in the funds.		
Bonds payable	(1,195,000)	
Compensated absences	(58,992)	
Net pension and other postemployment benefits liability	<u>(2,018,680)</u>	
		(3,272,672)
Deferred outflows and inflows of resources related to pensions/OPEB and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.		<u>213,388</u>
Net position of governmental activities		<u><u>\$ 22,752,368</u></u>

See accompanying notes to financial statements.

TOWN OF YOUNGTOWN, ARIZONA
Governmental Funds
Reconciliation of the Statement of Revenue, Expenditures,
and Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2023

Net change in fund balances-total governmental funds		\$ 1,442,557
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.		
Capital outlay	1,660,654	
Depreciation/amortization expense	<u>(685,326)</u>	975,328
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes		1,618
Town pension/OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the statement of net position because the reported net pension/OPEB liability is measured a year before the Town's report date. Pension/OPEB expense, which is the change in the net pension/OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
Town pension/OPEB contributions	200,163	
Pension/OPEB expense	<u>(146,861)</u>	53,302
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Debt principal repaid	155,000	
Amortization of deferred charge/credit on bond refunding	<u>(1,944)</u>	153,056
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the Statement of Activities, however, which is presented on the accrual basis of accounting, expenses are reported regardless of when the financial resources are available.		
Decrease in compensated absences payable		<u>20,064</u>
Change in net position of governmental activities		\$ <u>2,645,925</u>

See accompanying notes to financial statements.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Town does not allocate indirect expenses to programs or functions. Program revenues include:

- Charges to customers or applicants for goods, services, or privileges provided.
- Operating grants and contributions.
- Capital grants and contributions, including special assessments.

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes the Town levies or imposes, are reported as general revenues.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double-counting of internal activities. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements—provide information about the Town's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

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

The ***HURF Fund*** accounts for specific revenue received from the State of Arizona Highway User Revenue Fund which is legally restricted to expenditures for authorized street and highway purposes.

The ***Grants Fund*** accounts for specific revenues received from state and federal granting agencies restricted for grant specific purposes.

The ***Community Facilities District (CFD) Debt Service Fund*** accounts for all the debt activity associated with the Agua Fria Ranch CFD.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

F. Property Tax Calendar

Property taxes are recognized as revenue in the fiscal year they are levied and collected or if they are collected within 60 days subsequent to fiscal year-end. Property taxes not collected within 60 days subsequent to fiscal year-end or collected in advance of the fiscal year for which they are levied are reported as unavailable revenue.

The Town levies real property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

G. Budgets

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year end. The Town is subject to the State of Arizona’s Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The Town complied with this law during the year.

Expenditures may not legally exceed budgeted appropriations at the department level. The individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual reports as listed in the table of contents present all departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2023, if any.

H. Capital Assets

Capital assets are reported at actual cost (or estimated historical cost if historical records are not available). Donated assets are reported at acquisition value.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	\$ 5,000	N/A	N/A
Construction in progress	5,000	N/A	N/A
Buildings and improvements	5,000	Straight-line	15-40
Infrastructure	5,000	Straight-line	40
Furniture, equipment, and vehicles	5,000	Straight-line	5-10

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

K. Compensated Absences

Employees may accumulate vacation in varying amounts depending on years of service. Any hours accrued over 160 may be forfeited at the end of each fiscal year unless approved by the Town Manager. Employees are compensated upon departure for every sick time hour at a rate of \$1.50 per hour up to 720 hours. Upon termination of employment, all unused vacation benefits and eligible sick time are paid to employees. Accordingly, vacation and sick pay benefits are accrued as a liability in the financial statements.

L. Deferred Outflows/Inflows of Resources

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

NOTE 2 – DEPOSITS AND INVESTMENTS

Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer's investment pool; obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities; specified state and local government bonds, notes, and other evidences of indebtedness; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; specified commercial paper issued by corporations organized and doing business in the United States; specified bonds, debentures, notes, and other evidences of indebtedness that are denominated in United States dollars; and certain open-end and closed-end mutual funds, including exchange traded funds. In addition, the Town Treasurer may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

Credit risk - The Town's investment policy allows for investments in obligations guaranteed by the full faith and credit of the United States of America, government sponsored enterprises, government bonds with minimum credit ratings of Aa or AA, commercial paper with a minimum short-term rating of P1 or A1, negotiable certificates of deposit, corporate bonds carrying a minimum credit rating of A, and the Local Government Investment Pool.

Custodial credit risk - Statutes require collateral for deposits at 102 percent of all deposits federal depository insurance does not cover.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 3 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2023 consisted of the following:

	General Fund	HURF Fund	Grants Fund
State of Arizona			
Local sales tax	\$ 314,247	\$ -	\$ -
State sales tax	40,752	-	-
Auto lieu tax revenues	15,256	-	-
Highway user revenues	-	54,031	-
Maricopa County			
CDBG grant revenues	-	-	193,500
	<u>\$ 370,255</u>	<u>\$ 54,031</u>	<u>\$ 193,500</u>

NOTE 4 – NOTES RECEIVABLE

The Town has a \$15,171 note receivable outstanding with the Englewood Development Company, Inc. which will be collected over a period of 12 years. The Town will receive \$1,302 a month including principal and interest calculated at 5.5%.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Increases	Decreases	Transfers	Balance June 30, 2023
Governmental activities					
Capital assets not being depreciated:					
Land	\$ 1,722,239	\$ -	\$ -	\$ -	\$ 1,722,239
Capital assets being depreciated					
Buildings and improvements	3,334,053	-	-	9,179	3,343,232
Infrastructure	17,107,708	1,660,654	(179,561)	-	18,588,801
Furniture, equipment, and vehicles	1,103,828	-	(56,896)	(9,179)	1,037,753
Total	<u>21,545,589</u>	<u>1,660,654</u>	<u>(236,457)</u>	<u>-</u>	<u>22,969,786</u>
Less accumulated depreciation for					
Buildings and improvements	(2,219,787)	(89,897)	-	-	(2,309,684)
Infrastructure	(8,520,965)	(533,583)	179,561	-	(8,874,987)
Furniture, equipment, and vehicles	(652,584)	(61,846)	56,896	-	(657,534)
Total	<u>(11,393,336)</u>	<u>(685,326)</u>	<u>236,457</u>	<u>-</u>	<u>(11,842,205)</u>
Total capital assets being depreciated, net	<u>10,152,253</u>	<u>975,328</u>	<u>-</u>	<u>-</u>	<u>11,127,581</u>
Governmental activities capital assets, net	<u>\$ 11,874,492</u>	<u>\$ 975,328</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,849,820</u>

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 6 – LONG-TERM LIABILITIES – Continued

construction of improvements. These ratios are verified by an appraisal paid for by the District and administered by the Town. In addition, cumulative debt of all CFDs cannot exceed 5% of the Town’s secondary assessed valuation.

General Obligation Refunding Bonds - Direct Placement. The Agua Fria Ranch CFD Refunding Bonds were issued to refund the 2005 General Obligation Bonds for savings purposes and are backed by ad valorem property taxes levied on all taxable property within the Community Facilities District. Principal and interest payments are due annually and semiannually, respectively.

Property taxes have been pledged for the payment of these Direct Placement notes. The ad valorem tax to be levied for the payment of the Refunding Bonds will be unlimited as to rate, except that the total aggregate of taxes levied to pay principal and interest on the Refunding Bonds in the aggregate will not exceed the total aggregate of principal and interest due on the 2005 General Obligation Bonds from the date of issuance of the Refunding Bonds to the final date of maturity of the 2005 General Obligation Bonds. State law requires the CFD Board annually levy, and cause to be collected, an ad valorem property tax, on all taxable property in the CFD, sufficient to pay debt service. Such taxes will be limited by statutory provisions to an amount which shall not exceed the total aggregate principal and interest requirements coming due.

Debt service requirements on long-term debt at June 30, 2023, are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2024	\$ 155,000	\$ 31,548
2025	160,000	27,324
2026	160,000	23,100
2027	165,000	18,744
2028	170,000	14,256
2029-31	540,000	14,520
Total	\$ 1,350,000	\$ 129,492

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

At June 30, 2023, the Town reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities
Net pension/OPEB assets	\$ 59,569
Net pension/OPEB liabilities	2,018,680
Deferred outflows of resources related to pension and OPEB	276,813
Deferred inflows of resources related to pension and OPEB	78,973
Pension and OPEB expense	146,861

The Town reported \$200,163 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

Contributions – In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2023, statute required active ASRS members to contribute at the actuarially determined rate of 12.17 percent (12.03 percent for retirement and 0.14 percent for long-term disability) of the members’ annual covered payroll, and statute required the Town to contribute at the actuarially determined rate of 12.17 percent (11.92 percent for retirement, 0.11 percent for health insurance premium benefit, and 0.14 percent for long-term disability) of the active members’ annual covered payroll. In addition, the Town was required by statute to contribute at the actuarially determined rate of 9.68 percent (9.62 percent for retirement and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked for the Town in positions that an employee who contributes to the ASRS would typically fill. The Town’s contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2023, were \$104,171, \$955, and \$1,220, respectively.

During fiscal year 2023, the Town paid for ASRS pension and OPEB contributions as follows: 91.4 percent from the General Fund and 8.6 percent from the Highways and Streets Fund.

Liability - At June 30, 2023, the Town reported the following asset and liabilities for its proportionate share of the ASRS’ net pension/OPEB asset or liability.

	Net Pension/OPEB
	(Asset) Liability
Pension	\$ 1,122,969
Health insurance premium benefit	(39,346)
Long-term disability	641

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Deferred Outflows/Inflows of Resources—At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,568	\$ -	\$ -	\$ 20,080
Changes of assumptions or other inputs	55,735	-	639	1,073
Net difference between projected and actual earnings on pension plan investments	-	29,580	-	1,325
Changes in proportion and differences between Town contributions and proportionate share of contributions	6,960	24,099	181	83
Town contributions subsequent to the measurement date	104,171	-	955	-
Total	\$ 176,434	\$ 53,679	\$ 1,775	\$ 22,561
	Long-Term Disability			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 334	\$ 597		
Changes of assumptions or other inputs	349	1,564		
Net difference between projected and actual earnings on pension plan investments	-	20		
Changes in proportion and differences between Town contributions and proportionate share of contributions	149	552		
Town contributions subsequent to the measurement date	1,220	-		
Total	\$ 2,052	\$ 2,733		

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

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

Asset Class	Target Allocation	Long-term Expected Geometric Real Rate of Return
Equity	50%	3.90%
Fixed income - credit	20%	5.30%
Fixed income - interest rate sensitive	10%	-0.20%
Real estate	20%	6.00%
Total	100%	

Discount Rate – At June 30, 2022, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Initial Membership Date:	
	Before January 1, 2012	On or after January 1, 2012 and before July 1, 2017
Retirement and Disability		
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years
Benefit percentage		
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited services over 20 years, not to exceed 80%	1.5% to 2.5% per year of credited service, not to exceed 80%
Accidental Disability Retirement	50% or normal retirement, whichever is greater	
Catastrophic Disability Retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary Disability Retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	
Survivor Benefit		
Retired Members	80% to 100% of retired member's pension benefit	
Active Members	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was result of injuries received on the job	

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

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The Town’s contributions to the plans for the year ended June 30, 2023, were:

	Pension	Health Insurance Premium Benefit
PSPRS Police	\$ 93,817	\$ -

During fiscal year 2023, the Town paid for 100 percent of PSPRS-Police pension and OPEB contributions from the General Fund.

Liability – At June 30, 2023, the Town reported the following assets and liabilities:

	Net Pension (Asset) Liability	Net OPEB (Asset) Liability
PSPRS Police	\$ 895,070	\$ (20,223)

The net assets and net liabilities were measured as of June 30, 2022, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date. The total liabilities as of June 30, 2022, reflect changes of actuarial assumptions, including decreasing the investment rate of return from 7.3 percent to 7.2 percent, changing the wage inflation from 3.5 percent to a range of 3.0 – 6.25 percent, and increasing the cost-of-living adjustment from 1.75 percent to 1.85 percent.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Discount Rates – At June 30, 2022, the discount rate used to measure the PSPRS and CORP total pension/OPEB liabilities was 7.2 percent, which was a decrease of 0.1 from the discount rate used as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

Changes in the Net Pension/OPEB Liability (Asset)

PSPRS-Police

	Pension Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2022	\$ 1,397,182	\$ 560,099	\$ 837,083
Changes for the year			
Interest on the total liability	97,854	-	97,854
Differences between expected and actual experience in the measurement of the liability	13,624	-	13,624
Changes of assumptions or other inputs	15,295	-	15,295
Contributions-employee	-	92,947	(92,947)
Net investment income	-	(23,732)	23,732
Benefit payments, including refunds of employee contributions	(113,444)	(113,444)	-
Administrative expense	-	(429)	429
Net changes	13,329	(44,658)	57,987
Balances at June 30, 2023	\$ 1,410,511	\$ 515,441	\$ 895,070

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Sensitivity of the Town’s Net Pension/OPEB Liability to Changes in the Discount Rate –
The following table presents the Town’s net pension/OPEB (assets) liabilities calculated using the discount rate of 7.2 percent, as well as what the Town’s net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2 percent) or 1 percentage point higher (8.2 percent) than the current rate:

	<u>1% Decrease (6.2%)</u>	<u>Current Discount Rate (7.2%)</u>	<u>1% Increase (8.2%)</u>
PSPRS Police			
Net pension (asset) liability	\$ 1,024,272	\$ 895,070	\$ 783,520
Net OPEB (asset) liability	(17,434)	(20,223)	(22,662)

Plan Fiduciary Net Position – Detailed information about the plans’ fiduciary net position is available in the separately issued PSPRS financial reports.

TOWN OF YOUNGTOWN, ARIZONA
Notes to Financial Statements
June 30, 2023

NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from Town contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ended June 30,	PSPRS Police	
	Pension	Health
2024	\$ (1,067)	\$ 150
2025	(2,207)	(45)
2026	(7,538)	(648)
2027	12,771	1,319
2028	-	-
Thereafter	-	-

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF YOUNGTOWN, ARIZONA
Required Supplementary Information
Budgetary Comparison Schedule
HURF Fund
Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 577,530	\$ 577,530	\$ 545,296	\$ (32,234)
Investment earnings	3,600	3,600	140,045	136,445
Total revenues	<u>581,130</u>	<u>581,130</u>	<u>685,341</u>	<u>104,211</u>
Expenditures				
Highways and streets	1,398,161	1,398,161	1,090,062	308,099
Net change in fund balance	(817,031)	(817,031)	(404,721)	412,310
Fund balances, beginning of year	<u>1,018,681</u>	<u>1,018,681</u>	<u>1,018,681</u>	<u>-</u>
Fund balances, end of year	<u>\$ 201,650</u>	<u>\$ 201,650</u>	<u>\$ 613,960</u>	<u>\$ 412,310</u>

See accompanying notes to budgetary comparison schedules.

TOWN OF YOUNGTOWN, ARIZONA
Required Supplementary Information
Budgetary Comparison Schedule
Grants Fund
Year Ended June 30, 2023

NOTE 1 – BUDGETING AND BUDGETARY CONTROL

A.R.S. requires the Town to prepare and adopt a balanced budget annually for each governmental fund. The Town Council must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Town Council's approval. With the exception of the General Fund, each fund includes only one department.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

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

NOTE 3 – EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the year ended June 30, 2023, expenditures exceeded final budget amounts at the department level (the legal level of budgetary control) in the Agua Fria Ranch department in the General Fund.

TOWN OF YOUNGTOWN, ARIZONA
Required Supplementary Information
Schedule of the Town's Proportionate
Share of the Net Pension/OPEB Liability
Cost-Sharing Plans
June 30, 2023

ASRS-Long-Term Disability

	Reporting Fiscal Year (Measurement Date)						2017 through 2014
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
Town's proportion of the net OPEB (asset)	0.006940%	0.006900%	0.007410%	0.008180%	0.008600%	0.007770%	Information
Town's proportionate share of the net OPEB (asset)	\$ 641	\$ 1,424	\$ 5,621	\$ 5,329	\$ 4,494	\$ 2,816	not available
Town's covered payroll	\$ 818,818	\$ 765,159	\$ 788,218	\$ 859,739	\$ 974,969	\$ 839,061	
Town's proportionate share of the net OPEB (asset) as a percentage of its covered-employee payroll	0.08%	0.19%	0.71%	0.62%	0.46%	0.34%	
Plan fiduciary net position as a percentage of the total OPEB liability	95.40%	90.38%	68.01%	72.85%	77.83%	84.44%	

See accompanying notes to pension plan schedules.

TOWN OF YOUNGTOWN, ARIZONA
Required Supplementary Information
Schedule of Changes in the Town's
Net Pension/OPEB Liability (Asset) and Related Ratios
Agent Plans
June 30, 2023

PSPRS OPEB - Police

	Reporting Fiscal Year (Measurement Date)						
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
Total OPEB liability							
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Information not available
Interest on the total OPEB liability	2,468	2,577	1,919	2,093	2,973	3,035	
Changes of benefit terms	-	-	-	-	-	-	
Differences between expected and actual experience in the measurement of the OPEB liability	(592)	(1,455)	10,314	(2,064)	(12,727)	(2,586)	
Changes of assumptions or other inputs	212	-	-	453	-	1,224	
Benefit payments	(2,592)	(2,636)	(3,096)	(2,580)	(1,686)	(2,230)	
Net change in total OPEB liability	(504)	(1,514)	9,137	(2,098)	(11,440)	(557)	
Total OPEB liability - beginning	35,104	36,618	27,481	29,579	41,019	41,576	
Total OPEB liability - ending (a)	<u>\$ 34,600</u>	<u>\$ 35,104</u>	<u>\$ 36,618</u>	<u>\$ 27,481</u>	<u>\$ 29,579</u>	<u>\$ 41,019</u>	
Plan fiduciary net position							
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Contributions - employee	-	-	-	-	-	-	
Net investment income	\$ (2,329)	\$ 13,325	\$ 639	\$ 2,741	\$ 3,432	\$ 5,396	
Benefit payments	(2,592)	(2,636)	(3,096)	(2,580)	(1,686)	(2,230)	
Administrative expense	(41)	(55)	(52)	(47)	(52)	(48)	
Other changes	-	-	-	-	-	-	
Net change in plan fiduciary net position	(4,962)	10,634	(2,509)	114	1,694	3,118	
Plan fiduciary net position - beginning	59,785	49,151	51,660	51,546	49,852	46,734	
Plan fiduciary net position - ending (b)	<u>\$ 54,823</u>	<u>\$ 59,785</u>	<u>\$ 49,151</u>	<u>\$ 51,660</u>	<u>\$ 51,546</u>	<u>\$ 49,852</u>	
Town's net OPEB (asset) liability - ending (a) - (b)	<u>\$ (20,223)</u>	<u>\$ (24,681)</u>	<u>\$ (12,533)</u>	<u>\$ (24,179)</u>	<u>\$ (21,967)</u>	<u>\$ (8,833)</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	158.45%	170.31%	134.23%	187.98%	174.27%	121.53%	
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Town's net OPEB (asset) liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	

See accompanying notes to pension plan schedules.

TOWN OF YOUNGTOWN, ARIZONA
Required Supplementary Information
Schedule of Town Pension/OPEB Contributions
June 30, 2023

PSPRS - Police

	Reporting Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 93,817	\$ 92,947	\$ 82,906	\$ 125,098	\$ -	\$ 51,475	\$ 76,064	\$ 70,420	\$ 35,339	\$ 29,173
Town's contributions in relation to the actuarially determined contribution	(93,817)	(92,947)	(82,906)	(125,098)	-	(51,475)	(76,064)	(70,420)	(35,339)	(29,173)
Town's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 56,641	\$ 55,994
Town's contributions as a percentage of covered payroll									62.39%	52.10%

PSPRS OPEB - Police

	Reporting Fiscal Year						2016 through 2014
	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-
Town's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Town's contributions as a percentage of covered payroll							Information not available

See accompanying notes to pension plan schedules.

TOWN OF YOUNGTOWN, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB plan schedules
June 30, 2023

NOTE 2 – FACTORS THAT AFFECT TRENDS - Continued

These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2019 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes increased the PSPRS-required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date.

These changes will increase the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the Town refunded excess employee contributions to PSPRS members. PSPRS allowed the Town to reduce its actual employer contributions for the refund amounts. As a result, the Town's pension contributions were less than the actuarially or statutorily determined contributions for 2018 and 2019.

REPORTS AND SCHEDULES REQUIRED BY
GOVERNMENTAL AUDITING STANDARDS AND
UNIFORM GUIDANCE



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL
CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Town Council
Town of Youngtown, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Youngtown, Arizona, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Youngtown, Arizona's, basic financial statements, and have issued our report thereon dated March 28, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Youngtown, Arizona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Youngtown, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness the Town of Youngtown, Arizona's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the City Council
Town of Youngtown, Arizona

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Town of Youngtown, Arizona's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of Town of Youngtown, Arizona's major federal programs for the year ended June 30, 2023. Town of Youngtown, Arizona's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Town of Youngtown, Arizona complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Town of Youngtown, Arizona and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Town of Youngtown, Arizona's compliance with the compliance requirements referred to above.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



March 28, 2024

TOWN OF YOUNGTOWN, ARIZONA
Notes to Schedule of Expenditures of Federal Awards
June 30, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Town of Youngtown, Arizona under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Youngtown, Arizona, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Youngtown, Arizona.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual/accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Town of Youngtown, Arizona has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

TOWN OF YOUNGTOWN, ARIZONA
Schedule of Findings and Questioned Costs - Continued
June 30, 2023

Section II – *Financial Statement Findings*

None

Section III – *Federal Award Findings and Questioned Costs*

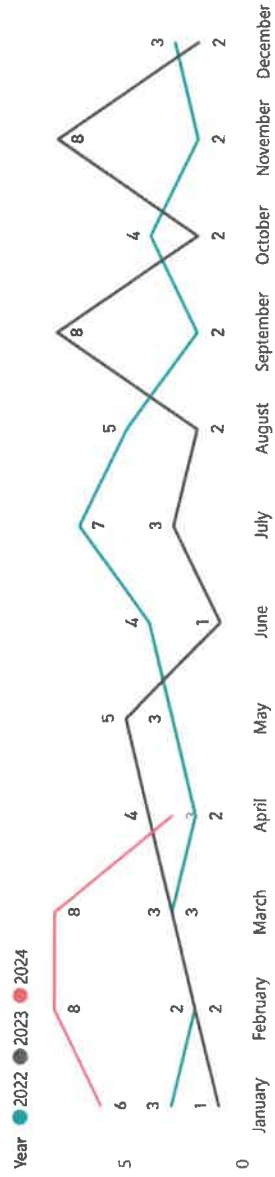
None

**SUN CITY FIRE DISTRICT
YOUNGTOWN MONTHLY REPORT
APRIL, 2024**

INCIDENT RESPONSE SUMMARY				
Incident Type	APR 2024	YTD	APR 2023	YTD
FIRE	0	2	1	10
RESCUE & EMS INCIDENT	124	504	141	481
HAZARDOUS CONDITION (NO FIRE)	1	4	2	5
SERVICE CALL	1	7	0	2
GOOD INTENT CALL	4	19	0	6
FALSE ALARM & FALSE CALL	9	22	2	20
INCIDENT TOTAL	139	558	146	524

PREVENTION INSPECTION SUMMARY				
Property Use	Number of Initial	Number of Reinspects	Total Inspections	Total Violations
ASSEMBLY	2	0	2	0
EDUCATIONAL	0	0	0	0
HEALTH CARE	0	1	1	0
RESIDENTIAL	0	0	0	0
MERCANTILE & BUSINESS	16	0	16	4
STORAGE	0	0	0	0
SPECIAL PROPERTY & OTHER	4	0	4	0
TOTAL INSPECTIONS	22	1	23	4

Youngtown 509's Stolen Vehicles



ESZCity

	January	February	March	April	Total
Youngtown	6	8	8	3	25
Total	6	8	8	3	25

ESZCity

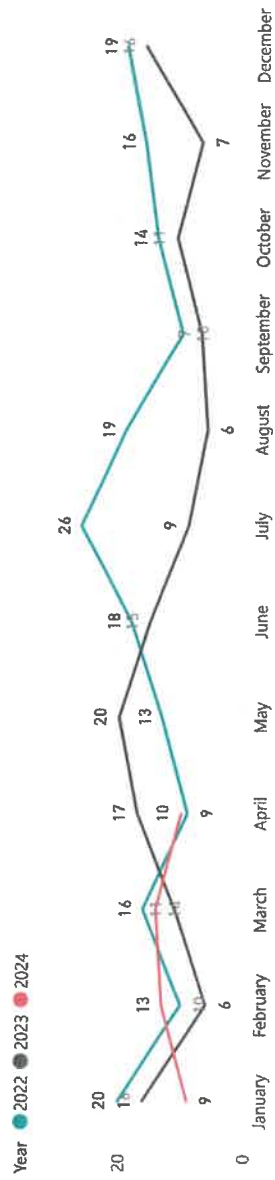
	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	1	2	3	4	5	1	3	2	8	2	8	2	41
Total	1	2	3	4	5	1	3	2	8	2	8	2	41

ESZCity

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	3	2	3	2	3	4	7	5	2	4	2	3	40
Total	3	2	3	2	3	4	7	5	2	4	2	3	40

Data Note: Radio Codes Represented on This Page: 509's

Youngtown 459's Burglaries



ESZCity	January	February	March	April	Total
Youngtown	9	13	14	10	46
Total	9	13	14	10	46

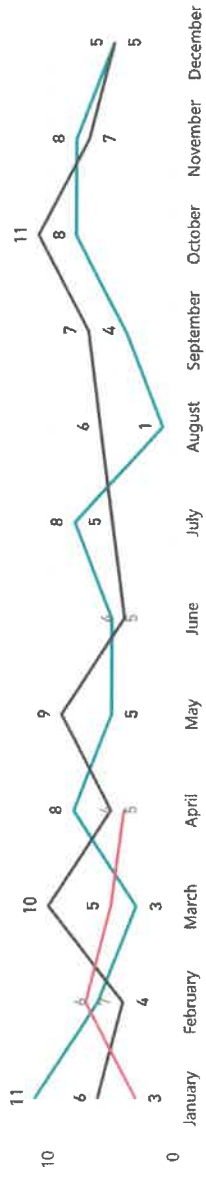
100%

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	16	6	11	17	20	15	9	6	7	11	7	16	141
Total	16	6	11	17	20	15	9	6	7	11	7	16	141

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	20	10	16	9	13	18	26	19	10	14	16	19	190
Total	20	10	16	9	13	18	26	19	10	14	16	19	190

Youngtown 487's Theft

Year ● 2022 ● 2023 ● 2024



PKS

ESZCity	January	February	March	April	Total
Youngtown	3	7	5	4	19
Total	3	7	5	4	19

PKS

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	6	4	10	5	9	4	5	6	7	11	7	5	79
Total	6	4	10	5	9	4	5	6	7	11	7	5	79

PKS

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	11	6	3	8	5	5	8	1	4	8	8	5	72
Total	11	6	3	8	5	5	8	1	4	8	8	5	72

Youngtown 211's Armed Robbery

Year ● 2022 ● 2023 ● 2024
2



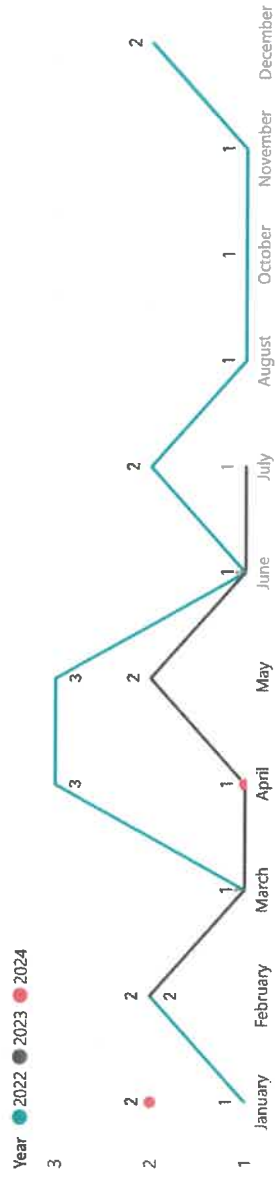
0 April January December

ESZCity	January	Total
Youngtown	1	1
Total	1	1

ESZCity	January	Total
Youngtown	1	1
Total	1	1

ESZCity	April	December	Total
Youngtown	1	1	2
Total	1	1	2

Youngtown 245's Assaults



ESZCity

ESZCity	January	April	Total
Youngtown	2	1	3
Total	2	1	3

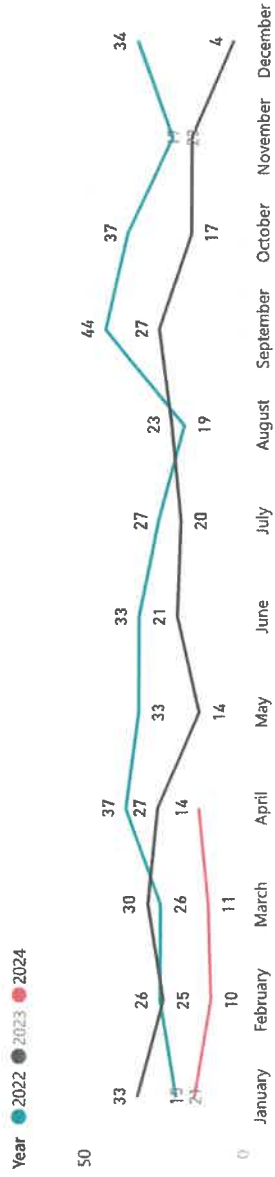
ESZCity

ESZCity	February	March	April	May	June	July	Total
Youngtown	2	1	1	2	1	1	8
Total	2	1	1	2	1	1	8

ESZCity

ESZCity	January	February	March	April	May	June	July	August	October	November	December	Total
Youngtown	1	2	1	3	3	1	2	1	1	1	2	18
Total	1	2	1	3	3	1	2	1	1	1	2	18

Youngtown 712's Trespassing

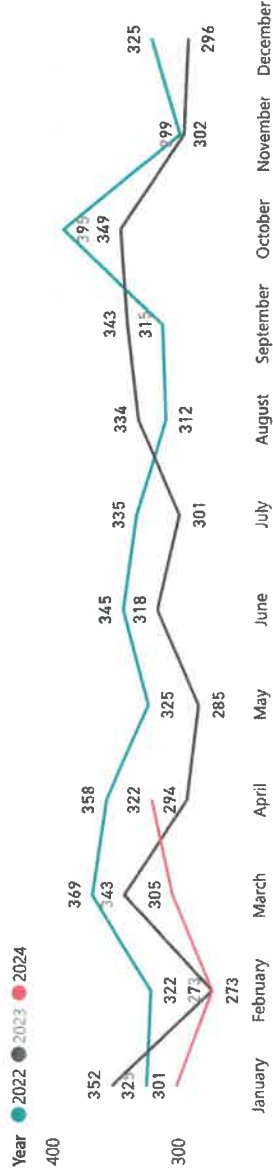


ESZCity	January	February	March	April	Total
Youngtown	15	10	11	14	50
Total	15	10	11	14	50

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	33	25	30	27	14	21	20	23	27	17	17	4	258
Total	33	25	30	27	14	21	20	23	27	17	17	4	258

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	21	26	26	37	33	33	27	19	44	37	23	34	360
Total	21	26	26	37	33	33	27	19	44	37	23	34	360

Youngtown All Codes



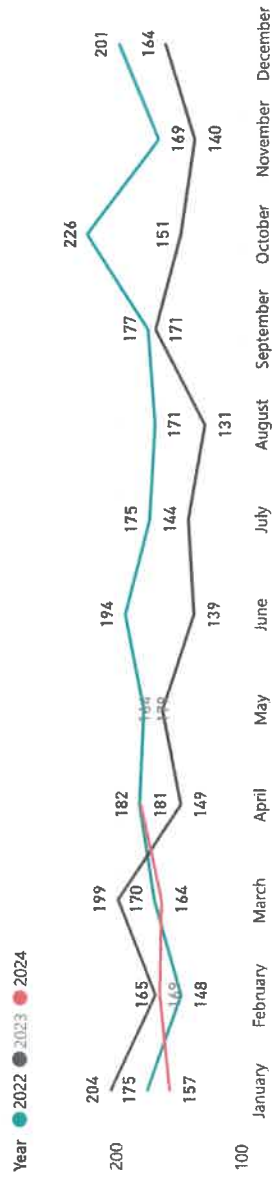
ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	301	273	305	322	1201								
Total	301	273	305	322	1201								

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	352	273	343	294	285	318	301	334	343	343	299	296	3787
Total	352	273	343	294	285	318	301	334	343	349	299	296	3787

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	325	322	369	358	325	345	335	312	315	395	302	325	4028
Total	325	322	369	358	325	345	335	312	315	395	302	325	4028

Data Note: Radio Codes Represented on This Page: All Codes

Youngtown Crimes



ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	157	165	164	181	181	667							
Total	157	165	164	181	181	667							

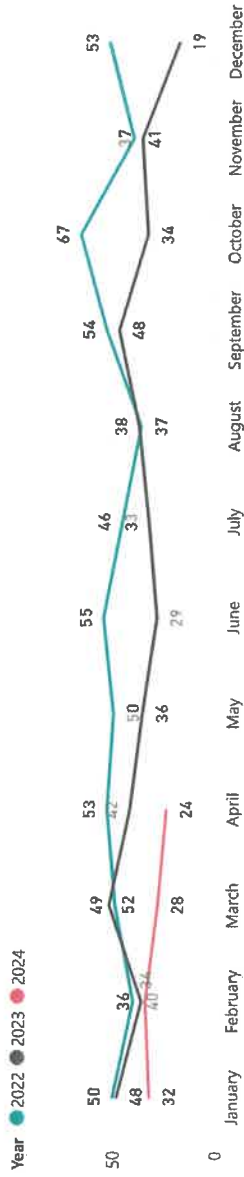
ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total	
Youngtown	204	169	199	149	164	139	144	131	171	171	151	140	164	
Total	204	169	199	149	164	139	144	131	171	171	151	140	164	1925

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	175	148	170	182	179	194	175	171	177	226	169	201	2167
Total	175	148	170	182	179	194	175	171	177	226	169	201	2167

Data Note: Radio Codes Represented on This Page:
All Crimes

Youngtown Burglaries, Thefts, Criminal Damage, Stolen Vehicle, Trespassing Numbers

ESZCITY BURGLARIES, THEFTS, CRIMINAL DAMAGE, STOLEN VEHICLE, TRESPASSING



ESZCITY BURGLARIES, THEFTS, CRIMINAL DAMAGE, STOLEN VEHICLE, TRESPASSING

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	32	34	28	24	24	118							
Total	32	34	28	24	24	118							

ESZCITY BURGLARIES, THEFTS, CRIMINAL DAMAGE, STOLEN VEHICLE, TRESPASSING

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	48	36	52	42	36	29	33	38	48	34	37	19	452
Total	48	36	52	42	36	29	33	38	48	34	37	19	452

ESZCITY BURGLARIES, THEFTS, CRIMINAL DAMAGE, STOLEN VEHICLE, TRESPASSING

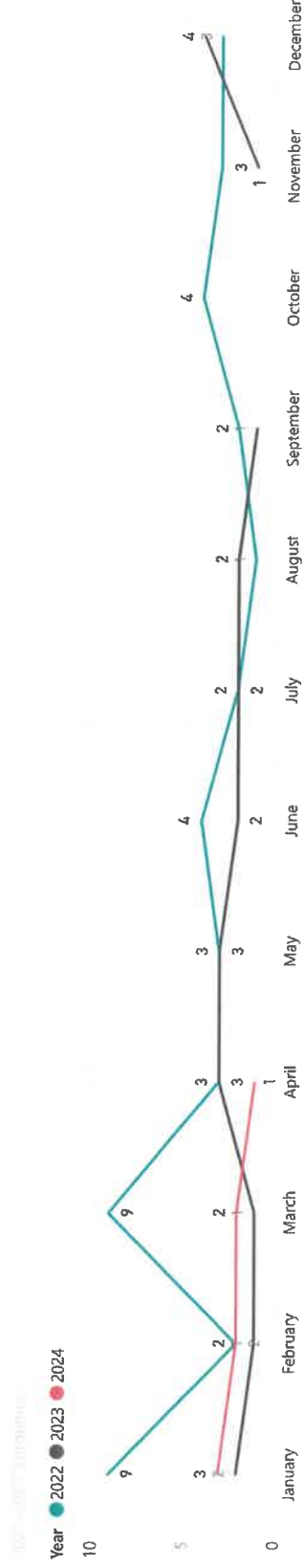
ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	50	40	49	53	50	55	46	37	54	67	41	53	595
Total	50	40	49	53	50	55	46	37	54	67	41	53	595

Data Note: Radio Codes Represented on This Page

Type Code

- 445P 459B 459BL 459C 459CG 459CL
- 459CV 459CC 459G 459M 459O 459P
- 459PL 459U 459V 459W 459X 459Y 459Z
- 459AB 459BC 459CD 459DE 459EF
- 459FL 487 487B 487C 487D 487E 487F 487G 487H 487I 487J 487K 487L 487M 487N 487O 487P 487Q 487R 487S 487T 487U 487V 487W 487X 487Y 487Z
- 507V 509 509B 509C 509D 509E 509F 509G 509H 509I 509J 509K 509L 509M 509N 509O 509P 509Q 509R 509S 509T 509U 509V 509W 509X 509Y 509Z
- 712 712A 712B 712C 712D 712E 712F 712G 712H 712I 712J 712K 712L 712M 712N 712O 712P 712Q 712R 712S 712T 712U 712V 712W 712X 712Y 712Z

Youngtown Burglaries



ESZCity	January	February	March	April	Total
Youngtown	3	2	2	1	8
Total	3	2	2	1	8

ESZCity	January	February	March	April	May	June	July	August	September	November	December	Total
Youngtown	2	1	1	3	3	2	2	2	1	1	4	22
Total	2	1	1	3	3	2	2	2	1	1	4	22

ESZCity	January	February	March	April	May	June	July	August	September	October	November	December	Total
Youngtown	9	2	9	3	3	4	2	1	2	4	3	3	45
Total	9	2	9	3	3	4	2	1	2	4	3	3	45

Data Note: Filters on this page are
Major Crime Indicator is Burglary from
Youngtown

AGREEMENT FOR LAW ENFORCEMENT SERVICES

BETWEEN THE TOWN OF

YOUNGTOWN

AND

MARICOPA COUNTY

on behalf of the Sheriff's Office

C-50-24-____-X-00

July 1, 2024 through June 30, 2027

Plus One, Three-Year Automatic Renewal

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Exhibit A Worksheet - (Cost Detail)

Exhibit B - Supplemental Incidental Service Charges

Agreement for Law Enforcement Services

between Town of Youngtown

and Maricopa County

on behalf of the Sheriff's Office

C-50-24-____-X-00

THIS INTERGOVERNMENTAL AGREEMENT FOR LAW ENFORCEMENT SERVICES (this "Agreement") is made and entered into _____, 2024 between the Town of Youngtown, an Arizona municipal corporation ("Youngtown" or "Town") and Maricopa County, a political subdivision of the State of Arizona (the "County") on behalf of the Maricopa County Sheriff's Office ("MCSO"), together the Parties.

RECITALS

WHEREAS, Youngtown has the jurisdiction and responsibility, pursuant to the laws of the State of Arizona, to provide for public health, safety, and the welfare of the people and property within its corporate boundaries, including, but not limited to police protection; and

WHEREAS, Youngtown has determined that it is more cost effective to enter into an Agreement with the Maricopa County Sheriff's Office to provide Public Safety Services and desires to enter into this Agreement with the County whereby the MCSO will furnish Basic Law Enforcement Services to Youngtown.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the promises and covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

I. GENERAL PROVISIONS

A. Definitions

As used throughout this Agreement, the following terms shall have the meanings set forth in this Section:

Agreement means this document and all attachments hereto.

Annual Cost Notification Letter means the letter from the MCSO to the Town Manager that is issued by February 20 of each year with the updated Worksheet **Exhibit A**, indicating the costs for the next fiscal year.

Automatic Renewal Period means the period of time following the Initial Term of this Agreement as established in Section D. below whereby this Agreement automatically renews for another term if neither party has provided notice to discontinue.

Basic Law Enforcement Services means patrol, responses to emergency calls, incident response, calls for service responses, arrests of suspects, dispatch and communications services, crime investigations, community crime prevention and awareness programs and activities, and vacation watch.

Beat means the basic increment of Law Enforcement Services used in determining service levels and cost. One beat = 1 deputy posted 24 hours per day x 7 days per week. One beat of service requires five (5) Law Enforcement Officer FTE to staff plus corresponding FTE increments from

the FTE staffing requirements plus corresponding facilities, vehicles, equipment, supplies, technology, and dispatch communications services.

Board means the Maricopa County Board of Supervisors or “BOS”.

Calendar Year means a twelve-month period beginning January 1 and ending December 31.

Complaint means an allegation of employee misconduct. The complaint may be made verbally or in writing, in person, by phone, by mail, or online; and may be by the individual complainant, someone acting on the complainant’s behalf or anonymously; and with or without a signature.

Contracted Level of Service means the number of beats or fractions of beats and the component resources that support the Agreement and are incorporated in Worksheet Exhibit A.

County means Maricopa County, a political subdivision of the State of Arizona.

Day means calendar day.

Deputy means sworn Law Enforcement Officer (LEO) for the Maricopa County Sheriff’s Office and can also be referred as “Detective”; “School Resource Officer”; and “Traffic Enforcement Officer.”

District means MCSO designated regional sub-division for County Law Enforcement that is supported by a designated substation or substations depending on the size and population of the area serviced.

District Commander means the Captain or designated Commander with a rank of Lieutenant or higher of the Sheriff’s District Office or, if applicable, the substation located within the corporate limits of City or Town from which Law Enforcement Services for this Agreement are conducted.

Fiscal Year means a twelve-month period beginning July 1 through June 30.

FTE (full time equivalent) is a standard measure of unit for budgeted personnel that makes workloads comparable across the organization.

FTE Staffing Requirements: means the calculated allocation of FTE per market range title/position per “unit” (e.g., beat, position type) required to staff one Beat of service for basic law enforcement service.

Indirect Cost Recovery means a predetermined percent applied to this contract’s direct service costs to recover MCSO general administrative services costs such as Human Resources; Budget and Finance; Procurement; Executive Administration; Professional Standards Bureau, Sworn Officer Training; Risk Management; Fleet Management; and certain technology costs, which are not covered elsewhere in this Agreement.

Initial Term shall have the meaning set forth in Section I, Subsection C, below.

Non-Renewal Notice means an official communication by either party to the other party by April 15 of the last year of the Initial Term stating they do not desire the automatic renewal term to take effect.

Optional Law Enforcement Services means continuing additional positions requested by the Town for service beyond the FTE Staffing Requirements for Basic Law Enforcement Service, and generally limited to contracts of one beat of service or more. Examples include traffic deputies,

School Resource Officers, Community Policing Deputies, Crime Analysts, supplemental Clerical, and additional supervisory positions.

Other Law Enforcement Services means supplemental and/or specialized law enforcement resources that are available within MCSO and deployed as necessary in special situations. Or that occur daily and are not included in Worksheet Exhibit A. Examples include: Aircraft—helicopter and drones; Bomb Squad, Canine, Command Posts; Counter Terrorism; Crime Lab; Mounted Patrol; Posse Coordination; Property and Evidence; Special Investigations Division; Specialized Weapons and Tactics (S.W.A.T.); Traffic Enforcement methods and Accident Investigations; required Arizona Peace Officer Standards Training to maintain certifications, Records and ID, and Prisoner Transport.

Report means a regular (monthly, annual) Sheriff's Office communication that includes calls for service, crime, criminal activity, arrests, response times in report format to the Town compared with information and crime statistics from previous periods.

Sheriff's Office means the Maricopa County Sheriff and those functions, activities and facilities for which he has responsibility, also referred to as MCSO.

Staffing Allocation Factor means the FTE to staff one of three types of posts: 24-hour /7 post (5) FTE; 8 hour/ 7 day post (1.67) FTE; an 8 hour /5 day post (1.19) FTE.

Town means Youngtown, an Arizona municipal corporation.

Town Council means the Mayor and Town Council of the Town of Youngtown.

Town Manager means the Town Manager of the Town of Youngtown or authorized designee

Transitional Start Up Phase means any time period up to 12 months between when the Agreement or an amendment to the Agreement to increase services is approved through the time that contracted level of service and equipment is attained or stabilized.

Worksheet (Exhibit A) means the annualized cost detail information page(s) for the contracted level of service this is updated annually and is the basis for monthly billing amounts.

B. Legal Notices

Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (1) delivered to the party at the address set forth below, (2) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (3) given to a recognized and reputable overnight delivery service, to the following address:

If to the County: Jen Pokorski, Manager
Maricopa County
301 W. Jefferson, 10th Floor
Phoenix, Arizona 85003

If to the MCSO: Russ Skinner, Sheriff
Maricopa County
550 West Jackson Street
Phoenix, Arizona 85003

Stephanie Molina, Chief Deputy
Maricopa County Sheriff

550 West Jackson Street
Phoenix, Arizona 85003

If to the Town:

Jeanne Blackman
Youngtown Town Manager
12030 Clubhouse Square
Youngtown, Arizona 85363

The Honorable Michael LeVault
Mayor, Town of Youngtown
12030 Clubhouse Square
Youngtown, Arizona 85363

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section. Notices shall be deemed received (1) when delivered to the party, (2) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (3) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

C. Term of the Agreement

This Agreement shall become effective July 1, 2024 (the "Effective Date") following approval by the Town Council and the Board. This Agreement shall remain in full force and effect from the Effective Date through June 30, 2027 (the "Initial Term"), unless terminated pursuant to **Section I, Subsection F** of this Agreement or continued through automatic renewal pursuant to **Section I, Subsection D** of this Agreement.

This Agreement can be extended past the three-year automatic renewal term by Amendment approved by the Parties prior to the automatic renewal end date (6/30/2030).

D. Automatic Renewal

This Agreement will automatically renew for one (1) three-year term, with all the terms of this Agreement in effect, unless renegotiated or terminated pursuant to **Section I, Subsection F** below. Costs shall be revised annually per **Section III.A** of this Agreement.

Parties can extend this Agreement past the three-year automatic renewal term by amendment approved by the Parties prior to the automatic renewal end date (6/30/2030).

E. Amendments

This document contains the entire Agreement of the parties and cannot be changed orally. Any changes or modifications of this Agreement must be in the form of a written amendment (1) approved by the Town Council and the Board and (2) signed by both parties.

F. Termination

1. Non-Renewal Notice. Either Party shall have the right to exercise non-renewal of this Agreement by sending a Non-Renewal Notice to the other party not later than April 15 of the last year of the initial term (2027).
2. Without Cause. Either party shall have the right, upon six (6) months written notice to the other party, to terminate this Agreement without cause.
3. Uncured Breach. In the event of breach of any of the provisions of this Agreement, either party may terminate this Agreement for cause by serving written notice to the other party specifically setting forth the nature of the breach. If said breach has not been resolved within ninety (90) days after receipt of notice, then this Agreement shall be deemed terminated and both parties shall perform their respective obligations up to the date of such termination.

G. Insurance

The parties agree to secure and maintain insurance coverage for any and all risks that may arise out of the terms, obligations, operations, and actions as set forth in this Agreement, including but not limited to public entity insurance. The acquisition of insurance or the maintenance and operation of a self-insured program may fulfill this insurance requirement; provided, however, that the unencumbered reserves available under any such self-insurance program shall be equal to or greater than the required minimum coverage amounts set forth below. The parties to this Agreement shall exchange certificates of insurance or self-insurance.

1. General:
 - a. Maricopa County is self-insured and any claims for which Maricopa County is found legally liable are paid under the Declaration of Trust for Maricopa County, Arizona Self-Insured Risk Trust Fund, adopted January 14, 2015. Maricopa County has no legal right to extend or convey "Additional Insured" status to the Town.
 - b. Coverage Term: All insurance required herein shall be maintained in full force and effect until all Law Enforcement Services required to be performed under the terms of this Agreement are satisfactorily performed.
 - c. Primary Insurance: County's insurance shall be primary insurance with respect to performance of the Law Enforcement Services included in this Agreement.
 - d. Policy Deductibles and or Self-Insured Retentions: The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts.
2. Required Insurance Coverage:
 - a. Public Entity Liability: County shall maintain public entity liability coverage for bodily injury and property damage with an unimpaired limit of not less than \$5,000,000 for each occurrence; no aggregate limit. The policy shall cover liability arising from premises/operations and personal injury.
 - b. Automobile Liability: The County shall maintain Business Automobile Liability insurance with a limit of \$5,000,000 combined single limit each

occurrence on County's owned, hired and non-owned automobiles assigned to or used in the performance of the Law Enforcement Services under this Agreement.

- c. **Workers' Compensation Insurance:** County shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of County's employees engaged in the performance of Law Enforcement Services under this Agreement and shall also maintain Employer's Liability Insurance of \$2,000,000 for each accident, \$500,000 disease for each employee and \$2,000,000 disease-policy limit.
3. **Cancellation, Material Changes and Expiration Notice:** Insurance required herein shall not expire, be canceled, or materially changed without thirty (30) days' prior written notice to the Town.
4. **Limitation on Insured Liability.** The County shall only be liable for such claims, losses, damages or injuries that result from negligent actions or misconduct related to Law Enforcement Services by the MCSO as contemplated by this Agreement.

H. Indemnification

1. **Mutual Indemnity.** To the extent permitted by law and notwithstanding any liability insurance or other conditions of this Agreement, each party hereby covenants and agrees to indemnify, defend and hold harmless the other party, its officers, employees, contractors and agents for, from and against all suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature relating to this Agreement which are the result of any act or omission of the party, its officers, employees, contractors, agents and/or anyone acting under its direction or control whether intentional or negligent, in connection with or incidental to this Agreement.
2. **Sheriff's Office Actions.** The Town shall not indemnify, defend or hold harmless the County, but the County shall indemnify the Town, for any suits, actions, legal or administrative proceedings, claims, demands or damages of any kind or nature brought against the County as a result of any act or omission of the MCSO which is caused or alleged to have been caused by the negligence or misconduct of any member of the staff of the MCSO or which occurs while any such staff member is performing Law Enforcement Services not directly related to this Agreement. The County shall pay, on behalf of the Town, all judgments, fines, penalties, interest on judgments, fines and penalties, or costs including attorney's fees, court costs, expert witness fees and discovery costs associated with a claim brought hereunder. The indemnity under this Agreement shall commence as of the Effective Date of this Agreement and shall continue in full force and effect with respect to any and all actions, legal or administrative proceedings, claims, demands or damages of any kind or nature arising out of or relating to this Agreement.

I. Record Keeping and Audits

1. **Required Records.** The parties agree to maintain and furnish to each other such records and documents pertaining to the Law Enforcement Services provided pursuant to this Agreement as may be required by applicable Federal and State laws, rules and regulations.
2. **Audit.** Each party, prior to conducting an audit, must give thirty (30) calendar days' notice to the other party. If the audit indicates that fees or billable items have been charged incorrectly, each party agrees to make appropriate corrections and adjustments.

Audit requests will be limited to information that does not exceed the three most recent fiscal years closed.

J. Construction of Agreement

1. Superseding Prior Agreements. This Agreement replaces and supersedes any existing Agreement for Law Enforcement Services between the two parties, the most recent being that certain Agreement for Law Enforcement Services between the parties executed on; August 1, 2018 (C-50-18-073-3-00); Amendment 1 (C-50-18-073-01) effective July 1, 2019; Amendment 2 (C-50-18-073-3-02) effective December 15, 2021; Amendment 3 (C-50-18-073-3-03) effective July 1, 2022; and Amendment 4 (C-50-18-073-3-04) effective July 1, 2023.
2. Severability. Every provision of this Agreement is and will be construed to be a separate and independent covenant. If any provision in this Agreement or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of this Agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable will not be affected by that invalidity or unenforceability. Each provision in this Agreement will be valid and will be enforced to the extent permitted by law and the parties will negotiate in good faith for such amendments of this Agreement as may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.
3. No Waiver; No Accord or Satisfaction. The failure of either party to insist in any one or more instances upon the full and complete performance of any of the terms and provisions of this Agreement to be performed on the part of the other or to take any action permitted as a result thereof shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same or any other covenant or condition either in the past or in the future. The acceptance by either party of sums less than any that may be due and owing at any time shall not be construed as an accord and satisfaction.
4. Entire Agreement. This Agreement contains all the terms and conditions agreed to by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement, Law Enforcement Services, shall be deemed to exist or to bind any of the parties hereto. Nothing in this Agreement shall be construed as consent to any suit or waiver of any defense in a suit brought against the State of Arizona, Maricopa County, or the Town of Youngtown in any State or Federal Court.
5. Counterparts. This IGA is effective when signed by the Parties. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument. Faxed, copied, electronic and scanned signatures are acceptable as original signatures.
6. Governing Law, Dispute Resolution and Jurisdiction. This Agreement shall be interpreted in accordance with Arizona law. Any litigation arising from the agreement, or the performance thereof will be decided in the federal or state courts of Maricopa County unless otherwise agreed to between the Parties. The laws of the State of Arizona shall govern the construction and interpretation of this IGA. This Agreement is subject to the provisions of A.R.S. § 12-1518 relating to the use of arbitration.
7. Compliance with Civil Rights. The Parties to this Agreement agree to comply with A.R.S. Title 41, Chapter 9 (Civil Rights), Arizona Executive Order 2009-09, and any other federal or state laws relating to equal opportunity and non-discrimination, including the Americans with Disabilities Act. No Party shall engage in any form of illegal discrimination with respect to applications for employment or student status or employees or students.
7. No Joint Venture. It is not intended by this Agreement to, and nothing contained in this Agreement shall, be construed to create any partnership, joint venture, or employment

relationship between the Parties or create any employer-employee relationship between the Parties' employees. Neither Party shall be liable for any debts, accounts, obligations, or other liabilities whatsoever of the other Party, including, but without limitation, the other Party's obligation to withhold Social Security and income taxes for itself or any of its employees.

Parties acknowledge that under this IGA no employee of the Town is to be considered a County employee, and that no rights of County merit, County retirement, or County personnel rules shall accrue to such individual. The Town shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workman's compensation, occupational disease compensation, unemployment compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and shall save and hold MCSO harmless with respect thereto.

9. Independent Contractors. The Sheriff's Office and its employees shall be considered to be peace officers engaged as independent contractors, not as employees of the Town while performing the responsibilities imposed by this Agreement.
10. Cancellation for Conflict of Interest. This Agreement is subject to the provisions of A.R.S. § 38-511. (Cancellation of political subdivision and state contracts.)
11. E-Verify. The parties mutually warrant that they are in compliance with A.R.S. § 41-4401 and further acknowledge that they and their subcontractors, if any, warrant their compliance with A.R.S. § 41-4401, and all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. § 23-214, subsection A and shall keep a record of the verification for the duration of the employee's employment or at least three years, whichever is longer.
12. Scrutinized Business Operations. The parties certify that they do not have scrutinized business operations in either Sudan or Iran, per A.R.S. § 35-391.06 and 35-393.06.

II. LAW ENFORCEMENT SERVICES

The Sheriff's Office shall provide Basic Law Enforcement Services at the level of patrol beats set forth in the Worksheet (**Exhibit A for FY 2025**), attached hereto as and incorporated herein by reference.

Contracted service levels are supported by quantitative and qualitative data such as population, crime, number of calls for service, call for service response times and proximity to MCSO substation for backup support. MCSO will deploy its resources in the safest and most efficient way. Requests for changes in service levels will only be considered with optional additional service items or sustained quantifiable reductions in demand indicators such as population, calls for service, and crime rates.

A. Service Provision

1. Scope of Services. The County, by and through the MCSO, shall provide the Law Enforcement Services within the current incorporated limits of the Town. The MCSO shall investigate and enforce criminal violations of state statute and Town code violations that directly impact public safety and fall within the definition of Basic Law Enforcement Service set forth above. The Town shall be primarily responsible for non-criminal Town Code/Ordinance code enforcement violations and may request assistance with the Sheriff. The Town Manager or designee and the District Commander shall establish between themselves the MCSO duties and responsibilities pertaining to the Town code violations, animal control issues and other local enforcement services that fall within the definition of basic Law Enforcement Services within this Agreement.

2. Response Times. Deputy response to calls for service will be provided twenty-four (24) hours per day, seven (7) days per week. The MCSO shall allow management of dispatch and deputy response times for Emergency Priority 1 Calls as follows:
 - a. Emergency Priority 1 Calls shall be answered within sixty (60) seconds. The dispatch time shall be measured from the point at which the call is answered to the time the dispatcher initiates radio notification to the deputy assigned to respond. Any dispatch taking more than sixty (60) seconds to complete shall be documented, and reports shall be made available to the Town upon request.
 - b. Emergency Priority 1 Calls will have a deputy on scene within five (5) minutes in Agreements with contracted levels of services of 1 (one) beat or more. Detail on Emergency Priority I responses taking longer than five (5) minutes to arrive on scene after dispatched will be furnished by the MCSO upon request from the Town.
 - c. It is mutually understood that the outcome for on-scene deputy response, as outlined in 2.b., above, is impacted when contract staffing levels are less than 1 full beat of service. This contract is 1 beat.
 - d. Parties acknowledge that the MCSO's special response resources shall be deployed within the Town, when necessary, as determined by the Sheriff, for public safety. Such resources include:
 - Aviation (Helicopter and Drones)
 - Reserve and Posse Coordination and Resources
 - Specialized Response (K-9 Units, Technical Operations Unit(s), Special Vehicles)
 - Command Posts
 - Specialized Weapons and Tactical Response (SWAT)
3. MCSO Presence: MCSO presence within the Town's jurisdiction is determined by the contracted level of service provided for in Worksheet (**Exhibit A.**) of this Agreement.
4. Citation into Town Court. Misdemeanors, traffic infractions and civil violations occurring within the corporate limits of the Town shall be cited into the Magistrate Court designated by the Town.

B. Establishment of Service Priorities

1. Personnel Utilization. District personnel shall be deployed and utilized in the safest, most efficient manner to meet the needs of the Town and MCSO, as determined by the District Commander in consultation with the Manager and within the overall contracted level of service.
2. Setting Priorities. The District Commander and the Town Manager shall meet at least once each quarter to review progress and establish priorities for the delivery of Law Enforcement Services as desired by the Town and that align with the priorities of the Town and MCSO. Changes in priorities shall be supported by monthly incident report data and Town-specific needs and reviewed by MCSO. Priorities shall be communicated through the appropriate MCSO chain of command to the patrol units providing Law Enforcement Services within the Town's jurisdiction.
3. Changes to Service Levels. The MCSO strives to consistently provide Basic Law Enforcement Service within overall contracted levels that provide optimum safety for its employees and the community.

- a. **Criminal Activity Increases.**
 If the MCSO, acting through the District Commander in consultation with the Town Manager, observes that criminal activity is dramatically increasing in the Town, the MCSO will temporarily deploy support units as deemed reasonably necessary to suppress such activity.
- Increases and decreases in supplemental or optional service will be supported by relevant crime and incident data.
 - Short term or incidental deployments of additional resources will be at no additional cost to the Town.
 - Deployments of additional resources in excess of three months will prompt a cost proposal for reimbursement via an amendment to this Agreement and a review of the contracted level of Service for future right sizing.
 - Charges for additional services shall incorporate the same methodology described in **Section III** of this Agreement and shall be pro-rated as necessary. The parties agree and understand that the length of time to establish and hire new positions can be up to nine (9) months and in the case of increases of 1 beat or more, longer.
- c. **Beat formula and continuous coverage.** The staffing allocation factor, FTE staffing requirements, and Special Pay are intended to cover shift overlap, sick leave, vacation leave, normal short-term leave and training. MCSO will make every effort to continuously staff to contracted levels of service, prioritizing Basic Law Enforcement Service.

Amendments to change the service levels in this Agreement shall be made in accordance with **Section I, Subsection E** of this Agreement.

C. Maintenance of Sheriff’s Substation

[This section left blank intentionally.]

D. Community-Oriented Policing

The Town Manager or Designee will ensure that policies and procedures consistent with the Sheriff’s Office rules and regulations are instituted which facilitate efficient and effective communication between local public access and the Sheriff’s Office. The District Commander shall ensure that policies and procedures are consistent with the philosophy of Community-Oriented Policing, which combines traditional aspects of law enforcement with preventive measures, problem-solving, community engagement and community partnerships.

E. Chain of Command and Responsibility for Performance Standards

1. Maricopa County Sheriff Directs Operations of Deputies. The Town Manager or authorized designee is responsible for coordinating all Law Enforcement Services within the Town as well as conveying the wishes of the Town Council to the District Commander with respect to Law Enforcement Services. While the Town’s designee shall have no chain of command authority to direct the operations of the deputies from the MCSO, such authority being reserved to the Maricopa County Sheriff pursuant to **Section II, Subsection E (3)**, below, the parties to this Agreement understand that the Town expects the MCSO to reasonably respond to its needs for Law Enforcement Services as communicated through the Town Manager or authorized designee. The District Commander shall, at all times,

consider the request of the Town Manager or Town's authorized designee with respect to the implementation of Law Enforcement Services.

2. Citizen Complaints. MCSO employees are trained to consistently perform their duties with professionalism and accountability. Citizen Complaint and Comment Forms are available from deputies, on-line, and from the District Facilities. Complaints will be processed through the MCSO according to policy.
3. Deputy Performance. The Maricopa County Sheriff is solely responsible for the performance evaluation, discipline and movement of his deputies as well as other matters incidental to the provision of the Law Enforcement Services under this Agreement. In the event of a dispute between the parties regarding the manner of performance of such service, the determination made by the Maricopa County Sheriff shall be final and conclusive.
4. Removal of Assigned Staff. The Town, acting through the Town Manager shall have the right to request in writing that any staff assigned to service within the Town by the MCSO be reassigned or otherwise removed from service within the Town. When such request is made, the MCSO shall comply as soon as reasonably practical, but in any case, within no more than three weeks after such request is made.

F. Reports and Information

1. Basic Reporting. This Law Enforcement Services Agreement is limited to law enforcement service delivery and the management thereof. The terms of this Agreement provide for Basic Reporting as defined in **Section I, Subsection A.** of this Agreement. The Town and District Commander may agree on a basic format personalized to the Town.
2. Information Requests. Requests for additional information by the Town that are applicable to this Agreement will be in writing to the MCSO Executive Chief of Enforcement.

III. REIMBURSEMENT COSTS AND CHARGES

A. Reimbursement for Law Enforcement Services

Worksheet to Determine Reimbursement Amount. The Town agrees to reimburse the MCSO for all Law Enforcement Services rendered as outlined in the attached Worksheet(s) (**Exhibit A.**) for the first year (July 1, 2024 through June 30, 2025) of the first term (July 1, 2024 through June 30, 2027) of this Agreement.

The Worksheet (Exhibit A) template and calculation methodology is used for all MCSO contracted law enforcement services with Cities and Towns and is updated annually.

B. Annual Review of Costs

The reimbursement costs for this Agreement are reviewed and revised on an annual basis. The MCSO recognizes the Town's need to have information early for its budget and planning process.

1. **Annual Cost Notification.** By February 20 of each year that falls within the term of this Agreement, or any extension thereof, the MCSO will provide the Town an annual cost notification letter with an updated Worksheet (**Exhibit A.**) with Law Enforcement Services charges for the coming fiscal year.
 - a. Unforeseeable and Unavoidable Cost Increases. Unforeseeable and unavoidable cost increases that are applicable to all contracts and are effective with the coming fiscal year but unknown at the time of the February 20 issuance of Worksheet (**Exhibit A.**) can only

be passed through to the Town pursuant to an amendment to this Agreement. Examples of items might include mandated changes to FTE staffing requirements, safety standards or reporting requirements, or acquisition and use of new equipment that is policy mandated.

- b. Explanation of Cost Changes. An explanation from the MCSO of cost variances by Worksheet Exhibit A section from the current fiscal year will be explained in the annual Cost Notification Letter.
- 2.. The MCSO, the County or the Town cannot arbitrarily change costs. Each annual worksheet proposal shall employ consistent methodology applicable to all MCSO contract cities and towns.

The annual office-wide general fund vacancy rate from the previous fiscal year ended may be applied to the next annual Worksheet Exhibit A. Special Pay section when continuous vacancies result in unfilled posts and extraordinary overtime across the MCSO Patrol Districts. An extraordinary, sustained vacancy rate would be greater than 8%.

B. Explanation of Charges

The MCSO annual Worksheet (**Exhibit A.**) shall be beat-driven and prepared with the following sections:

1. Personnel Services. The premise of the methodology used for calculating Personnel Services is a cost recovery formula using FTE (full time equivalents) that align with the contracted level of service. The contracted level of service under this agreement is 1 beat.
 - a. Annual full-time hours per FTE (full time equivalent) are 2088.
 - b. Average Hourly Base Pay: The MCSO Patrol district-wide hourly pay average by market range title according to County payroll system data for the current fiscal year.
 - c. The Variable Benefits Rate Charge (retirement system, FICA and Medicare) using the retirement system applicable to the position type, is the current fiscal year rate.
 - d. The Fixed Benefit (Health Care costs) amount is the current-year fixed benefit annual cost.
 - e. Workers Compensation and Unemployment are employer payroll expenses and are allocated per FTE.
 - f. Computation of personnel for this Agreement is as follows:

The basic increment of Law Enforcement Services for providing one deputy FTE 24 hours per day x 7 days per week, 52 weeks per year post is the Beat. It takes five (5) patrol deputies to cover one beat of law enforcement service plus additional specific staffing requirements, and other items listed in **Section I. General Provisions. A. Definitions** of this Agreement.

The formula for staffing requirements per beat shall be:

FTE Staffing Requirements			
Market Range Title/ Position	FTE Allocation	Allocation	Unit
Patrol Deputies (LEO)	5	1	Beat
Detectives (LEO)	0.5	1	Beat
Sergeant	1	8	Law Enforcement Officers
Lieutenant	1	18	Law Enforcement Officers
Captain (LEO Commander)	1	30	Law Enforcement Officers
Clerical/Admin Assist.	0.14	1	Beat

- g. Dispatch charges are applied as an FTE equivalent.

The calculation is based on the Town's incidents as a percent of all incidents and that percent is applied to previous year's actual Dispatch costs. That cost is then converted to an FTE based on the current average annual salary and benefits for the emergency dispatcher market range title.

- h. The Town may request and fund additional supervisory, specialized deputies, and/or clerical positions beyond the beat-driven calculation. In all cases, the contracted supervisory personnel (Sergeant, Captain, and Lieutenant) FTE staffing in aggregate must meet minimum requirements for supervisory personnel that coincide with FTE staffing requirements. Such requests must be consistent with **Section II. B. 3.** prior to incorporation into Part I, Personnel Services, of the Worksheet (**Exhibit A**). Any additional allocations are contingent upon MCSO's ability to staff them.
- i. The Staffing Allocation Factor represents the basic staffing requirement (including required coverage and shift relief factors) in a single beat. The Staffing Allocation Factor to be applied in this Agreement is:

Staffing Allocation Factor		
24 hour / 7 day post	5.00	FTE
8 hour / 7 day post	1.67	FTE
8 hour / 5 day post	1.19	FTE

- j. Special Pay:

1. Overtime. Overtime cost recovery is calculated using actual overtime cost from the previous fiscal year closed plus current variable benefits by District to arrive at an annual cost per sworn eligible FTE.
2. Shift differential. Shift Differential cost recovery is calculated using actual differential from the previous fiscal year closed by District plus current year variable benefits to arrive at an annual cost per sworn eligible FTE.
3. Regular Over Budget. Regular Over Budget cost recovery is applicable to holidays. As a 24 x7 operation, this cost applies to MCSO. The calculation is beat driven and is based on District average deputy hourly

salary and variable benefits for one, 24-hour day and applied to sworn eligible FTEs.

2. Supplies and Rent: The Supplies and Rent charges are comprised of several components including the following:
 - a. Supplies charges consist of actual costs from the previous fiscal year for items in the supplies and general services object codes by District and are apportioned by District FTE.
 - b. Ammunition cost recovery uses a four-year average actual ammunition cost (this includes lethal and non-lethal) and divides it by the current year number of MCSO sworn FTE for a cost per FTE. That amount is then multiplied by the number of FTE for sworn positions on Worksheet Exhibit A.
 - c. Uniform Allowance is the annual amount provided each sworn officer to maintain a uniform and is charged by FTE.

3. Communications and Information Technology. Sophisticated and costly information and communications systems are used in everyday MCSO law enforcement operations. Cost recovery includes but is not limited to system hardware and software maintenance and licenses, technology supplies, monthly service, data charges, information system connection fees, and data storage fees. Charges for Sheriff's Police Communications and Information Technology are comprised of several components:
 - a. Information System Service Charge: The Town's charge is calculated by taking its percent of the previous year's Patrol expense (using the contracted total as the numerator) and applying it to the calculated amount of technology system hardware and software licensing and maintenance expense attributed to patrol.
 - b. Monthly Radio Charges: The monthly charges per FTE (1 per) and per vehicle (2 per) are per device calculated by Maricopa County Wireless and based on the number of system users.
 - c. Monthly Deputy Laptop Charges: The monthly deputy laptop mobile data charges are per device and based on the number of system users.
 - d. Wiring installations and upgrades for MCSO designated space owned by the Town. Costs incurred by MCSO for technology wiring installations, wiring upgrades, voice or data communications connections, docking stations, charging stations, radio communications base stations and computing equipment purchased for use in MCSO occupied spaces furnished by Town, either explicit or implicit to this Agreement, will be recovered.
 - e. Town Code Enforcement Radios. The Town was issued three (3) MCSO radios for Code Enforcement (C-50-12-039-M-04). The following provisions apply to the Code Enforcement Radios and their future replacements:
 - i. Radio unit purchases will be handled as one-time reimbursement items with payment according to Section III. B. 5. of this Agreement.
 - ii. Radio programming charges and monthly charges are applicable.
 - iii. The Sheriff's Office will assign each radio an inventory, unique EM number and establish a radio template that will allow

communication and security for accessing the communications system.

- iv. Radios will be a part of the Sheriff's Radio Fleet and can only be maintained and programmed by Maricopa County Wireless Systems for Sheriff's issued communication devices and equipment.
- v. Prior to the programming and release of radios to Youngtown Code Enforcement Officers, the names of individuals who will be assigned radios will be provided to the Sheriff's Office District III and Sheriff's Office Communications Division. These individuals are required to contact and get clearance from MCSO Communications Division Training Supervisor.
- vi. In the event of early contract termination, radios, accessories and any other communications equipment or devices that are owned by the County and in the possession of the Town will be returned to the Sheriff's Office, Telecommunications Technology Division located at 550 W Jackson Street in Phoenix, AZ 85003.

4. Vehicle and Equipment Charges

Vehicle depreciation and vehicle equipment charges fund continuous replacement of patrol vehicles through the County's vehicle replacement plan. Maintenance of vehicles is the responsibility of the MCSO.

- a. The current vehicle and vehicle equipment cost will be used to determine vehicle depreciation and equipment depreciation amounts.
- b. The annual number of miles driven will be used in determining charges for vehicle mileage, vehicle depreciation, and vehicle equipment depreciation.
- c. The annual number of miles driven is calculated using the average number of miles driven by District. The number of vehicles assigned to the District is divided into the number of miles to arrive at an average number of miles per vehicle. The Town's miles are calculated taking the number of vehicles assigned to the contract, multiplied by the Town's number of beats, multiplied by average number of miles per vehicle by District.
- d. Per Mile Rates
 - The Per Mile Rate for mileage charge is the average cost per mile for the previous fiscal year for all patrol vehicles.
 - The Per Mile Rate for Vehicle Depreciation is the current cost of a vehicle with warranty divided by the established lifetime miles.
 - The Per Mile Rate for Equipment Depreciation is the current cost of vehicle equipment divided by the number of established lifetime miles.

5. Other Equipment Costs and One-Time Cost Reimbursement. MCSO is obligated to recover costs from the Town for equipment replacement or for new equipment items that are necessary to support the contracted level of Law Enforcement Service and are not otherwise funded in the Sheriff's operational budget.

- a. The Town will be required to fund one-time reimbursement for the initial purchase of vehicles and patrol vehicle equipment (lights; sirens; push bars—not MDCs or radios) upon initiation of service and for any vehicles and patrol vehicle equipment purchased to meet contracted increases in levels of service authorized by Amendment(s) to this Agreement. Subsequent vehicle and vehicle equipment replacements shall be funded by the County as provided in **Section III, Subsections B (4)** of this Agreement, and not by the Town.
 - b. The Town will be required to fund the costs of items necessary to equip contract positions upon initiation of service and for any positions associated with increases to service by Amendment. Examples of such items are: radios (for sworn personnel and vehicles), computers, mobile data terminals for vehicles, e-ticketing equipment for vehicles, Tasers and accessories, radar guns, body cams, service weapons, body armor, and cell phones.
 - c. Reimbursement costs for replacement of equipment items listed in b., above, will occur in conjunction with the annual updating of Worksheet (**Exhibit A**), as provided for in **Section III, Subsection A. (2)** of this Agreement. Any replacement cost reimbursement that is not included in the annual updating will be handled by amendment as provided for in **Section III, Subsection A. (4)** of this Agreement.
 - d. All one-time and replacement equipment items regardless of funding source, shall be County property.
6. Indirect Cost Recovery. A 3% administrative service charge will be applied to operating costs, excluding one-time items to help recover a portion of administrative support costs that are not recovered elsewhere in the Worksheet as named in the Definitions Section of this Agreement.
 7. Other Law Enforcement Services. The MCSO reserves the right to address cost recovery for other law enforcement services listed in the Definitions section of this Agreement via amendment to this Agreement. Continuing other services recovery will be implemented in conjunction with a new fiscal year.
 8. Contracted Supplemental and Intermittent Directed Patrols. The Town has contracted with the MCSO by amendment to its Law Enforcement Services agreement for supplemental, intermittent directed patrol. This cost methodology for this service is an average hourly overtime rate per hour per market range title. The current example of charges can be found in Exhibit B to this agreement. This service is contingent upon staffing availability and is not guaranteed.

C. Payment

1. The Town agrees to pay the amount listed on the attached Worksheet Exhibit A for FY 2024 -25 for all Law Enforcement Services rendered July 1, 2024 through June 30, 2025, and at the updated rates not yet determined but provided for in **Section III. B. of this Agreement** throughout the Initial Term (July 1, 2024 through June 30, 2027) and each year thereafter.
2. Payment for Law Enforcement Services for each year of this Agreement will be made in twelve (12) equal installments on a monthly basis and on or before the 20th day of each month, beginning with the first month of the Initial Term.
3. Payment for increases in Law Enforcement Services authorized by Amendment to this Agreement shall commence per the terms of the Amendment and shall be applied to regular

monthly payments unless otherwise specified by Amendment.

4. Payment to reimburse the initial purchase of one-time items described in **Section III, Subsection B. (5)**, above shall be billed separately as one-time reimbursements.
5. Payment for Contracted Supplemental Patrol referenced in **Section III. B. 8.** will be billed separately by MCSO and paid by the Town separately from the regular monthly installments for annual Law Enforcement Service.

D. Cost of Incarceration

Nothing in this Agreement shall alter the financial responsibilities of the Town and the County for the incarceration of prisoners arrested by the MCSO in the performance of its responsibilities hereunder.

[SIGNATURES ON FOLLOWING PAGE]

IV. Authorization and Signatures

Youngtown has the authority to enter into this Agreement pursuant to A.R.S. §9-498 and §11-952, and the County has the authority to enter into this Agreement pursuant to A.R.S. §9-498 and §§11-951 et seq.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the date of the last signature set forth below.

MARICOPA COUNTY, a political subdivision of the State of Arizona

TOWN OF YOUNGTOWN, an Arizona municipal corporation

BY: _____
Jack Sellers Date
Chairman, Board of Supervisors

BY: _____
Mayor Date

ATTEST:

ATTEST:

Juanita Garza, Clerk of the Board Date

Town Clerk Date

MARICOPA COUNTY SHERIFF'S OFFICE

BY: _____
Russ Skinner, Sheriff Date

In accordance with the requirements of A.R.S. § 11-952(D), the undersigned attorneys acknowledge that (i) they have reviewed the above Agreement on behalf of their respective clients and (ii) as to their respective clients only, each attorney has determined that this Agreement is in proper form and that execution hereof is within the powers and authority granted under the laws of the State of Arizona.

Deputy County Attorney Date

Town Attorney Date

**EXHIBIT A
TO
INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE TOWN OF YOUNGTOWN
AND
MARICOPA COUNTY
on behalf of the
Maricopa County Sheriff's Office**

[Cost Detail]

See following pages.

TOWN OF YOUNGTOWN
 Maricopa County Sheriff's Office
 Law Enforcement Reimbursement Costs and Charges
 FY 2025
 (July 1, 2024 through June 30, 2025)

BEATS **1.00**

Operating	\$ 1,453,065.39
3% Indirect	43,591.96
One-Time	0.00

Total Contract Cost **\$ 1,496,657.35**

Part 1. Personnel Services **\$ 1,333,875.49**

Annual Hours Budgeted 2088

Position	FTE Allocations	Average Hourly Base Pay	Hourly Variable Benefits Rate Charge	Hourly Average Base Plus Variable Benefits	Fixed Benefit	Annualized
Patrol Beat Deputies (LEO)	5.00	\$35.26	82.04%	\$64.18	\$13,632	\$ 739,148.16
Detectives (LEO)	0.50	\$35.05	82.04%	\$63.80	\$13,632	73,419.40
Sergeants	0.69	\$47.12	82.04%	\$85.78	\$13,632	132,990.86
Lieutenants	0.31	\$56.30	82.04%	\$102.49	\$13,632	70,563.49
Captain	0.18	\$72.23	82.04%	\$131.49	\$13,632	51,873.71
Clerical/Administrative Assistant	0.14	\$21.16	19.94%	\$25.38	\$13,632	9,326.64
Worker's Comp	6.82	\$921.38	(Fund-Wide Allocation per FTE)			6,283.83
Unemployment	6.82	\$56.92	(Fund-Wide Allocation per FTE)			388.18
Dispatch	0.70	\$27.47	19.94%	\$32.95	\$13,632	57,554.56
Sub Total Salary and Benefits						\$ 1,140,548.82

Staffing FTE Allocation Factor		FTE Staffing Requirements				
Type of Duty Post	FTE Allocation	Market Range Title/ Position	FTE Allocation	Allocation Unit	# of Units	This Contract
24 hour / 7 day	5.00	Patrol Deputies (LEO)	5	Beat	1.00	5.00
8 hour / 7 day	1.67	Detectives (LEO)	0.5	Beat	1.00	0.50
8 hour / 5 day	1.19	Sergeant	1	LEO's	8	0.69
		Lieutenant	1	LEO's	18	0.31
		Captain (LEO Commander)	1	LEO's	30	0.18
		Clerical/Admin Assist.	0.14	Beat	1.00	0.14
		Dispatch/Communications	0.70	Cost allocation expressed as FTE using annual number of calls for this contract.		
Special Pay Sworn	Eligible Sworn FTEs	District Rate Per FTE	Cost	Cost Includes 82.04% Variable Benefits		
Overtime	6.19	\$30,576.95	\$189,271.29			
Shift Differential	6.19	\$2,253.15	\$13,947.03			
Regular Over Budget (Sworn FTE)	6.68	\$2,305.81	\$15,402.82			

Sub Total Special Pay \$ 218,621.14

FY 2023 Dept Wide Vacancy Credit (11.57%) -25,294.47

Net Total Special Pay \$ 193,326.67

Part 2. Supplies and Rent **\$ 11,139.27**

Applicable FTEs	6.82	FTE total minus Dispatch		
Supply Cost (By District)	\$324.65	Per applicable FTE		\$ 2,214.11
Ammunition	\$536.10	Per Sworn FTE	6.68	3,581.16
Uniform Allowance	\$800.00	Per Sworn FTE	6.68	5,344.00
Sub Total Supplies and Rent				\$ 11,139.27

TOWN OF YOUNGTOWN
 Maricopa County Sheriff's Office
 Law Enforcement Reimbursement Costs and Charges
 FY 2025
 (July 1, 2024 through June 30, 2025)

Part 3. Communications and Information Technology (IT) **\$ 67,122.84**

Sworn FTEs	6.68				
Information System Service	\$41,610.17	Annual Cost			\$ 41,610.17
Monthly Radio Charges Vehicles	\$111.51	Per Month (12); 2 per Vehicle	Vehicles	2.0	5,352.48
Monthly Radio Charges Sworn	\$111.51	Per Month (12) per Sworn FTE	Sworn FTE	6.68	8,938.64
Code Enforcement Radios	\$111.51	Per Month (12); Code Enforcement	Radios	3	4,014.36
Deputy Laptop Connection	\$44.05	Per Month (12) per Sworn FTE	Sworn FTE	6.68	3,531.05
I-Phone Monthly Charge	\$45.86	Per Month (12) per Device per Sworn FTE	Sworn FTE	6.68	3,676.14
Sub Total Communications and IT:					\$ 67,122.84

Part 4. Vehicles and Equipment **\$ 40,927.79**

Vehicle Cost with Warranty	\$ 45,803.43	Vehicle life 150,000 miles			
Equipment Costs (Lights; Push Bar; Etc.)	\$ 29,831.00	Equipment life 343,743			
Component	Per Mile Rate	Annual Miles	Costs		
Mileage	\$0.852	32,910	\$28,022.61	\$	28,022.61
Vehicle Depreciation	\$0.305	32,910	\$10,049.18		10,049.18
Equipment Depreciation	\$0.087	32,910	\$2,856.00		2,856.00
Sub Total Vehicles and Equipment:					\$ 40,927.79

Part 5. One-Time Costs

This section is reserved for cost reimbursement of replacement or new equipment items that have been identified as necessary for Law Enforcement Service delivery that are not otherwise funded in the Sheriff's operational budget. (Requires amendment.)

Part 6. Indirect Cost Recovery

Indirect costs are recovered at 3% for Sections 1 - 4.

\$ 43,591.96

**EXHIBIT B
TO
INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE TOWN OF YOUNGTOWN
AND
MARICOPA COUNTY
on behalf of the
Maricopa County Sheriff's Office**

Supplemental Directed Patrol Cost Template

See following pages.

Charging Method for
Supplemental Directed Patrol Service
and Invoicing

MCSO will bill the town when supplemental, intermittent directed patrol service has been requested and rendered using the following calculations and charges.

- 1) The Deputy hourly charge will be the current year's average hourly overtime rate for an MCSO deputy plus the current variable benefits rate applied to that hourly overtime rate for an average hourly charge per deputy hour worked.
- 2) A supervision charge per deputy hour worked will be added to the deputy's hourly rate. This is calculated taking the current year's average hourly overtime rate for an MCSO Sergeant plus current variable benefits allocated using a ratio of one sergeant to eight deputies.
- 3) The charge for sergeants assigned to participate in the detail will be the current average hourly overtime rate for the market range plus the current variable benefits rate per hour worked.
- 4) A vehicle charge of \$15 per hour will be added when marked and unmarked automobiles are used for this duty.
- 5) A 3% administrative processing charge will be added to the total of each invoice.

**AGREEMENT BETWEEN
THE GREATER PHOENIX ECONOMIC COUNCIL
AND THE TOWN OF YOUNGTOWN
Town Contract No. _____**

The Town Council of the TOWN OF YOUNGTOWN, a municipal corporation (the “Town”), has approved participation in and support of the regional economic development program of the GREATER PHOENIX ECONOMIC COUNCIL (“GPEC”), an Arizona non-profit corporation. The purpose of this agreement (“Agreement”) is to set forth the regional economic development program that GPEC agrees to undertake, the support that the Town agrees to provide, the respective roles of GPEC and the Town and the payments of the Town to GPEC for the fiscal year July 1, 2024 - June 30, 2025 (“FY2025”).

NOW, THEREFORE, in consideration of the mutual promises contained herein, the TOWN and GPEC agree as follows:

I. RESPONSIBILITIES OF GPEC

A. MISSION: Attract and grow quality businesses and advocate for Greater Phoenix’s competitiveness.

B. GOALS: GPEC is guided by and strategically focused on two specific long-range goals:

1. Marketing the region to generate qualified business/industry prospects in targeted economic clusters
2. Leveraging public and private allies and resources to locate qualified prospects, improve overall competitiveness, and sustain organizational vitality

C. RETENTION AND EXPANSION POLICY:

1. GPEC’s primary role is developing the Greater Phoenix region’s market intelligence strategy for high wage, base industry clusters in coordination with representatives of GPEC member communities.
2. Retention and expansion of existing businesses within GPEC member communities is primarily a local issue.
3. GPEC will support its member communities’ efforts to retain and expand existing businesses through coordinating regional support and providing research on key retention and expansion projects.
4. GPEC will advise its member communities when an existing company contacts GPEC regarding a retention or expansion issue, subject to any legal or contractual non-disclosure obligations.

D. ACTION PLAN AND BUDGET: In accordance with the Mission, Goals and Retention Policy set forth above and subject to the availability of adequate funding, GPEC shall implement the Action Plan and Budget adopted by GPEC's Board of Directors, a copy of which has been delivered to the Town, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as **Exhibit A** (“GPEC Action Plan”). The Town shall be informed of any changes in the adopted Action Plan which will materially affect or alter the priorities established therein. Such notification will be in writing and will be made prior to implementation of such changes. Notwithstanding the foregoing, the Town acknowledges and agrees that GPEC may, in its reasonable judgment in accordance with its own practices and procedures, substitute, change, reschedule, cancel or defer certain events or activities described in the Action Plan as required by a result of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control. GPEC

shall solicit the input of the Town on the formulation of future marketing strategies and advertisements. The Action Plan will be revised to reflect any agreed upon changes to the Action Plan.

- E. PERFORMANCE TARGETS:** Specific performance targets, established by GPEC’s Executive Committee and Board of Directors, are attached hereto as **Exhibit B** (“GPEC Performance Measures”) and shall be used to evaluate and report progress on GPEC’s implementation of the Action Plan. In the event of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control, these performance targets may be revised with the Town’s prior written approval, or with the prior written approval of a majority of the designated members of GPEC’s Economic Development Directors Team (“EDDT”). GPEC will provide monthly reports to the Town discussing in detail its progress in implementing the Action Plan as well as reporting the numerical results for each performance measurement set forth in Exhibit B. GPEC shall provide a copy of its annual external audit for the preceding fiscal year to the Town no later December 31, 2024.

In the case of any benchmark which is not met, GPEC will meet with the EDDT to provide an explanation of the relevant factors and circumstances and discuss the approach to be taken in order to achieve the target(s). Failure to meet a performance target will not, by itself, constitute an event of default hereunder unless GPEC (i) fails to inform the Town of such event or (ii) fails to meet with EDDT to present a plan for improving its performance during the balance of the term of the Agreement will constitute an event of default for which the Town may terminate this Agreement pursuant to paragraph IV.J. below.

II. RESPONSIBILITIES OF THE TOWN

- A. STAFF SUPPORT OF GPEC EFFORTS:** The Town shall provide staff support to GPEC's economic development efforts as follows:
1. The Town shall respond to leads or prospects referred by GPEC in a professional manner within the time frame specified by the lead or prospect if the Town desires to compete and if the lead is appropriate for the Town. When available, the Town agrees to provide its response in the format developed jointly by EDDT and GPEC;
 2. The Town shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the Town;
 3. The Town shall provide an official economic development representative to represent the Town on the EDDT, which advises GPEC’s President and CEO;
 4. The Town shall cooperate in the implementation of GPEC/EDDT process improvement recommendations including the use of common presentation formats, exchange of information on prospects with GPEC's staff, the use of shared data systems, land and building data bases and private sector real estate industry interfaces;
 5. The Town shall use its best efforts to respond to special requests by GPEC for particularized information about the Town within three business days after the receipt of such request;
 6. In order to enable GPEC to be more sensitive to the Town's requirements, the Town shall, at its sole option, deliver to GPEC copies of any Town approved economic development strategies, work plan, programs and evaluation criteria. GPEC shall not disclose the same to the other participants in GPEC or their representatives;
 7. The Town shall utilize its best good faith efforts to cause an economic development professional representing the Town to attend all marketing events and other functions to which the Town has committed itself;

8. The Town agrees to work with GPEC to improve the Town's Competitiveness and market readiness to support the growth and expansion of the targeted industries as identified for the Town in **Exhibit C** ("Targeted Industries");

B. RECOGNITION OF GPEC: The Town agrees to recognize GPEC as the Town's officially designated regional economic development organization for marketing the Greater Phoenix region.

III. ADDITIONAL AGREEMENTS OF THE PARTIES:

A. PARTICIPATION IN MARKETING EVENTS AND PROVISION OF TECHNICAL ASSISTANCE: Representative(s) of the Town shall be entitled to participate in GPEC's marketing events provided that such participation shall not be at GPEC's expense. When requested and appropriate, GPEC will use its best efforts to provide technical assistance and support to Town economic development staff for business location prospects identified and qualified by the Town and assist the Town with presentations to the prospect in the Town or their corporate location.

B. COMPENSATION:

1. The Town agrees to pay **\$3,457** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2025, as set forth in this Agreement. This amount is based on approximately \$.4897 per capita, based upon the 2023 Office of Economic Opportunity population estimate, which listed the Town as having a population of **7,060**. The payment by the Town may, upon the mutual and discretionary approval of the board of directors of GPEC and the Town Council, be increased or decreased from time to time during the term hereof in accordance with the increases or decreases of general application in the per capita payments to GPEC by other municipalities which support GPEC.
2. Funding of this Agreement shall be subject to the annual appropriations of funds for this activity by the Town Council pursuant to the required budget process of the Town;
3. Nothing herein shall preclude the Town from contracting separately with GPEC for services to be provided in addition to those to be provided hereunder, upon terms and conditions to be negotiated by the Town and GPEC; and
4. GPEC shall submit an invoice for payment on an annual basis. The foregoing notwithstanding, if GPEC has not provided the Town with the audit required pursuant to paragraph I.E. above no later than December 31, 2024, no payments shall be made hereunder until the Town receives the audit report. Invoices and monthly activity reports, substantially in the form of **Exhibit D** ("Reporting Mechanism for Contract Fulfillment") attached hereto, are to be submitted to the address listed under paragraph IV.P.

C. COOPERATION:

1. The parties acknowledge that GPEC is a cooperative organization effort among GPEC and its member communities. Accordingly, the Town and GPEC covenant and agree to work together in a productive and harmonious manner, to cooperate in furthering GPEC's goals for FY2025. The Town and GPEC further covenant and agree to comply with the Regional Cooperation Protocol, attached hereto as **Exhibit F**, in all material respects.
2. The Town agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY2026 contract.

3. The Town agrees to work with GPEC during FY2025 to develop a revised public sector funding plan, including a regional allocation formula for FY2026, if determined to be necessary or appropriate.

IV. GENERAL PROVISIONS:

- A. **COVENANT AGAINST CONTINGENT FEES:** GPEC warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For a breach or violation of this warranty, the Town shall have the right to terminate this Agreement without liability or, in its discretion, to deduct the commission, brokerage or contingent fee from its payment to GPEC.
- B. **PAYMENT DEDUCTION OFFSET PROVISION:** GPEC recognizes the provisions of the Town Code of the Town of Youngtown which require and demand that no payment be made to any contractor as long as there is any outstanding obligation due to the Town, and directs that any such obligation be offset against payment due to GPEC.
- C. **ASSIGNMENT PROHIBITED:** No party to this agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and no effect.
- D. **INDEPENDENT CONTRACTOR; NO AGENCY:** Nothing contained in this Agreement creates any partnership, joint venture or agency relationship between the Town and GPEC. At all times during the term of this Agreement, GPEC shall be an independent contractor and shall not be an employee of Town. Town shall have the right to control GPEC only insofar as to the results of GPEC's services rendered pursuant to this Agreement. GPEC shall have no authority, express or implied, to act on behalf of Town in any capacity whatsoever as an agent. GPEC shall have no authority, express or implied, pursuant to this Agreement to bind Town to any obligation whatsoever.
- E. **INDEMNIFICATION AND HOLD HARMLESS:** During the term of this Contract, GPEC shall indemnify, defend, hold, protect and save harmless the Town and any and all of its Council members, officers and employees from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property, including property owned by Town, brought, made, filed against, imposed upon or sustained by the Town, its officers, or employees in and arising from or attributable to or caused directly or indirectly by the negligence, wrongful acts, omissions or from operations conducted by GPEC, its directors, officers, agents or employees acting on behalf of GPEC and with GPEC's knowledge and consent.

Any party entitled to indemnity shall notify GPEC in writing of the existence of any claim, demand or other matter to which GPEC's indemnification obligations would apply, and shall give to GPEC a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party.

Nothing in this Subsection E shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions or willful misconduct of such indemnified party.
- F. **INSURANCE:** GPEC shall procure and maintain for the duration of this Agreement, at GPEC's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by GPEC, its agents, representatives, employees or contractors, in accordance with the Insurance Requirements set forth in **Exhibit E** ("Insurance Requirements"), attached hereto. The Town acknowledges that it has received and reviewed evidence of GPEC's insurance coverage in effect as of the execution of this Agreement.

- G. GRATUITIES.** The Town may, by written notice to GPEC, terminate the right of GPEC to proceed under this Agreement upon one (1) calendar day notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by GPEC, or any agent or representative of GPEC, to any officer or employee of the Town with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performance of such contract; provided that the existence of the facts upon which the Town makes such findings shall be an issue and may be reviewed in any competent court. In the event of such termination, the Town shall be entitled to pursue all legal and equitable remedies against GPEC available to the Town. Activities by an officer or employee of the Town while engaged in official business with GPEC, including travel, shall not be deemed a gratuity.
- H. EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, GPEC agrees as follows:
1. GPEC will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age or disability. GPEC shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, national origin, age or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. GPEC agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 2. GPEC will, in all solicitations or advertisements for employees place by or on behalf of GPEC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, sexual orientation, national origin, age or disability.
 3. GPEC will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to Agreements or subcontracts for standard commercial supplies or new materials.
 4. Upon request by the Town, GPEC shall provide Town with information and data concerning action taken and results obtained in regard to GPEC's Equal Employment Opportunity efforts performed during the term of this Agreement. Such reports shall be accomplished upon forms furnished by the Town or in such other format as the Town shall prescribe.
- I. COMPLIANCE WITH APPLICABLE FEDERAL AND STATE LAWS REQUIRED.** GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989 and the American with Disabilities Act, and agrees to comply therewith in performing under any resultant agreement and to permit Town inspection of its records to verify such compliance.
1. GPEC warrants to the Town that, to the extent applicable under A.R.S. §41-4401, GPEC is in compliance with all Federal Immigration laws and regulations that relate to its employees and with the E-Verify Program under A.R.S. §23-214(A). GPEC acknowledges that a breach of this warranty by GPEC is a material breach of this Agreement subject to penalties up to and including termination of this Agreement. The Town retains the legal right to inspect the papers of any employee of GPEC to ensure compliance with this warranty.
 2. The Town will not consider GPEC in material breach of the foregoing warranty if GPEC establishes that it has complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

3. Pursuant to A.R.S. §§35-391.06 and 35-393-06, GPEC hereby certifies to the Town that GPEC does not have "scrutinized" business operations, as defined in A.R.S. §§35-391 and 35-393, in either Sudan or Iran. GPEC acknowledges that any subcontractor who is contracted by GPEC to perform work under this Agreement shall warrant that such subcontractor does not have "scrutinized" business operations, as defined in A.R.S. §§35-391 and 35-393, in either Sudan or Iran.
4. GPEC certifies that it is not currently engaged in and agrees for the duration of the Agreement not to engage in a boycott of Israel as defined in A.R.S. § 35-393.
5. In accordance with Arizona Revised Statutes § 35-394, GPEC hereby certifies and agrees that GPEC does not currently and shall not for the duration of this Agreement use 1) the forced labor of ethnic Uyghurs in the People's Republic of China, 2) any services or goods produced by the forced labor of ethnic Uyghurs in the People's Republic of China, and/or 3) any suppliers, contractors or subcontractors that use the forced labor or any services or goods produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If GPEC becomes aware during the term of this Agreement that GPEC is not in compliance with this Section, then GPEC shall notify the Town within five (5) business days after becoming aware of such noncompliance. If GPEC does not provide the Town with written certification that GPEC has remedied such noncompliance within one hundred eighty (180) days after notifying the Town of such noncompliance, this Agreement shall terminate, except that if the Agreement termination date occurs before the end of such one hundred eighty (180) day remedy period, this Agreement shall terminate on such contract termination date.

- J. TERMINATION.** Town shall have the right to terminate this Agreement if GPEC shall fail to duly perform, observe or comply with any covenant, condition or agreement on its part under this Agreement and such failure continues for a period of 30 days (or such shorter period as may be expressly provided herein) after the date on which written notice requiring the failure to be remedied shall have been given to GPEC by the Town; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken or conditions to be remedied which, by their nature, cannot reasonably be accomplished within 30 days, no event of default shall be deemed to have occurred or to exist if, and so long as, GPEC shall commence such action within that period and diligently and continuously prosecute the same to completion within 90 days or such longer period as the Town may approve in writing. The foregoing notwithstanding, in the event that the Town decides, for whatever reason, to disassociate itself with GPEC, or in the event of circumstances which render GPEC incapable of providing the services required to be performed hereunder, including, but not limited to, insolvency or an award of monetary damages against GPEC in excess of its available insurance coverage and assets, the Town may immediately and without further notice terminate this Agreement.
- K. RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS.** GPEC's performance hereunder shall be in material compliance with all applicable federal, state and local health, environmental, and safety laws, regulations, standards, and ordinances in effect during the performance of this Agreement.
- L. INSTITUTION OF LEGAL ACTIONS.** Any legal actions instituted pursuant to this Agreement must be filed in the county of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona. In any legal action, the prevailing party in such action will be entitled to reimbursement by the other party for all costs and expenses of such action, including reasonable attorneys' fees as may be fixed by the Court.
- M. APPLICABLE LAW.** Any and all disputes arising under any Agreement to be awarded hereunder or out of the proposals herein called for, which cannot be administratively resolved, shall be tried

according to the laws of the State of Arizona, and GPEC shall agree that the venue for any such action shall be in the State of Arizona.

- N. **CONTINUATION DURING DISPUTES.** GPEC agrees that, notwithstanding the existence of any dispute between the parties, each party shall continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by an Arizona court of competent jurisdiction.
- O. **TOWN REVIEW OF GPEC RECORDS.** GPEC must keep all Agreement records separate and make them available for audit by Town personnel upon request.
- P. **NOTICES.** Any notice, consent or other communication required or permitted under this Agreement shall be in writing and shall be deemed received at the time it is personally delivered, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, three (3) days after the notice is deposited in the United States mail addressed as follows:

If to Town: Gregory Arrington
Community Development Manager
Town of Youngtown
12030 Clubhouse Square
Youngtown, Arizona 85363
Phone: (623) 933-8286

If to GPEC: Chris Camacho
President and Chief Executive Officer
Greater Phoenix Economic Council
Two North Central Avenue, Suite 2500
Phoenix, Arizona 85004-4469
(602) 256-7700
FAX: (602) 256-7744

Any time period stated in a notice shall be computed from the time the notice is deemed received. Either party may change its mailing address or the person to receive notice by notifying the other party as provided in this paragraph.

- Q. **TRANSACTIONAL CONFLICT OF INTEREST.** All parties hereto acknowledge that this Agreement is subject to cancellation by the Town pursuant to the provisions of Section 38-511, Arizona Revised Statutes.
- R. **NONLIABILITY OF OFFICIALS AND EMPLOYEES.** No member, official or employee of the Town will be personally liable to GPEC, or any successor in interest, in the event of any default or breach by the Town or for any amount which may become due to GPEC or successor, or on any obligation under the terms of this Agreement. No member, official or employee of GPEC will be personally liable to the Town, or any successor in interest, in the event of any default or breach by the GPEC or for any amount which may become due to the Town or successor, or on any obligation under the terms of this Agreement.
- S. **NO WAIVER.** Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default, will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.
- T. **SEVERABILITY.** If any provision of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will not be affected

thereby and shall be valid and enforceable to the fullest extent permitted by law, provided that the fundamental purposes of this Agreement are not defeated by such severability.

- U. **CAPTIONS.** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.
- V. **NO THIRD PARTY BENEFICIARIES.** No creditor of either party or other individual or entity shall have any rights, whether as a third-party beneficiary or otherwise, by reason of any provision of this Agreement.
- W. **DISCLOSURE OF CONFIDENTIAL INFORMATION IF REQUIRED TO BY LAW.** This agreement allows the Parties to disclose Confidential Information, as defined below, to each other under the following terms. In the opinion of the Parties to this Agreement: (1) the Confidential Information is the proprietary property of the Parties and is strictly confidential and privileged pursuant to, among other laws, A.R.S. §§ 44-401, et seq., (2) the release of the Confidential Information provided could cause harm to the Parties' competitive position, (3) the Confidential Information is potentially personal and private, and (4) the Confidential Information is exempt from disclosure under the Arizona Public Records and Open Meeting Laws, A.R.S. § 39-121, et seq. The Agreement does not license, assign, or convey any intellectual property or proprietary rights from any Party to any other Party.

"Confidential Information" means non-public information, know-how, or trade secrets in any form, that:

1. Are designated as being confidential; or
2. A reasonable person knows or reasonably should understand to be confidential.

The Town must comply with and may be subject to certain disclosure requirements under the Arizona public records law (A.R.S. § 39-101, et seq.). The Town may disclose Confidential Information if required to comply with a court order or other government demand that has the force of law. Prior to disclosure, the Party must:

1. Seek the highest level of protection available; and
2. Give GPEC reasonable prior notice of the request for records and identified responsive documents to allow them to seek a protective order, unless such notice is not permitted under law.

- X. **ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.** This Agreement may be executed in up to three (3) duplicate originals, each of which is deemed to be an original. This Agreement, including eight (8) pages of text and the below-listed exhibits which are incorporated herein by this reference, constitutes the entire understanding and agreement of the parties.

Exhibit A – GPEC Action Plan
Exhibit B – GPEC Performance Measures
Exhibit C – Targeted Industries
Exhibit D – Reporting Mechanism for Contract Fulfillment
Exhibit E – Insurance Requirements
Exhibit F – Regional Cooperation Protocol

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Town or GPEC, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement this _____ day of _____, 2024.

TOWN OF YOUNGTOWN, a municipal corporation

By: _____
Honorable Michael LeVault
Its: Mayor

ATTEST:






By: _____
Its: Nicole Smart, Town Clerk

APPROVED AS TO FORM:

By: _____
Its: Trish Stuhan, Town Attorney

GREATER PHOENIX ECONOMIC COUNCIL,
an Arizona nonprofit corporation

By: _____
Chris Camacho
President & Chief Executive Officer

602.256.7700 /// gpec.org     

Town of Youngtown Council Meeting

THURSDAY, MAY 16TH, 2024





GPEC & Town of Youngtown



Regional Results

Regional Results Summary

	FY24	FY23	5-Year Total
Payroll Generated (in millions of dollars)	\$354.19	\$560.06	\$2,700
Jobs	5,145	7,731	43,439
High-Wage Jobs	2,762	5,019	24,189
Average Salary	\$68,842	\$72,443	\$62,156
Qualified Prospects	215	246	1,250
Assisted Locates	38	37	217
Capital Investment (in millions of dollars)	\$2,521.42	\$29,653.5	\$52,673.5

217

locates in Greater Phoenix GPEC has assisted in the last five years, creating

43,439
jobs and

\$52.7B
in capital investment

*Numbers as of April 30th



Recent West Valley Announcements



Peoria
803 Phase 1 Jobs
650,000 SF



Phoenix
40 Phase 1 Jobs
18,000 SF



Avondale
500 Phase 1 Jobs
389,197 SF



Glendale
100 Phase 1 Jobs
420,536 SF



PECKHAM

Phoenix
600 Phase 1 Jobs
136,000 SF



Glendale
196 Phase 1 Jobs
570,000 SF



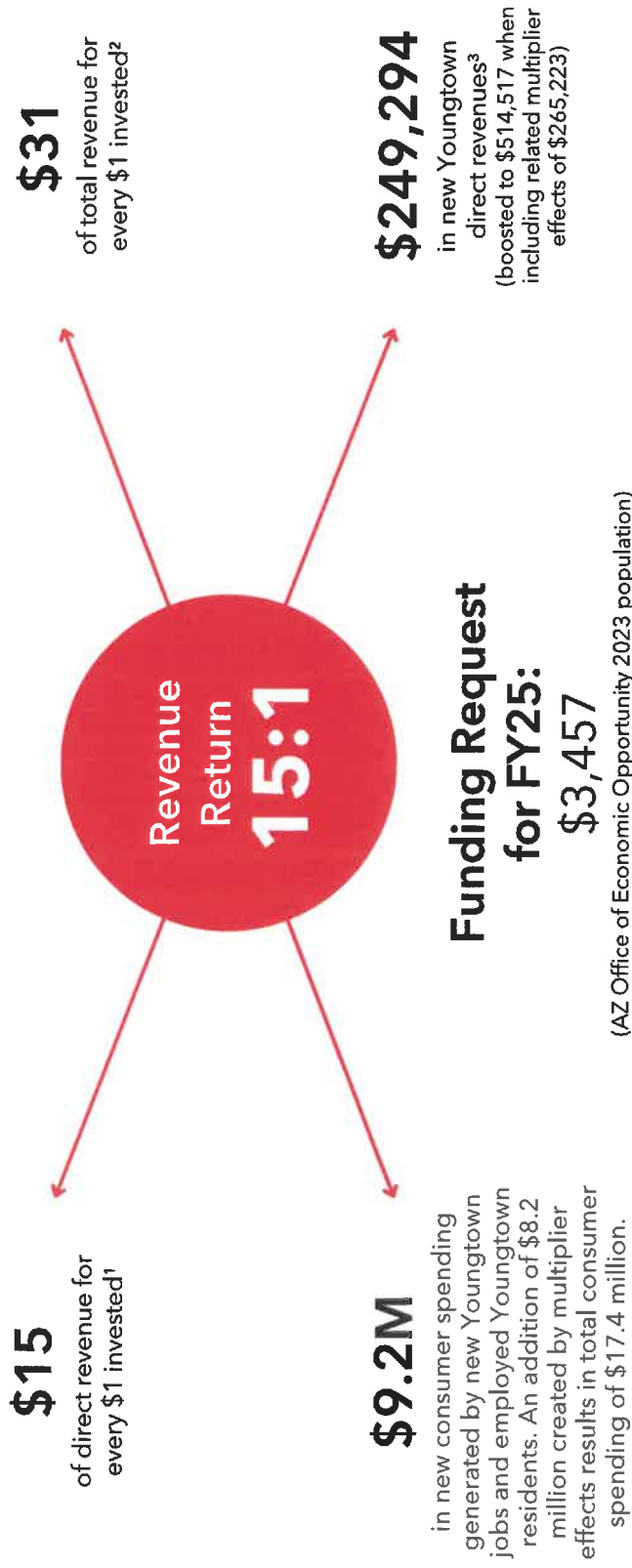
Surprise
204 Phase 1 Jobs
258,000 SF



Glendale
80 Phase 1 Jobs
599,000 SF



Youngtown 5-Year Trend on Revenue Return



¹ Includes property, sales and utility taxes, as well as state-shared and other local revenues. | ² Includes direct revenues plus those generated by related supplier and consumer jobs. | ³ Revenue estimates are from the Greater Phoenix Consensus Impact Model. In 1999, GPEC and our members developed the region's first-ever consensus-based revenue and economic impact model. Based on nationally accepted multiplier data provided by IMPLAN, the model is customized to calculate economic and revenue benefits for GPEC's members and the State of Arizona.



Results Through Regional Success

Youngtown benefits from site location projects and GPEC activities that occur across the region. Economic development projects create value by generating public and private revenues.

GPEC-assisted locates have created 114 jobs region-wide for Youngtown residents over the past five years.

Commute patterns and retail studies show that employees of "locates" live and spend their incomes in all Greater Phoenix communities.

When a company selects a Greater Phoenix location, all communities benefit with increased tax revenues.



FY23-25 Strategic Plan Goals

GOAL 1

Lead an ambitious shared vision for the region's economic future

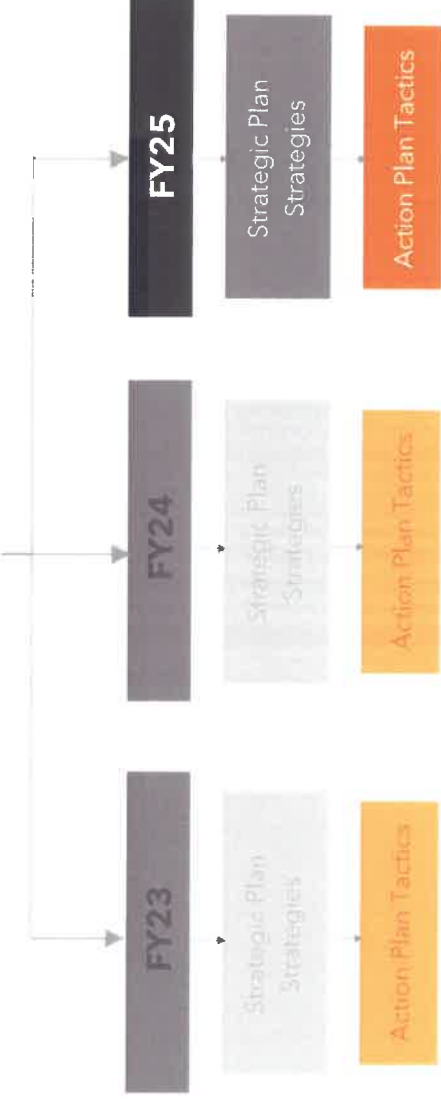
GOAL 2

Enhance the foundation of the future economy with a focus on emerging and innovation-driven industry sectors

GOAL 3

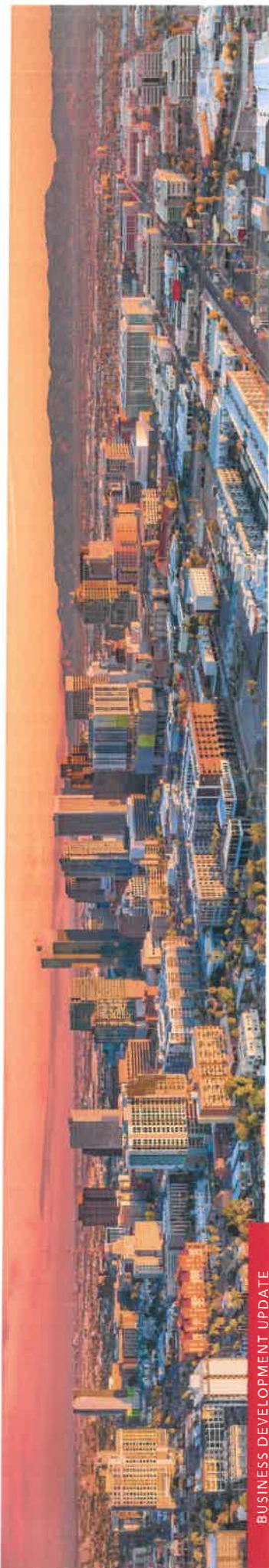
Expand organizational capacity to serve the Greater Phoenix economic ecosystem and meet the needs of the market

Three-year Strategic Plan Goals



Business Development Update





FY24 Quick Overview

Prospect Stats



38

Companies located in FY24



\$2.5 B

In Capital Investment



5,145

Jobs created in the Region



\$86,749

Avg. High Wage Salary

Numbers as of April 30



YTD FY24 Prospect Activity



*FY24 prospect potential. Numbers as of April 30

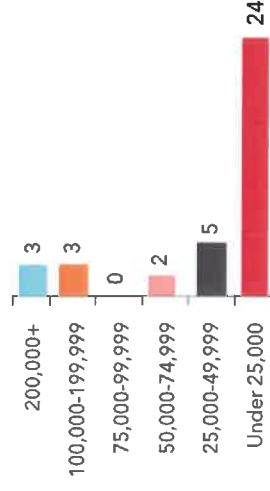


Active Prospects by Type and Operation

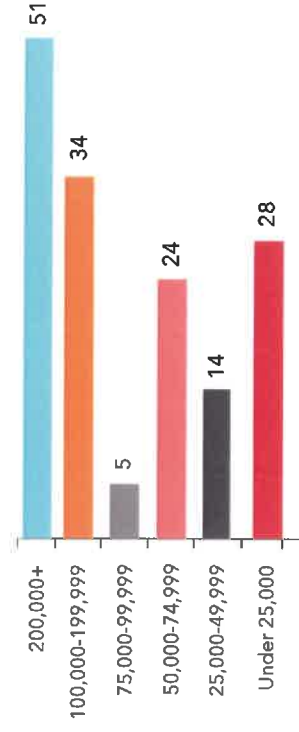
Operation Type Highlights

- 56** Light Manufacturing
- 63** Advanced/High Tech Manufacturing
- 18** Warehouse/Distribution
- 16** Heavy Manufacturing
- 17** Advanced Administration/Back Office
- 14** R&D
- 10** Headquarters Offices
- 7** Data Centers
- 4** Health Services
- 1** Entry Level Admin/Call Center

Office Prospects (37)



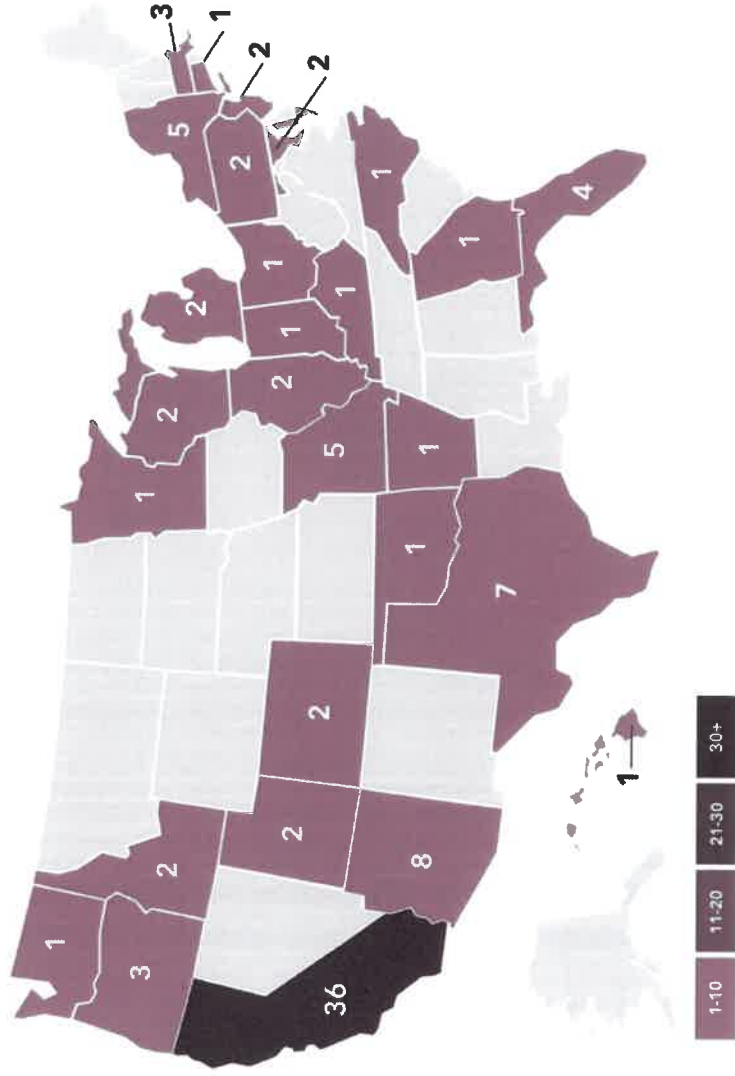
Industrial Prospects (169)



YTD FY24 Prospects by HQ Location

- 17% of prospects are from California
- 26% of prospects are international including from:
 - Taiwan
 - Japan
 - Germany
 - Netherlands
 - Singapore
 - South Korea
 - South Africa
 - Peru
 - Denmark
 - Turkey


International	55
Unknown	60
Grand Total	215



Numbers as of April 30



Greater Phoenix Greater Together

 Greater Phoenix
Economic Council
602.256.7700 // gpec.org

NO INSERT