



# TOWN OF HUACHUCA CITY

The Sunset City

**HUACHUCA CITY TOWN COUNCIL  
PUBLIC MEETING NOTICE  
Thursday, June 22, 2023, at 6:00 PM  
COUNCIL CHAMBERS  
500 N. GONZALES BLVD.  
HUACHUCA CITY, AZ 85616**

## **AGENDA**

### **A. Call to Order – Mayor**

- a. Pledge of Allegiance
- b. Roll Call and Ascertain Quorum
- c. Invocation

*Any prayer/invocation that may be offered before the start of regular Council business shall be the voluntary offering of a private citizen, for the benefit of the Council and the citizens present. The views or beliefs expressed by the prayer/invocation speaker have not been previously reviewed or approved by the Council, and the Council does not endorse the religious beliefs or views of this, or any other speaker. A list of volunteers is maintained by the Town Clerk's Office and interested persons should contact the Town Clerk's Office for further information.*

### **B. Call to the Public – Mayor**

*A.R.S. 38-431.01 states the Public Body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the Public Body. At the conclusion of an open call to the public, individual members of the Public Body may respond to criticism made by those who have addressed the Public Body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the Public Body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.*

### **C. Consent Agenda - Mayor**

*All items listed in the Consent Agenda are considered routine matters and will be enacted by one motion of the Council. There will be no separate discussion of these items unless a Member of the Town Council requests that an item or items be removed for discussion. Council Members may ask questions without removal of the item from the Consent Agenda. Items removed from the Consent Agenda are considered in their normal sequence as listed on the agenda, unless called out of sequence.*

- C.1 Consider approval of the Minutes of the Regular Council Meeting held on June 8, 2023.
- C.2 Consider approval of the Payment Approval Report.

**D. Unfinished Business before the Council – Mayor**

*Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.*

**E. New Business Before Council - Mayor**

*Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.*

**E.1 Discussion and/or Action [Mayor Wallace]: Interview applicants for the vacant Council position. Following the interviews, the Council might vote to appoint one of the applicants to the vacant position to serve until the next regularly scheduled Council election on November 5, 2024.**

**E.2 Discussion and/or Action [Spencer Forsberg]: Mr. Forsberg will review the Town's finances for the month of May.**

**E.3 Discussion and/or Action [Chief Thies]: Authorization for the Town to cooperate with Tombstone Unified School District # 1 for participation in a School Safety Program funded by a grant awarded to the School District. Under this Program, the Town would be assigning a police officer to serve as a school resource officer, and the School District would reimburse the Town for its payroll costs. A formal intergovernmental agreement would be brought forward at a future Council meeting for approval.**

**E.4 Discussion and/or Action [Suzanne Harvey]: Resolution 2023-09 - A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ADOPTING A PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM ["PSPRS"] FUNDING POLICY.**

**E.5 Discussion and/or Action [Suzanne Harvey]: Authorization for repairs to the fire station bathroom in the approximate amount of \$9,000.00.**

**E.6 Discussion and/or Action [Suzanne Harvey]: Authorization to pursue renewal of the Intergovernmental Agreement with Tombstone Unified School District # 1 for sharing facilities.**

**E.7 Discussion and/or Action [Suzanne Harvey]: Decision on selecting a new name for the Senior Center.**

**E.8 Discussion and/or Action [Stephanie Fulton]: Update on the Family Fun Pool Day in July.**

**F. Reports of Current Events by Council**  
**G. Adjournment**

Posted at 5:00 PM on June , 2023, at the following locations:

<p><b>Town Hall Bulletin Board</b>            500 N. Gonzales Blvd.            Huachuca City, AZ 85616</p>	<p><b>Town Hall Lobby</b>            500 N. Gonzales Blvd.            Huachuca City, AZ 85616</p>	<p><b>Town Website</b>  <a href="https://huachucacityaz.gov">https://huachucacityaz.gov</a></p>
<p><b>Huachuca City U.S. Post Office</b>            690 N. Gonzales Blvd.            Huachuca City, AZ 85616</p>	<p><b>Huachuca City Library</b>            506 N. Gonzales Blvd.            Huachuca City, AZ 85616</p>	<p><b>Huachuca City Police Department</b>            500 N. Gonzales Blvd.            Huachuca City, AZ 85616</p>

*Ms. Brandye Thorpe*  
 Town Clerk

Note: This meeting is open to the public. All interested people are welcome to attend. A copy of agenda background material provided to the Councilmembers, with the exception of confidential material relating to possible executive sessions, is available for public inspection at the Town Clerk's Office, 500 N. Gonzales Blvd., Huachuca City, AZ 85616, Monday through Friday from 8:00 a.m. to 5:00 p.m. or online at [www.huachucacityaz.gov](http://www.huachucacityaz.gov)

Individuals with disabilities who need a reasonable accommodation to attend or communicate at a town meeting, or who require this information in alternate format, may contact the Town at 456-1354 (TTY 456-1353) to make their needs known. Requests should be made as early as possible so there is sufficient time to respond.



# TOWN OF HUACHUCA CITY

The Sunset City

**MEETING MINUTES OF THE  
HUACHUCA CITY TOWN COUNCIL  
June 8, 2023 AT 6:00 PM  
COUNCIL CHAMBERS  
500 N. GONZALES BLVD.  
HUACHUCA CITY, AZ 85616**

**A. Call to Order – Mayor**

- a. Pledge of Allegiance
- b. Roll Call and Ascertain Quorum

**B. Roll Call.**

**Roll Call.**

**Present:** Johann Wallace, Christy Hirshberg, Jeffrey Ferro, Cynthia Butterworth, Debra Trate, Jean Smelt, Town Manager Suzanne Harvey (Not voting), Town Clerk Brandye Thorpe (Not voting), Town Attorney Thomas Benavidez (Not voting).

**Absent:**

- a. Invocation

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**C. Call to the Public – Mayor**

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C.1 Consider approval of the Minutes of the Regular Council Meeting, including the executive session, held on May 25, 2023.

C.2 Consider approval of the Payment Approval Report.

**Motion:** Approval of the items on the Consent Agenda, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

**Motion:** Approve Items on the Consent Agenda., **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.  
Motion passed unanimously.

#### **E. Unfinished Business before the Council – Mayor**

*Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council Members, however, may be directed to staff or a member of the public through the Mayor at any time.*

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**E.1 Discussion and/or Action [Mayor Wallace]: Resolution 2023-08 - DESIGNATING BRANDYE THORPE AS THE CHIEF FISCAL OFFICER FOR OFFICIALLY SUBMITTING THE FISCAL YEAR 2024 EXPENDITURE LIMITATION REPORT TO THE ARIZONA AUDITOR GENERAL.**

**Motion:** Resolution 023-08 – Designating Brandye Thorpe as the Chief Fiscal Officer for officially submitting the Fiscal Year 2024 Expenditure Limitation Report to the Arizona Auditor General, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Council had no questions.

**Motion:** Approve Resolution 2023-08, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Motion passed unanimously.

### **E.2 Discussion and/or Action [Chief Thies]: Approval of road closures for the Town's 4<sup>th</sup> of July event.**

**Motion:** Approval of road closures for the Town's 4<sup>th</sup> of July event, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Chief Thies tells the Council it's much the same thing as last year. preparing with the Arizona Rangers for the four (4) main intersections. He plans to work and plan directly with the Fireworks Personnel. The plan so far is to mainly use Controlled Access until they're on scene for the Fireworks then closing roads.

Mayor Wallace requests that they make sure people aren't parking on the new walking path at the park. He predicts that a lot of people will try to park there and wants to have them do their best to keep it clear. Stating he believes an event is going to need/use that path.

Chief Thies says they will drop some cones along it to remind people not to park there.

Council had no questions about the road closures.

**Motion:** Approve proposed road closures for the 4<sup>th</sup> of July, **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Debra Trate.

Motion passed unanimously.

### **E.3 Discussion and/or Action [Chief Thies]: Update on grant funded School Resource Officer collaboration with Tombstone School District.**

**Motion:** Update on grant funded School Resource Officer collaboration with Tombstone School District, **Action:** Discussion and/or Action **Moved by** Johann Wallace, **Seconded by** Debra Trate.

Chief Thies gave the Council a brief synopsis of what is going on. In the beginning of May he was contacted by Sarah Cox informing him that the Tombstone School District had gotten a grant for S.R.O. and had received it for both Tombstone Highschool and Huachuca City School. Sarah is going to be coming before the Council with more information later about how the IGA will be done, but Chief Thies knows that they would need a Sworn Peace Officer and not someone from the academy. This person's primary responsibilities will be the school and its activities during the schools' sessions.

Mayor Wallace commented to the Council that this is great for the community, not only for the school, but when school is not in session this is another officer for the Town.

Chief Thies told Council that would mainly be during the summer when school is out.

Councilmember Smelt commented that that's really when you need another officer because the kids are all out.

#### **E.4 Discussion and/or Action [Brandy Thorpe]: Update on applicants for the vacant Council Member position.**

**Motion:** Update on applicants for the vacant Council Member position, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Town Clerk Thorpe included three (3) applicants in the Councils packets. She asks the Council if they want to continue leaving the position open and if/when they want to schedule interviews with the applications they have now.

Mayor Wallace briefly goes over the meeting schedule they have now and asks if they have any special meetings on the 29<sup>th</sup>?

Manager Harvey answers that yes, they do have something scheduled for that day. She reminds the Council that the last time they just did interviews during a regular council meeting.

Mayor Wallace asks the Council if they have any thoughts or if they just want to do the interviews as part of the regular meeting on the 22<sup>nd</sup>?

The Council agrees to doing it at the meeting on the 22<sup>nd</sup>.

Councilmember Smelt asks if they must ask the same questions or can they update them?

Mayor Wallace answered they can update the questions and asked Town Clerk Thorpe to pull up the set of questions they used last time and send them to the council so any changes can be made. He reminds the Council that they must ask everyone the same questions. He asks Town Clerk Thorpe to notify the applicants about the meeting on the 22<sup>nd</sup> and asks that they get a copy of the Open Meeting Laws that they can review.

Town Clerk Thorpe asks if she should add any applicants that apply before the meeting on the 22<sup>nd</sup>.

Mayor Wallace replied yes.

**Motion:** Schedule interviews for the vacant council position for any applicants from now until the 22<sup>nd</sup> **Action:** Approve, **Moved by** Johann Wallace, **Seconded by** Cynthia Butterworth.

Motion passed unanimously.

#### **E.5 Discussion and/or Action [Suzanne Harvey]: Partnership with Borderlands Restoration Network to install additional rainwater harvesting systems at the Library.**

**Motion:** Partnership with Borderlands Restoration Network to install additional rainwater harvesting systems at the Library, **Action:** Open for Discussion and/or Action, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Manager Harvey informs the Council that Caleb from Borderlands Restoration has approached the Town with an offer to put three 2,600-gallon rainwater harvesting tanks on the northwest corner of the library. They have a grant and are getting the tanks. They will do the installation. For the installation they have a youth group that they teach how to do this so they will install them. There will be a slight cost to the Town if we need bedding sand and a plumber to hook the tanks up to the main line that goes to the garden. Then we wouldn't be using our ground water for the garden. Manager Harvey states that this is a fantastic opportunity, and she is very excited for it. She mentions that Steph has some great ideas to have kids paint the

tanks since they'll be black. Manager Harvey is also very happy about the water conservation this will give the Town.

The Council voices many happy agreements about this development and water conservation.

## **F. Reports of Current Events by Council**

**Councilmember Smelt** mentions that due to her health she hasn't been able to go to a lot. She did go to the Nomi Mental Health Walk last Saturday. She didn't know that there was a Cochise County Garden Center so it was really cool. She talked to Mayor Cle from Sierra Vista and thought it was a good fundraiser.

**Councilmember Butterworth** toured the garden earlier this week and talked to Ann. Right now they are growing sugar snap peas, all sorts of peppers, various beans, tomatoes, onions, and more. They believe they'll be able to start distribution in June. Clinton Grey from Rays Garden of Eden in Palamedes donated seeds to the garden and worked with the kids to get plants growing. That was the first time we've had a winter garden. The children's discovery garden is in progress; the raise beds will be built, and they will be built for each class grade. At the pavilion they have bins in there that they are going to use for various gardening experiments. The rainwater collectors will be installed. They are hoping to get the green house solar. Clifford from Tailor Made has, at no cost, installed gutters on the pavilion and is donating a table and bench that has granite insects on it. He did this just because he's a great guy. They are also looking to build an earthworm farm. The US Department of Agriculture has designated the garden here as the People's Garden. In the entirety of Cochise County there is only one and it's ours. There's going to be one more tank installed at the pavilion that will water the Children's Garden. The Food Distribution will be on June 16<sup>th</sup> and Healthy Huachuca City isn't meeting this week but will meet next Wednesday and anyone is invited to come. It will be at the Senior Center. Everyone is invited to come walk with us on Sunday morning at the town park, doing how ever many laps they'd like.

**Mayor Pro Tem Hirshberg** on July 15<sup>th</sup> she talked to Stephine and today she got permission from Suzanne to do a Family Fun Day at the Pool to get people to come to the pool. She asked if anyone on the council was interested in coming out to help. She wants to be able to offer free food, games, and prizes.

**Mayor Wallace** says that a lot of things are happening, but these things aren't coming through meetings they're coming through e-mails. He's mostly keeping an eye on what's happening through these e-mails. He's gotten an update about the E-rate swap over and everything is almost in place. Cox has gotten the fiber for the library spliced and they are just waiting on a permit from ADOT to finish on that side.

## **G. Adjournment**

**Motion:** To Adjourn, **Action:** Adjourn, **Moved by** Johann Wallace, **Seconded by** Christy Hirshberg.

Motion passed unanimously.

Approved by Mayor Johann R. Wallace on June 11, 2023.



Mr. Johann R. Wallace  
Mayor

Attest: \_\_\_\_\_  
Ms. Brandy Thorpe,  
Town Clerk

Seal:

**Certification**

I hereby certify that the foregoing is a true and correct copy of the Minutes of the Meeting for the Huachuca City Town Council held on April 27, 2023. I further certify that the meeting was duly called and a quorum was present.

\_\_\_\_\_  
Ms. Brandy Thorpe,  
Town Clerk

**TOWN OF HUACHUCA CITY**  
**APPLICATION FOR TOWN COUNCIL VACANCY**  
**RESUME AND AFFIDAVIT**

Submit application to: Town Clerk's Office 500 N. Gonzales Blvd., Huachuca City, AZ 85616

Dear Members of Town Council:

I would respectfully request that you give, (my name) Danielle Cardella consideration in making the appointment to fill the Council seat vacated by Keith Settlemyer, the term of which expires in November of 2024. The following facts are submitted for your consideration (if necessary, applicant may attach additional pages):

Previous Employment or Business Ownership: Employer Job Title Dates

Freelance Catering	Self employed.	<del>2007-2010</del> 2007 - Current
Buena H.S. SVUSD	H.S. Culinary Instructor	July 21 <sup>st</sup> - Current
Cochise College	Culinary Instructor	July 2013 - July 21 <sup>st</sup>
Bisbee Hospitality Group	Executive Chef	July 2013 - May 2015
Bisbee Royale	Executive Chef	Dec 2012 - July 2013
Hyatt Hotels	Sous Chef Tournament	July 2011 - Dec 2012

I. Civic Participation: Clubs/Organization Office Held Dates

Mustang Mountain Cowboy Church	Member	2015 - Current
Various Charity Caterings		
Cochise College Culinary	Chapman	2013 - 2021
Buena Culinary Club	Chapman	Current

II. Please answer the questions below:

A. What are your interests or concerns relating to the Town of Huachuca City?

Continued improvement of City functions, community activities, infrastructure.
Being apart of decisions made in the community I have now been apart of since 2016.

B. Describe your leadership style.

As an executive chef, Chapwoman, and instructor I have had the opportunity to lead 2 to 50+ people to complete tasks such as running Restaurants through dinner service to off site catering of 500+ people. I get in it a work right along with my team. I can delegate when needed as well.

C. Explain your understanding of the role of a Council Member.

A representative and voting member of a panel of Committee members that assist in the governing of the Local area, town or city. Being a part of a group who could really make changes to better their life and those who live in their community, listening, voting.

D. How would you characterize your communication style, both formal and informal?

I think my communication style is effective and clear. I can articulate my message spoken, written both formally and informal. I take the time to listen, process and then respond.

E. Tell us about your volunteer activities and community involvement.

I have volunteered with MMCC, Buena, and Cochise on several events including charity chocolate tastings, fundraisers, National Night out. Whenever community events are available I like to bring my kids and participate in the sense of community.

F. Describe any initiatives you would like to institute.

I feel H.C. has greatly improved overall in the last years I would like to be a part of that momentum. Speed on residential streets would be an area of concern I would like to explore to keep our neighborhoods safe.

G. Describe any additional areas of expertise or experiences/project involvement you have/had that are relevant to this office.

I have worked with the Army the past 10 years as well as other businesses so I feel I have great personal and professional contacts.

H. If there was one issue you could address to make a positive difference for our citizens and visitors, what would it be?

- Residential speed
- Maintaining Businesses.
- More Community Events
- 
- 

III. Other information:

Always enjoyed government in school and as an adult although my background is not specifically related... I am a Proud American and Proud homeowner in Huachuca Co. and would like to be a more involved member by participating as a Council member

Danielle Cardella

[Redacted]

Name of Applicant (printed)

Telephone Number

Danielle Cardella

[Redacted]

Signature of Applicant

Email Address

State of Arizona

County of Cochise

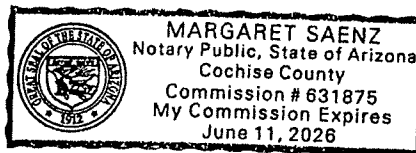
I, Danielle Cardella, being first duly sworn, upon my oath and say:  
I do hereby certify that I am a qualified elector of the Town of Huachuca City, Arizona, and presently hold no other public office for which I receive compensation; that I have resided within the Town boundaries for at least one (1) year next preceding the date of this affidavit, and am presently residing at [REDACTED]; that I am over the age of eighteen (18) years.

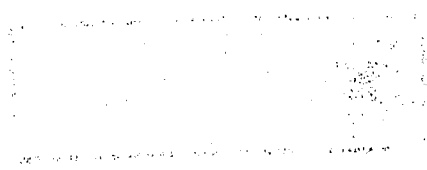
Signature of Applicant/ Date

Danielle Cardella 6/1/23

Subscribed and sworn to (affirmed) before me this 1<sup>st</sup> day of June, 2023.

Margaret S  
Notary's Signature My Commission Expires (Seal)





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**TOWN OF HUACHUCA CITY**  
**APPLICATION FOR TOWN COUNCIL VACANCY**  
**RESUME AND AFFIDAVIT**

Submit application to: Town Clerk's Office 500 N. Gonzales Blvd., Huachuca City, AZ 85616

Dear Members of Town Council:

I would respectfully request that you give, (my name) LISA MARIE Hemphries, consideration in making the appointment to fill the Council seat vacated by Keith Settlemyer, the term of which expires in November of 2024. The following facts are submitted for your consideration (if necessary, applicant may attach additional pages):

Previous Employment or Business Ownership: Employer Job Title Dates

Supervisor <sup>Family</sup> Gives Center	OFFICE MANAGER	9/22 To Present
5/15 TO 9/22	undergoing treatment	for service connected disabilities
3/14 TO 5/15	Full Time Student	Cochise College
Randy Diesel Iowa	Over The Road Truck Driver	8-10 TO 7-13
Willcox Rural Fire Dept	ASSISTANT Fire Chief	1-91 - 9-18 Retired

I. Civic Participation: Clubs/Organization Office Held Dates

AZ Barn Educators	member	

II. Please answer the questions below:

A. What are your interests or concerns relating to the Town of Huachuca City?

Bringing in new businesses while maintaining our rural life style  
Older senior citizens, Veterans, Kids  
Danger of property loss from wild fires  
Making sure our police department has the funds  
to get the equipment they need & on going training so  
they can continue to do their jobs effectively and safely

B. Describe your leadership style.

I believe in leading by example. I don't like to order those under me to do something. I try to always ask them to do what needs to be done.

C. Explain your understanding of the role of a Council Member.

I feel as a council member you should listen to what the community has to say. Get all information so you understand everything before reaching a decision. Council members should work with each other, the city manager and the community to do what's best.

D. How would you characterize your communication style, both formal and informal?

I have been told I have a laid back approach when I communicate with people. What is meant by that is that most times I try to make things as easy to understand as possible.

E. Tell us about your volunteer activities and community involvement.

I have volunteered at Willcox Head Start, Elementary + Jr High. I helped out with my daughter's Girl Scout Troop when she was a scout. I organized charity bike rides in Willcox. Also participated in the El Tour de Tucson + Tour of the Tucson mountain bike rides to help raise money.

F. Describe any initiatives you would like to institute.

I feel there should be more for the senior citizens in the community to do like organized trips to museums or the zoo. I would also like to see more after school projects for the local kids like totering, arts + crafts.

G. Describe any additional areas of expertise or experiences/project involvement you have/had that are relevant to this office.



I, LISA MARIE HUMPHRIES, being first duly sworn, upon my oath and say:  
I do hereby certify that I am a qualified elector of the Town of Huachuca City, Arizona, and presently hold no other public office for which I receive compensation; that I have resided within the Town boundaries for at least one (1) year next preceding the date of this affidavit, and am presently residing at [REDACTED] Huachuca; that I am over the age of eighteen (18) years.

Signature of Applicant/ Date

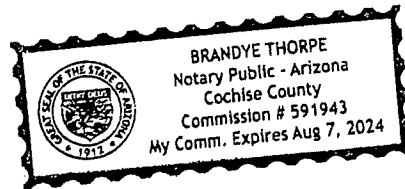
*Lisa Marie Humphries*

6-8-2023

Subscribed and sworn to (affirmed) before me this 8 day of June, 2023.

*[Signature]*

Notary's Signature My Commission Expires (Seal)



[REDACTED]

[REDACTED]

Spent 18 years AS ASSISTANT Fire Chief OF Willcox Rural Fire I oversaw all TRAINING And Recruitment OF The department I supervised all Firefighters on all types OF call outs Was AN INITIAL ATTACK commander for AZ STATE Forestry Wild Land division. I also TRAIN and supervise Volunteers FOR SVGFC

H. If there was one issue you could address what would it be?

IT would be To show our citizens and visitors That all are welcome and Respected here. No matter What their statute in life is. Since buying a home here in 2021 That There are people That I have met, That accept me as a Trans woman even though they don't understand it  
III. Other information: and there are those who don't.

I am not sure what else to say except That if chosen I will do the best job I can for this city. My family and I enjoy living here.  
If need be I can show copies OF certificate FROM AZ STATE FIRE MARSHAL'S OFFICE & FEMA. I AM A US ARMY VET

LISA MARIE HUMPHRIES

Name of Applicant (printed)

Telephone Number

Lisa Marie Humphries

Signature of Applicant

Email Address

State of Arizona

County of Cochise

**TOWN COUNCIL MEETING, 6/22/23  
 QUESTIONS FOR TOWN COUNCIL REPLACEMENT  
 CANDIDATES FOR VACANT SEAT (November 2024 election)**

To be Asked by:	Questions
<i>Jean Post</i>	<b>1. Tell us about your motivation and reasons for seeking this appointment.</b>
<i>Cynthia Butterworth</i>	<b>2. This appointment will fill the vacant seat until November 2024. Please tell us what you bring to the table, so to speak, to help make us a better Town Council during your tenure.</b>
<i>Jeff Ferro</i>	<b>3. What do you think is the single greatest challenge facing our community today?</b>
<i>Johann Wallace</i>	<b>4. Are there one or two things that you think Town of Huachuca City government is doing well?</b>
<i>Christy Hirshberg</i>	<b>5. Is there any specific one thing that you would hope to accomplish if you are appointed?</b>
<i>Debra Trate</i>	<b>6. Assuming you are selected for this vacancy, and you choose not to run in the next election and you leave office, how might you use the experience of having been on the Council to help the Town and our citizens in other ways?</b>

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>TAXES</u>						
10-31-100	AUTO LIEU TAX	8,475.53	80,869.14	109,768.00	28,898.86	73.7
10-31-200	REAL PROPERTY TAXES	21,821.44	94,977.54	98,754.00	3,776.46	96.2
10-31-240	FRANCHISE TAXES	7,402.44	17,728.70	20,604.00	2,875.30	86.0
10-31-250	CITY SALES TAXES	50,870.55	343,736.98	345,450.00	1,713.02	99.5
10-31-260	STATE SALES TAXES	17,126.49	213,428.55	232,737.00	19,308.45	91.7
<b>TOTAL TAXES</b>		<b>105,696.45</b>	<b>750,740.91</b>	<b>807,313.00</b>	<b>56,572.09</b>	<b>93.0</b>
<u>LICENSES AND PERMITS</u>						
10-32-100	BUILDING PERMITS	2,265.40	11,914.96	11,000.00	( 914.96)	108.3
10-32-110	BUSINESS LICENSES	193.75	6,548.70	10,000.00	3,451.30	65.5
10-32-120	P&Z FEES	.00	.00	3,100.00	3,100.00	.0
<b>TOTAL LICENSES AND PERMITS</b>		<b>2,459.15</b>	<b>18,463.66</b>	<b>24,100.00</b>	<b>5,636.34</b>	<b>76.6</b>
<u>INTERGOVERNMENTAL REVENUE</u>						
10-33-100	STATE REVENUE SHARING	25,672.94	282,402.34	313,832.00	31,429.66	90.0
<b>TOTAL INTERGOVERNMENTAL REVENUE</b>		<b>25,672.94</b>	<b>282,402.34</b>	<b>313,832.00</b>	<b>31,429.66</b>	<b>90.0</b>
<u>CHARGES FOR SERVICE</u>						
10-34-140	AUCTION PROCEEDS	900.00	16,355.82	60,000.00	43,644.18	27.3
10-34-160	ANIMAL CONTROL FEES/FINES	.00	546.00	700.00	154.00	78.0
10-34-170	ADMIN GARBAGE FEES	.00	.00	10,000.00	10,000.00	.0
10-34-530	CITY BUS FEES/DONATIONS	.00	773.15	1,500.00	726.85	51.5
<b>TOTAL CHARGES FOR SERVICE</b>		<b>900.00</b>	<b>17,674.97</b>	<b>72,200.00</b>	<b>54,525.03</b>	<b>24.5</b>
<u>FINES</u>						
10-35-100	POLICE FINES	4,499.40	57,350.37	105,000.00	47,649.63	54.6
10-35-110	IMPOUND FEES	.00	2,389.00	7,500.00	5,111.00	31.9
10-35-112	TOWING FEES	.00	1,299.25	3,500.00	2,200.75	37.1
10-35-120	LIBRARY FEES & FINES	108.20	1,360.41	2,200.00	839.59	61.8
10-35-125	IMPUND ADMIN FEES	.00	900.00	4,000.00	3,100.00	22.5
<b>TOTAL FINES</b>		<b>4,607.60</b>	<b>63,299.03</b>	<b>122,200.00</b>	<b>58,900.97</b>	<b>51.8</b>

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>MISCELLANEOUS REVENUE</u>					
10-36-100 INTEREST	.00	31,395.27	31,000.00	( 395.27)	101.3
10-36-200 UNREALIZED GAIN	.00	( 14,378.02)	10,000.00	24,378.02	(143.8)
10-36-300 MISC. POLICE REVENUE	.34	6,534.33	6,000.00	( 534.33)	108.9
10-36-400 SALE OF FIXED ASSETS	.00	170,545.00	50,000.00	( 120,545.00)	341.1
10-36-500 PARKS & REC FACILITY RENTAL	.00	1,298.00	1,500.00	202.00	86.5
10-36-515 SUMMER SPLASH REVENUE	1,150.00	2,230.00	3,000.00	770.00	74.3
10-36-900 MISCELLANEOUS	175.76	25,566.55	10,000.00	( 15,566.55)	255.7
10-36-902 WORKERS' COMP REIMBURSEMENTS	.00	.00	1,000.00	1,000.00	.0
10-36-904 WILDLAND REVENUE	.00	.00	3,000.00	3,000.00	.0
10-36-910 LANDFILL LAND LEASE	58,500.00	643,500.00	702,000.00	58,500.00	91.7
10-36-950 RICO REVENUE(ASSET FORFEITURE)	.00	.00	10,000.00	10,000.00	.0
10-36-966 BUILDING LEASE RENT	.00	.00	15,000.00	15,000.00	.0
10-36-970 WF SAVINGS TRANSFER IN	.00	.00	60,000.00	60,000.00	.0
10-36-971 TOWER LEASE	.00	.00	1.00	1.00	.0
10-36-990 MUFFIN MONSTER REPAYMENT	.00	.00	3,500.00	3,500.00	.0
10-36-999 DAILY CASH REC OVER/SHORT ACCT	.00	.00	100.00	100.00	.0
<b>TOTAL MISCELLANEOUS REVENUE</b>	<b>59,826.10</b>	<b>866,691.13</b>	<b>906,101.00</b>	<b>39,409.87</b>	<b>95.7</b>
<u>TOWN GRANTS</u>					
10-37-165 DONATIONS - ANIMAL CONTROL	.00	.00	1,000.00	1,000.00	.0
10-37-456 DONATIONS - LIBRARY	.00	1,097.00	3,000.00	1,903.00	36.6
10-37-457 LIBRARY GRANT	.00	6,250.00	50,000.00	43,750.00	12.5
10-37-458 SENIOR CENTER GRANT	.00	.00	25,000.00	25,000.00	.0
10-37-459 SUMMER SPLASH DONATION	.00	720.00	5,000.00	4,280.00	14.4
10-37-467 POLICE DONATIONS	100.00	110.00	5,000.00	4,890.00	2.2
10-37-480 SUMMER SPLASH GRANT	.00	.00	5,000.00	5,000.00	.0
10-37-906 GRANTS - POLICE AZDOHS	.00	.00	250,000.00	250,000.00	.0
10-37-908 GRANTS - IT	.00	.00	15,000.00	15,000.00	.0
10-37-909 BUILDING REGULATION GRANT	.00	.00	10,000.00	10,000.00	.0
10-37-911 GRANTS - POLICE AZGOHS	.00	316.72	100,000.00	99,683.28	.3
10-37-913 USDA EQUIPMENT GRANT	.00	.00	60,000.00	60,000.00	.0
10-37-919 CITY BUS GRANT	.00	.00	100,000.00	100,000.00	.0
10-37-920 GENERAL ADMIN GRANT	.00	.00	50,000.00	50,000.00	.0
10-37-921 POLICE GRANT	.00	21,927.21	180,000.00	158,072.79	12.2
10-37-925 MISC GRANTS	.00	( 1,286.71)	150,000.00	151,286.71	( .9)
10-37-963 E-RATE	.00	.00	25,000.00	25,000.00	.0
10-37-965 SCBA GRANT	.00	.00	200,000.00	200,000.00	.0
10-37-968 PUBLIC WORKS GRANT	.00	.00	20,000.00	20,000.00	.0
10-37-969 COURT GRANT	.00	.00	10,000.00	10,000.00	.0
10-37-970 BACK TO SCHOOL DONATIONS	.00	1,225.00	5,000.00	3,775.00	24.5
10-37-971 COMMUNITY EVENTS DONATIONS	.00	.00	2,000.00	2,000.00	.0
<b>TOTAL TOWN GRANTS</b>	<b>100.00</b>	<b>30,359.22</b>	<b>1,271,000.00</b>	<b>1,240,640.78</b>	<b>2.4</b>
<b>TOTAL FUND REVENUE</b>	<b>199,262.24</b>	<b>2,029,631.26</b>	<b>3,516,746.00</b>	<b>1,487,114.74</b>	<b>57.7</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>COUNCIL</u>					
10-42-100 PERSONNEL SERVICES	.00	9,000.00	11,000.00	2,000.00	81.8
10-42-130 EMPLOYEE BENEFITS	.00	710.29	950.00	239.71	74.8
10-42-220 ATTORNEY FEES	.00	25,055.00	45,000.00	19,945.00	55.7
10-42-290 OFFICE SUPPLIES	.00	.00	800.00	800.00	.0
10-42-530 COMMUNITY RELATIONS	.00	57.54	300.00	242.46	19.2
10-42-640 MEMBERSHIPS	.00	5,772.00	8,000.00	2,228.00	72.2
10-42-660 TRAVEL AND TRAINING	.00	.00	2,000.00	2,000.00	.0
<b>TOTAL COUNCIL</b>	<b>.00</b>	<b>40,594.83</b>	<b>68,050.00</b>	<b>27,455.17</b>	<b>59.7</b>
<u>GENERAL ADMINISTRATION</u>					
10-43-100 PERSONNEL SERVICES	7,424.80	121,716.39	141,107.20	19,390.81	86.3
10-43-102 NEW HIRE	108.60	460.40	2,300.00	1,839.60	20.0
10-43-105 OVERTIME	.00	121.91	100.00	( 21.91)	121.9
10-43-122 MISCELLANEOUS	.00	1,247.76	500.00	( 747.76)	249.6
10-43-130 EMPLOYEE BENEFITS	1,128.87	21,444.61	33,620.00	12,175.39	63.8
10-43-250 ADVERTISING	.00	1,307.69	5,000.00	3,692.31	26.2
10-43-271 TELEPHONE	.00	3,684.36	5,000.00	1,315.64	73.7
10-43-280 INSURANCE	36.15	31,271.85	13,750.00	( 17,521.85)	227.4
10-43-300 PRINTING	47.42	336.68	750.00	413.32	44.9
10-43-340 UTILITIES	703.31	12,074.01	9,500.00	( 2,574.01)	127.1
10-43-360 CONTRACT LABOR	200.00	200.00	.00	( 200.00)	.0
10-43-366 INMATE LABOR	.00	830.31	1,800.00	969.69	46.1
10-43-440 POSTAGE	151.46	660.93	900.00	239.07	73.4
10-43-460 SUPPLIES	839.43	3,083.72	6,000.00	2,916.28	51.4
10-43-462 PEST CONTROL	.00	127.00	468.00	341.00	27.1
10-43-470 VEHICLE EXPENSE	.00	.00	1,000.00	1,000.00	.0
10-43-475 FUEL EXPENSE	.00	.00	800.00	800.00	.0
10-43-480 COMPUTER EXPENSE	.00	2,893.90	6,000.00	3,106.10	48.2
10-43-610 EQUIPMENT MAINTENANCE	.00	21.10	100.00	78.90	21.1
10-43-640 MEMBERSHIP	.00	1,000.00	1,660.00	660.00	60.2
10-43-650 AUDIT	3,250.00	31,087.50	45,000.00	13,912.50	69.1
10-43-660 TRAVEL AND TRAINING	.00	141.22	4,500.00	4,358.78	3.1
10-43-690 ELECTION SUPPLIES	.00	800.00	1,000.00	200.00	80.0
10-43-703 CODIFYING/DIGITIZING	.00	830.00	3,000.00	2,170.00	27.7
10-43-704 HUNT PROJECT	.00	.00	50,000.00	50,000.00	.0
10-43-705 DEBT:CAP LEASE EXP (830 AZ ST)	.00	27,139.41	34,000.00	6,860.59	79.8
10-43-840 CAPITAL OUTLAY - EQUIPMENT	335.20	1,519.34	2,011.00	491.66	75.6
10-43-841 CAPITAL OUTLAY - PROJECTS	.00	9,995.00	10,000.00	5.00	100.0
10-43-850 DEBT: HURF REPAYMENT	.00	.00	3,000.00	3,000.00	.0
10-43-960 TRANSFER TO SAVINGS	.00	.00	6,933.80	6,933.80	.0
<b>TOTAL GENERAL ADMINISTRATION</b>	<b>14,225.24</b>	<b>273,995.09</b>	<b>389,800.00</b>	<b>115,804.91</b>	<b>70.3</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>MAGISTRATE</u>					
10-45-100 PERSONNEL SERVICES	1,823.50	22,547.63	24,048.00	1,500.37	93.8
10-45-105 OVERTIME	69.49	249.17	250.00	.83	99.7
10-45-120 PROSECUTION FEES	1,935.00	8,305.00	9,000.00	695.00	92.3
10-45-130 EMPLOYEE BENEFITS	411.73	5,370.00	8,766.00	3,396.00	61.3
10-45-221 COURT APPT ATTORNEYS	.00	5,170.00	7,000.00	1,830.00	73.9
10-45-250 CONTRACT LABOR-PRO TEM	.00	1,090.00	800.00	( 290.00)	136.3
10-45-290 OFFICE SUPPLIES	.00	.00	500.00	500.00	.0
10-45-360 CONTRACT LABOR-JUDGE	.00	9,450.00	14,400.00	4,950.00	65.6
10-45-361 CONTRACT LABOR - SECURITY	.00	135.00	.00	( 135.00)	.0
10-45-480 COMPUTER EXPENSE	.00	2,423.01	2,500.00	76.99	96.9
10-45-650 AUDIT	.00	.00	4,000.00	4,000.00	.0
10-45-660 TRAVEL/TRAINING	.00	34.65	2,000.00	1,965.35	1.7
10-45-810 JAIL FEES	.00	318.06	.00	( 318.06)	.0
<b>TOTAL MAGISTRATE</b>	<b>4,239.72</b>	<b>55,092.52</b>	<b>73,264.00</b>	<b>18,171.48</b>	<b>75.2</b>
<u>IT</u>					
10-48-100 PERSONNEL SERVICES	.00	.00	15,600.00	15,600.00	.0
10-48-101 CONTRACT LABOR	.00	.00	7,000.00	7,000.00	.0
10-48-130 EMPLOYEE BENEFITS	.00	.00	1,290.00	1,290.00	.0
10-48-210 SUBSCRIPTIONS	1,124.73	18,727.88	29,000.00	10,272.12	64.6
10-48-275 CELL PHONE	.00	14,204.95	16,800.00	2,595.05	84.6
10-48-450 EQUIPMENT	.00	1,047.74	7,500.00	6,452.26	14.0
10-48-481 INTERNET	.00	10,123.29	13,000.00	2,876.71	77.9
10-48-804 SOFTWARE LICENSING	.00	1,462.95	2,462.00	999.05	59.4
<b>TOTAL IT</b>	<b>1,124.73</b>	<b>45,566.81</b>	<b>92,652.00</b>	<b>47,085.19</b>	<b>49.2</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>POLICE</u>					
10-51-100 PERSONNEL SERVICES	17,867.50	239,590.02	314,652.00	75,061.98	76.1
10-51-105 OVERTIME	1,640.03	14,863.73	13,000.00	( 1,863.73)	114.3
10-51-110 UNIFORM EXPENSE	100.00	3,328.94	3,600.00	271.06	92.5
10-51-130 EMPLOYEE BENEFITS	3,741.64	50,953.49	109,046.00	58,092.51	46.7
10-51-135 PUBLIC SAFETY RETIREMENT	3,449.73	48,659.73	62,507.00	13,847.27	77.9
10-51-222 SEACOM/CCSO CONTRACT	.00	61,462.50	81,950.00	20,487.50	75.0
10-51-230 PROFESSIONAL SERVICES	.00	978.00	1,500.00	522.00	65.2
10-51-231 PSPRS ATTORNEY	.00	625.50	4,500.00	3,874.50	13.9
10-51-240 PROSECUTION FEES	.00	2,730.21	.00	( 2,730.21)	.0
10-51-271 TELEPHONE	.00	1,914.46	3,500.00	1,585.54	54.7
10-51-290 OFFICE SUPPLIES	.00	803.06	1,000.00	196.94	80.3
10-51-295 PRINTING	51.03	946.37	1,000.00	53.63	94.6
10-51-340 UTILITIES	383.50	5,474.15	6,962.00	1,487.85	78.6
10-51-366 INMATE LABOR	.00	80.43	.00	( 80.43)	.0
10-51-430 HUMANE SUPPLIES	.00	340.65	.00	( 340.65)	.0
10-51-460 MAINTENANCE AND SUPPLIES	53.99	1,091.45	1,500.00	408.55	72.8
10-51-462 PEST CONTROL	.00	380.00	468.00	88.00	81.2
10-51-463 MEDICINE/VACCINE	.00	769.07	500.00	( 269.07)	153.8
10-51-466 WEAPONS AND AMMUNITION	.00	.00	2,000.00	2,000.00	.0
10-51-467 SV CONTRACT PAYMENT	.00	.00	6,000.00	6,000.00	.0
10-51-470 VEHICLE EXPENSE	266.90	5,303.31	5,000.00	( 303.31)	106.1
10-51-475 POLICE FUEL EXPENSE	.00	.00	13,400.00	13,400.00	.0
10-51-505 VEHICLE IMPOUND FEE	271.00	1,855.25	3,000.00	1,144.75	61.8
10-51-510 IMPOUND ADMIN	.00	( 300.00)	.00	300.00	.0
10-51-620 EQUIP REPAIR AND MAINTENANCE	.00	1,096.89	1,400.00	303.11	78.4
10-51-640 MEMBERSHIP	.00	80.00	725.00	645.00	11.0
10-51-660 TRAVEL AND TRAINING	80.00	3,679.91	12,000.00	8,320.09	30.7
10-51-665 COMMUNITY RELATIONS	.00	46.46	1,000.00	953.54	4.7
10-51-705 CAPITAL LEASE	135.74	621.75	1,200.00	578.25	51.8
10-51-804 SOFTWARE LICENSING	.00	3,555.83	9,700.00	6,144.17	36.7
10-51-810 JAIL FEES	.00	1,714.12	4,000.00	2,285.88	42.9
10-51-841 VEHICLE LEASE	3.00	26,997.10	26,994.00	( 3.10)	100.0
10-51-850 NEW EQUIPMENT	.00	.00	1,000.00	1,000.00	.0
10-51-856 BODY WORN CAMERA PROG.	.00	.00	7,499.00	7,499.00	.0
10-51-950 RICO (ASSET FORFEITURE)	.00	.00	10,000.00	10,000.00	.0
<b>TOTAL POLICE</b>	<b>28,044.06</b>	<b>479,642.38</b>	<b>710,603.00</b>	<b>230,960.62</b>	<b>67.5</b>



TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>FIRE</u>					
10-53-100 PERSONNEL SERVICES	.00	9,775.00	30,000.00	20,225.00	32.6
10-53-130 EMPLOYEE BENEFITS	.00	1,099.71	4,000.00	2,900.29	27.5
10-53-340 UTILITIES	3,168.03	9,827.28	6,711.00	( 3,116.28)	146.4
10-53-360 FIRE SERVICES	.00	184,395.50	360,000.00	175,604.50	51.2
10-53-450 EQUIPMENT/SUPPLIES	.00	1,226.71	10,000.00	8,773.29	12.3
10-53-470 VEHICLE EXPENSE	.00	897.60	2,000.00	1,102.40	44.9
10-53-475 FUEL EXPENSE	.00	.00	2,000.00	2,000.00	.0
10-53-516 PRESUMPTIVE CANCER COVERAGE	.00	4,179.21	5,000.00	820.79	83.6
10-53-610 EQUIPMENT MAINTENANCE	.00	797.50	5,000.00	4,202.50	16.0
<b>TOTAL FIRE</b>	<b>3,168.03</b>	<b>212,198.51</b>	<b>424,711.00</b>	<b>212,512.49</b>	<b>50.0</b>
<u>BUILDING REGULATION</u>					
10-54-360 CONTRACT LABOR	4,600.00	45,028.79	55,000.00	9,971.21	81.9
10-54-760 BLDG REGULATION SUPPLIES	.00	.00	1,000.00	1,000.00	.0
10-54-801 ABATEMENT	.00	.00	12,000.00	12,000.00	.0
<b>TOTAL BUILDING REGULATION</b>	<b>4,600.00</b>	<b>45,028.79</b>	<b>68,000.00</b>	<b>22,971.21</b>	<b>66.2</b>
<u>PUBLIC WORKS</u>					
10-57-100 PERSONNEL SERVICES	958.27	11,734.96	16,261.00	4,526.04	72.2
10-57-105 OVERTIME	10.50	339.91	500.00	160.09	68.0
10-57-110 UNIFORM EXPENSE	14.23	356.66	390.00	33.34	91.5
10-57-130 EMPLOYEE BENEFITS	182.84	2,618.49	8,500.00	5,881.51	30.8
10-57-340 UTILITIES	2,547.62	20,386.79	30,000.00	9,613.21	68.0
10-57-366 INMATE LABOR	.00	407.28	1,400.00	992.72	29.1
10-57-460 MAINTENANCE AND SUPPLIES	43.81	682.10	1,500.00	817.90	45.5
10-57-470 VEHICLE REPAIR/MAINT	.00	603.29	2,500.00	1,896.71	24.1
10-57-475 FUEL EXPENSE	.00	292.85	2,000.00	1,707.15	14.6
10-57-476 DIESEL	.00	301.93	.00	( 301.93)	.0
10-57-500 BUILDING MAINTENANCE	1,268.82	1,421.93	25,000.00	23,578.07	5.7
10-57-540 SMALL TOOLS	486.49	934.08	2,000.00	1,065.92	46.7
10-57-610 EQUIPMENT MAINTENANCE	.00	.00	5,000.00	5,000.00	.0
<b>TOTAL PUBLIC WORKS</b>	<b>5,512.58</b>	<b>40,080.27</b>	<b>95,051.00</b>	<b>54,970.73</b>	<b>42.2</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CITY POOL</u>					
10-58-100 PERSONNEL SERVICES	1,075.19	10,267.83	14,282.00	4,014.17	71.9
10-58-130 EMPLOYEE BENEFITS	122.05	1,165.42	1,750.00	584.58	66.6
10-58-340 UTILITIES	610.98	5,786.97	6,000.00	213.03	96.5
10-58-460 MAINTENANCE AND SUPPLIES	592.83	3,561.04	4,000.00	438.96	89.0
10-58-660 CERTIFYING	.00	.00	500.00	500.00	.0
<b>TOTAL CITY POOL</b>	<b>2,401.05</b>	<b>20,781.26</b>	<b>26,532.00</b>	<b>5,750.74</b>	<b>78.3</b>
<u>SUMMER SPLASH</u>					
10-59-100 PERSONNEL SERVICES	.00	1,828.25	6,856.00	5,027.75	26.7
10-59-130 EMPLOYEE BENEFITS	.00	166.39	643.00	476.61	25.9
10-59-460 SUPPLIES	.00	.00	300.00	300.00	.0
<b>TOTAL SUMMER SPLASH</b>	<b>.00</b>	<b>1,994.64</b>	<b>7,799.00</b>	<b>5,804.36</b>	<b>25.6</b>
<u>PARKS &amp; RECREATION</u>					
10-60-340 UTILITIES	226.59	2,604.98	6,000.00	3,395.02	43.4
10-60-460 SUPPLIES	.00	.00	1,600.00	1,600.00	.0
10-60-530 COMMUNITY RELATIONS/JULY 4TH	.00	1,449.31	12,000.00	10,550.69	12.1
<b>TOTAL PARKS &amp; RECREATION</b>	<b>226.59</b>	<b>4,054.29</b>	<b>19,600.00</b>	<b>15,545.71</b>	<b>20.7</b>
<u>LIBRARY AND COMMUNITY SERVICES</u>					
10-62-100 PERSONNEL SERVICES	7,599.83	80,055.28	90,000.00	9,944.72	89.0
10-62-130 EMPLOYEE BENEFITS	1,102.59	11,878.61	18,581.00	6,702.39	63.9
10-62-271 TELEPHONE	.00	1,286.02	2,340.00	1,053.98	55.0
10-62-290 OFFICE SUPPLIES	669.13	866.07	.00	( 866.07)	.0
10-62-300 PRINTING	80.13	600.78	1,000.00	399.22	60.1
10-62-340 UTILITIES	522.88	6,382.04	7,500.00	1,117.96	85.1
10-62-366 INMATE LABOR	.00	1,084.29	1,800.00	715.71	60.2
10-62-460 SUPPLIES	.00	366.21	1,574.00	1,207.79	23.3
10-62-462 PEST CONTROL	.00	351.00	468.00	117.00	75.0
10-62-476 FUEL	.00	.00	100.00	100.00	.0
10-62-480 COMPUTER EXPENSE	.00	1,250.00	1,500.00	250.00	83.3
10-62-481 INTERNET	.00	2,109.44	3,800.00	1,690.56	55.5
10-62-620 VEHICLE REPAIR & MAINT	.00	236.17	300.00	63.83	78.7
10-62-621 DEBT: E-RATE	.00	4,800.00	9,600.00	4,800.00	50.0
10-62-640 MEMBERSHIP	.00	55.00	130.00	75.00	42.3
10-62-660 TRAVEL AND TRAINING	.00	.00	500.00	500.00	.0
10-62-703 COMMUNITY RELATIONS	.00	117.48	200.00	82.52	58.7
10-62-705 CAPITAL LEASE	135.74	621.75	1,800.00	1,178.25	34.5
<b>TOTAL LIBRARY AND COMMUNITY SERVICES</b>	<b>10,110.30</b>	<b>112,060.14</b>	<b>141,193.00</b>	<b>29,132.86</b>	<b>79.4</b>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CITY BUS</u>					
10-65-100 PERSONNEL SERVICES	10,326.27	31,571.87	17,541.00	( 14,030.87)	180.0
10-65-130 EMPLOYEE BENEFITS	1,762.32	4,158.07	875.00	( 3,283.07)	475.2
10-65-140 PROFESSIONAL SERVICES	77.88	212.40	.00	( 212.40)	.0
10-65-470 VEHICLE EXPENSE	.00	20,901.70	.00	( 20,901.70)	.0
10-65-475 FUEL EXPENSE	.00	770.47	3,600.00	2,829.53	21.4
10-65-480 VEHICLE REPAIR & MAINTENANCE	.00	1,185.87	2,000.00	814.13	59.3
<b>TOTAL CITY BUS</b>	<b>12,166.47</b>	<b>58,800.38</b>	<b>24,016.00</b>	<b>( 34,784.38)</b>	<b>244.8</b>
<u>SENIOR CENTER</u>					
10-68-290 SUPPLIES	17.21	743.90	1,000.00	256.10	74.4
10-68-340 UTILITIES	235.15	2,232.06	4,000.00	1,767.94	55.8
10-68-450 EQUIPMENT	.00	.00	600.00	600.00	.0
10-68-462 PEST CONTROL	.00	351.00	468.00	117.00	75.0
10-68-463 EQUIPMENT REPAIR	.00	.00	1,000.00	1,000.00	.0
<b>TOTAL SENIOR CENTER</b>	<b>252.36</b>	<b>3,326.96</b>	<b>7,068.00</b>	<b>3,741.04</b>	<b>47.1</b>
<u>TOWN GRANTS</u>					
10-69-800 DONATIONS - ANIMAL CONTROL	.00	.00	1,000.00	1,000.00	.0
10-69-802 LIBRARY DONATIONS EXP	317.38	2,736.63	3,000.00	263.37	91.2
10-69-803 IT GRANT EXP	.00	.00	15,000.00	15,000.00	.0
10-69-804 MISC GRANT EXP	.00	18,400.98	150,000.00	131,599.02	12.3
10-69-805 BUILDING REGULATION EXP	.00	.00	10,000.00	10,000.00	.0
10-69-806 LIBRARY GRANTS EXP	2,737.01	25,806.24	50,000.00	24,193.76	51.6
10-69-807 SENIOR CENTER GRANT EXP	.00	.00	25,000.00	25,000.00	.0
10-69-808 SUMMER SPLASH GRANT EXP	.00	.00	5,000.00	5,000.00	.0
10-69-810 E-RATE GRANT EXP	.00	8,437.76	25,000.00	16,562.24	33.8
10-69-815 PUBLIC WORKS GRANT EXP	.00	.00	20,000.00	20,000.00	.0
10-69-816 COURT GRANT EXP	.00	.00	10,000.00	10,000.00	.0
10-69-817 SUMMER SPLASH DONATION EXP	.00	.00	5,000.00	5,000.00	.0
10-69-818 POLICE DONATION EXP	.00	.00	5,000.00	5,000.00	.0
10-69-819 GENERAL ADMIN GRANT EXP	.00	.00	50,000.00	50,000.00	.0
10-69-845 POLICE GRANT EXP	.00	.00	180,000.00	180,000.00	.0
10-69-846 AZDOHS GRANT EXPENDITURES	.00	.00	250,000.00	250,000.00	.0
10-69-847 AZGOHS GRANT EXPENDITURES	.00	.00	100,000.00	100,000.00	.0
10-69-849 BUS LINE EXP	117.43	4,631.71	100,000.00	95,368.29	4.6
10-69-850 SCBA GRANT EXP	.00	.00	200,000.00	200,000.00	.0
10-69-851 USDA EQUIPMENT GRANT	.00	.00	60,000.00	60,000.00	.0
10-69-857 BACK TO SCHOOL DONATIONS EXPEN	.00	.00	5,000.00	5,000.00	.0
10-69-900 COMMUNITY EVENTS DONATIONS EXP	.00	.00	2,000.00	2,000.00	.0
<b>TOTAL TOWN GRANTS</b>	<b>3,171.82</b>	<b>60,013.32</b>	<b>1,271,000.00</b>	<b>1,210,986.68</b>	<b>4.7</b>

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

GENERAL FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>NON-DEPARTMENTAL</u>					
10-70-990 CONTINGENCY	.00	.00	90,439.00	90,439.00	.0
TOTAL NON-DEPARTMENTAL	.00	.00	90,439.00	90,439.00	.0
TOTAL FUND EXPENDITURES	89,242.95	1,453,230.19	3,509,778.00	2,056,547.81	41.4
NET REVENUE OVER EXPENDITURES	110,019.29	576,401.07	6,968.00	( 569,433.07)	8272.1

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

POLICE - DHS GRANT - BP OT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
12-30-700 GOHS (DUI TASK FORCE)	.00	.00	10,000.00	10,000.00	.0
12-30-800 DHS STONEGARDEN	.00	10,970.16	60,340.00	49,369.84	18.2
TOTAL REVENUE	.00	10,970.16	70,340.00	59,369.84	15.6
TOTAL FUND REVENUE	.00	10,970.16	70,340.00	59,369.84	15.6

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

POLICE - DHS GRANT - BP OT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
12-40-105 STONE GARDEN OVERTIME	.00	.00	32,233.00	32,233.00	.0
12-40-130 EMPLOYEE BENEFITS	.00	941.61	12,228.00	11,286.39	7.7
12-40-131 DUI TASK FORCE OVER TIME	.00	399.00	6,000.00	5,601.00	6.7
12-40-135 PUBLIC SAFETY RETIREMENT	.00	2,250.03	13,539.00	11,288.97	16.6
12-40-840 MILEAGE	.00	8,441.84	6,340.00	( 2,101.84)	133.2
TOTAL EXPENDITURES	.00	12,032.48	70,340.00	58,307.52	17.1
TOTAL FUND EXPENDITURES	.00	12,032.48	70,340.00	58,307.52	17.1
NET REVENUE OVER EXPENDITURES	.00	( 1,062.32)	.00	1,062.32	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

TRUST FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>						
20-30-200	FINES AND BAILS	11,015.03	97,487.20	174,000.00	76,512.80	56.0
20-30-300	BONDS	.00	.00	100.00	100.00	.0
20-30-400	RESTITUTION	.00	.00	100.00	100.00	.0
20-30-500	JCEF	.00	.00	100.00	100.00	.0
TOTAL REVENUE		<u>11,015.03</u>	<u>97,487.20</u>	<u>174,300.00</u>	<u>76,812.80</u>	<u>55.9</u>
TOTAL FUND REVENUE		<u>11,015.03</u>	<u>97,487.20</u>	<u>174,300.00</u>	<u>76,812.80</u>	<u>55.9</u>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

TRUST FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>						
20-40-200	FINES AND BAILS	7,790.91	90,756.18	174,000.00	83,243.82	52.2
20-40-400	RESTITUTION	.00	50.00	100.00	50.00	50.0
20-40-401	BOND	.00	.00	100.00	100.00	.0
20-40-500	JCEF	.00	.00	100.00	100.00	.0
TOTAL EXPENDITURES		<u>7,790.91</u>	<u>90,806.18</u>	<u>174,300.00</u>	<u>83,493.82</u>	<u>52.1</u>
TOTAL FUND EXPENDITURES		<u>7,790.91</u>	<u>90,806.18</u>	<u>174,300.00</u>	<u>83,493.82</u>	<u>52.1</u>
NET REVENUE OVER EXPENDITURES		<u>3,224.12</u>	<u>6,681.02</u>	<u>.00</u>	<u>( 6,681.02)</u>	<u>.0</u>



TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

ROAD USER FUND

		<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>						
23-30-300	GAS TAX REVENUES - HURF	30,702.02	157,167.29	170,042.00	12,874.71	92.4
23-30-320	HURF REPAYMENT	.00	.00	17,000.00	17,000.00	.0
23-30-910	BANK TRANSFER	.00	.00	70,000.00	70,000.00	.0
TOTAL REVENUE		<u>30,702.02</u>	<u>157,167.29</u>	<u>257,042.00</u>	<u>99,874.71</u>	<u>61.1</u>
TOTAL FUND REVENUE		<u>30,702.02</u>	<u>157,167.29</u>	<u>257,042.00</u>	<u>99,874.71</u>	<u>61.1</u>

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

ROAD USER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ROAD USERS ADMIN</u>					
23-40-340 UTILITIES	.00	5,246.84	.00	( 5,246.84)	.0
23-40-460 MAINTENANCE AND SUPPLIES	421.17	1,501.03	5,000.00	3,498.97	30.0
23-40-475 FUEL	.00	976.82	7,000.00	6,023.18	14.0
23-40-490 ROAD REPAIR	.00	1,336.40	110,042.00	108,705.60	1.2
23-40-610 EQUIPMENT REPAIR	.00	1,358.38	15,000.00	13,641.62	9.1
23-40-831 CAPITAL OUTLAY	.00	.00	50,000.00	50,000.00	.0
23-40-920 TIP PROJECTS MATCH	.00	.00	70,000.00	70,000.00	.0
TOTAL ROAD USERS ADMIN	421.17	10,419.47	257,042.00	246,622.53	4.1
TOTAL FUND EXPENDITURES	421.17	10,419.47	257,042.00	246,622.53	4.1
NET REVENUE OVER EXPENDITURES	30,280.85	146,747.82	.00	( 146,747.82)	.0

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

STATE HURF

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>STATE HURF EXPENDITURES</u>					
28-40-122 AUTHORIZED EXPENDITURES	.00	.00	150,000.00	150,000.00	.0
TOTAL STATE HURF EXPENDITURES	.00	.00	150,000.00	150,000.00	.0
TOTAL FUND EXPENDITURES	.00	.00	150,000.00	150,000.00	.0
NET REVENUE OVER EXPENDITURES	.00	.00	( 150,000.00)	( 150,000.00)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

GRANT OPPORTUNITY

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>GRANT REVENUE</u>					
29-30-800 GRANT REVENUE CDBG	304,797.90	432,922.90	449,420.00	16,497.10	96.3
TOTAL GRANT REVENUE	304,797.90	432,922.90	449,420.00	16,497.10	96.3
TOTAL FUND REVENUE	304,797.90	432,922.90	449,420.00	16,497.10	96.3

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

GRANT OPPORTUNITY

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GRANT EXPENDITURES</u>					
29-40-840 AUTHORIZED EXPENDITURES	.00	431,879.40	449,420.00	17,540.60	96.1
TOTAL GRANT EXPENDITURES	.00	431,879.40	449,420.00	17,540.60	96.1
TOTAL FUND EXPENDITURES	.00	431,879.40	449,420.00	17,540.60	96.1
NET REVENUE OVER EXPENDITURES	304,797.90	1,043.50	.00	( 1,043.50)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

WATER FUND

<u>REVENUE</u>	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
51-30-100 INTEREST EARNINGS	.00	.00	100.00	100.00	.0
51-30-200 WATER SALES	37,310.60	351,632.48	360,000.00	8,367.52	97.7
51-30-202 RC: RECONNECT FEE	.00	176.45	1,003.00	826.55	17.6
51-30-300 CONNECTION FEES	105.00	1,212.68	2,000.00	787.32	60.6
51-30-400 PENALTIES & FORFEITURES	.00	1,549.27	7,000.00	5,450.73	22.1
51-30-900 WATER ADMIN FEE	.00	.00	1,000.00	1,000.00	.0
51-30-950 WF SAVINGS TRANSFERS IN	.00	.00	41,541.00	41,541.00	.0
TOTAL REVENUE	37,415.60	354,570.88	412,644.00	58,073.12	85.9
TOTAL FUND REVENUE	37,415.60	354,570.88	412,644.00	58,073.12	85.9

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

WATER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WATER EXPENDITURES</u>					
51-40-100 PERSONNEL SERVICES	8,182.69	103,000.78	112,382.00	9,381.22	91.7
51-40-105 OVERTIME	88.94	2,483.34	2,000.00	( 483.34)	124.2
51-40-110 UNIFORM EXPENSE	64.03	1,126.04	1,800.00	673.96	62.6
51-40-130 EMPLOYEE BENEFITS	1,706.39	22,708.61	40,000.00	17,291.39	56.8
51-40-280 INSURANCE	.00	10,498.00	13,750.00	3,252.00	76.4
51-40-290 OFFICE SUPPLIES	.00	309.13	2,000.00	1,690.87	15.5
51-40-300 PRINTING	101.76	744.59	.00	( 744.59)	.0
51-40-340 UTILITIES	4,240.07	39,434.38	38,000.00	( 1,434.38)	103.8
51-40-360 CONTRACT LABOR	500.00	1,922.50	.00	( 1,922.50)	.0
51-40-366 INMATE LABOR	.00	2,079.15	7,500.00	5,420.85	27.7
51-40-370 SALES TAX	.00	.00	30,000.00	30,000.00	.0
51-40-440 POSTAGE	530.09	2,273.40	3,150.00	876.60	72.2
51-40-460 MAINTENANCE & SUPPLIES	1,016.73	6,889.36	11,000.00	4,110.64	62.6
51-40-470 VEHICLE EXPENSE	191.80	3,986.57	9,000.00	5,013.43	44.3
51-40-472 METER REPLACEMENT	441.54	441.54	9,000.00	8,558.46	4.9
51-40-475 FUEL EXPENSE	.00	.00	8,000.00	8,000.00	.0
51-40-476 DIESEL	.00	4,861.19	5,000.00	138.81	97.2
51-40-480 SOFTWARE LICENSING	.00	2,140.40	2,462.00	321.60	86.9
51-40-510 WATER TESTS	.00	1,193.00	7,500.00	6,307.00	15.9
51-40-516 ADEQ FEES	.00	7,149.89	.00	( 7,149.89)	.0
51-40-610 EQUIPMENT MAINTENANCE	.00	7,259.87	15,300.00	8,040.13	47.5
51-40-640 MEMBERSHIP	.00	.00	1,200.00	1,200.00	.0
51-40-650 PROFESSIONAL SERVICES	903.61	7,682.36	36,000.00	28,317.64	21.3
51-40-660 TRAVEL & TRAINING	.00	.00	1,000.00	1,000.00	.0
51-40-804 SOFTWARE LICENSING	.00	201.00	.00	( 201.00)	.0
51-40-840 WATER CAPITAL OUTLAY	.00	35,111.50	35,000.00	( 111.50)	100.3
51-40-845 CONTINGENCY EXP	.00	.00	21,100.00	21,100.00	.0
51-40-900 BAD DEBT EXPENSE	.00	.00	500.00	500.00	.0
<b>TOTAL WATER EXPENDITURES</b>	<b>17,967.65</b>	<b>263,496.60</b>	<b>412,644.00</b>	<b>149,147.40</b>	<b>63.9</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>17,967.65</b>	<b>263,496.60</b>	<b>412,644.00</b>	<b>149,147.40</b>	<b>63.9</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>19,447.95</b>	<b>91,074.28</b>	<b>.00</b>	<b>( 91,074.28)</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

SEWER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>					
52-30-100 INTEREST EARNINGS	.00	.00	100.00	100.00	.0
52-30-200 SEWER SERVICES	24,770.39	239,607.70	254,000.00	14,392.30	94.3
52-30-300 CONNECTION FEES	.00	.00	1,000.00	1,000.00	.0
52-30-950 WF SAVINGS TRANSFERS IN	.00	.00	18,575.00	18,575.00	.0
<b>TOTAL REVENUE</b>	<b>24,770.39</b>	<b>239,607.70</b>	<b>273,675.00</b>	<b>34,067.30</b>	<b>87.6</b>
<b>TOTAL FUND REVENUE</b>	<b>24,770.39</b>	<b>239,607.70</b>	<b>273,675.00</b>	<b>34,067.30</b>	<b>87.6</b>



TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

SEWER FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>SEWER EXPENDITURES</u>					
52-40-100 PERSONNEL SERVICES	6,711.30	88,171.70	92,487.00	4,315.30	95.3
52-40-105 OVERTIME	75.04	2,374.89	500.00	( 1,874.89)	475.0
52-40-110 UNIFORM EXPENSE	64.03	1,595.91	1,800.00	204.09	88.7
52-40-130 EMPLOYEE BENEFITS	1,338.86	19,008.61	32,375.00	13,366.39	58.7
52-40-280 INSURANCE	.00	10,498.00	13,750.00	3,252.00	76.4
52-40-300 PRINTING	101.76	955.79	3,000.00	2,044.21	31.9
52-40-340 UTILITIES	632.86	5,368.41	5,806.00	437.59	92.5
52-40-360 CONTRACT LABOR	400.00	2,864.00	.00	( 2,864.00)	.0
52-40-366 INMATE LABOR	.00	1,885.59	7,500.00	5,614.41	25.1
52-40-440 POSTAGE	530.09	2,273.40	3,150.00	876.60	72.2
52-40-460 MAINTENANCE AND SUPPLIES	542.71	1,913.42	4,000.00	2,086.58	47.8
52-40-470 VEHICLE EXPENSE	432.64	1,097.21	2,000.00	902.79	54.9
52-40-475 FUEL	.00	1,905.48	8,000.00	6,094.52	23.8
52-40-476 DIESEL	.00	2,519.02	.00	( 2,519.02)	.0
52-40-480 COMPUTER EXPENSE	.00	1,738.40	2,462.00	723.60	70.6
52-40-516 ADEQ FEES	.00	.00	1,000.00	1,000.00	.0
52-40-610 EQUIPMENT MAINTENANCE	.00	6,667.20	4,000.00	( 2,667.20)	166.7
52-40-650 PROFESSIONAL SERVICES	812.50	3,217.75	16,952.00	13,734.25	19.0
52-40-702 SEWAGE POND COMPLIANCE	74.50	4,827.50	6,000.00	1,172.50	80.5
52-40-750 DEBT SERVICE	.00	.00	10,000.00	10,000.00	.0
52-40-846 CONTINGENCY EXP	.00	.00	631.04	631.04	.0
52-40-900 BAD DEBT EXPENSE	.00	.00	500.00	500.00	.0
52-40-925 MUFFIN MONSTER PAYMENT	.00	.00	3,000.00	3,000.00	.0
52-40-950 PAYMENT ON WIFA LOAN	.00	52,034.41	54,761.96	2,727.55	95.0
<b>TOTAL SEWER EXPENDITURES</b>	<b>11,716.29</b>	<b>210,916.69</b>	<b>273,675.00</b>	<b>62,758.31</b>	<b>77.1</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>11,716.29</b>	<b>210,916.69</b>	<b>273,675.00</b>	<b>62,758.31</b>	<b>77.1</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>13,054.10</b>	<b>28,691.01</b>	<b>.00</b>	<b>( 28,691.01)</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

GARBAGE FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
54-30-200 SALES RECEIPTS	12,613.93	132,087.54	157,677.00	25,589.46	83.8
TOTAL REVENUE	12,613.93	132,087.54	157,677.00	25,589.46	83.8
TOTAL FUND REVENUE	12,613.93	132,087.54	157,677.00	25,589.46	83.8

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

GARBAGE FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>GARBAGE EXPENDITURES</u>					
54-40-360 CONTRACT LABOR	13,058.64	130,605.04	157,677.00	27,071.96	82.8
TOTAL GARBAGE EXPENDITURES	13,058.64	130,605.04	157,677.00	27,071.96	82.8
TOTAL FUND EXPENDITURES	13,058.64	130,605.04	157,677.00	27,071.96	82.8
NET REVENUE OVER EXPENDITURES	( 444.71)	1,482.50	.00	( 1,482.50)	.0

TOWN OF HUACHUCA CITY  
REVENUES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

LANDFILL FUND

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>REVENUE</u>						
55-30-100	INTEREST EARNINGS	.00	.00	500.00	500.00	.0
55-30-200	SALES - LANDFILL	128,454.20	1,225,529.41	1,450,099.00	224,569.59	84.5
55-30-201	LATE PENALTIES	.00	.00	500.00	500.00	.0
55-30-205	MISC.REVENUE	280.00	1,062.60	92,000.00	90,937.40	1.2
55-30-210	TIPPING FEES	17,810.80	181,900.33	157,550.00	( 24,350.33)	115.5
TOTAL REVENUE		146,545.00	1,408,492.34	1,700,649.00	292,156.66	82.8
<u>SOURCE 36</u>						
55-36-400	SALE OF FIXED ASSETS	.00	.00	50,000.00	50,000.00	.0
TOTAL SOURCE 36		.00	.00	50,000.00	50,000.00	.0
TOTAL FUND REVENUE		146,545.00	1,408,492.34	1,750,649.00	342,156.66	80.5

TOWN OF HUACHUCA CITY  
EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 11 MONTHS ENDING MAY 31, 2023

LANDFILL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>LANDFILL EXPENDITURES</u>					
55-40-100 PERSONNEL SERVICES	16,979.04	179,830.63	273,720.00	93,889.37	65.7
55-40-105 OVERTIME	787.05	32,497.26	10,000.00	( 22,497.26)	325.0
55-40-110 UNIFORM EXPENSE	639.63	5,870.75	6,000.00	129.25	97.9
55-40-130 EMPLOYEE BENEFITS	3,819.76	42,718.03	97,700.00	54,981.97	43.7
55-40-265 BANK COSTS/FEES	3,989.05	29,506.25	38,000.00	8,493.75	77.7
55-40-280 INSURANCE	.00	10,498.00	13,750.00	3,252.00	76.4
55-40-290 OFFICE SUPPLIES	.00	575.23	1,000.00	424.77	57.5
55-40-300 PRINTING	58.15	403.16	.00	( 403.16)	.0
55-40-337 PROPERTY LEASE	58,500.00	643,500.00	702,000.00	58,500.00	91.7
55-40-338 LF FINANCIAL ASSURANCE	.00	.00	40,000.00	40,000.00	.0
55-40-340 UTILITIES	882.86	10,483.55	13,200.00	2,716.45	79.4
55-40-350 SAFETY EQUIPMENT	.00	1,275.00	1,000.00	( 275.00)	127.5
55-40-360 CONTRACT LABOR	190.00	13,496.64	22,000.00	8,503.36	61.4
55-40-366 INMATE LABOR	.00	1,629.45	4,730.00	3,100.55	34.5
55-40-440 POSTAGE	302.91	1,299.09	1,800.00	500.91	72.2
55-40-460 MAINTENANCE & SUPPLIES	1,621.06	12,608.38	30,000.00	17,391.62	42.0
55-40-470 VEHICLE EXPENSE	1,238.91	4,439.05	5,000.00	560.95	88.8
55-40-475 FUEL EXPENSE	.00	12,687.94	2,500.00	( 10,187.94)	507.5
55-40-476 DIESEL	28,899.92	130,646.17	92,000.00	( 38,646.17)	142.0
55-40-480 COMPUTER EXPENSE	126.69	2,862.15	.00	( 2,862.15)	.0
55-40-510 LAB FEES	.00	2,338.00	.00	( 2,338.00)	.0
55-40-511 WATER MONITORING	.00	.00	2,000.00	2,000.00	.0
55-40-515 ENGINEERING SERVICES	.00	.00	2,000.00	2,000.00	.0
55-40-516 ADEQ FEES	.00	11,133.06	10,000.00	( 1,133.06)	111.3
55-40-610 EQUIPMENT MAINTENANCE	2,336.35	91,337.50	70,000.00	( 21,337.50)	130.5
55-40-640 MEMBERSHIP	.00	.00	200.00	200.00	.0
55-40-650 PROFESSIONAL SERVICES/AUDIT	1,625.00	5,452.00	20,000.00	14,548.00	27.3
55-40-660 TRAVEL - TRAVEL/TRAINING	.00	.00	3,000.00	3,000.00	.0
55-40-705 CAPITAL LEASE	.00	116,853.97	81,180.00	( 35,673.97)	143.9
55-40-710 CAPITAL EQUIPMENT	.00	.00	30,000.00	30,000.00	.0
55-40-804 SOFTWARE LICENSING	.00	402.00	4,000.00	3,598.00	10.1
55-40-846 CONTINGENCY EXP	.00	39,067.10	167,369.00	128,301.90	23.3
55-40-855 METHANE MONITORING	.00	.00	6,000.00	6,000.00	.0
55-40-900 BAD DEBT EXPENSE	.00	.00	500.00	500.00	.0
<b>TOTAL LANDFILL EXPENDITURES</b>	<b>121,996.38</b>	<b>1,403,410.36</b>	<b>1,750,649.00</b>	<b>347,238.64</b>	<b>80.2</b>
<b>TOTAL FUND EXPENDITURES</b>	<b>121,996.38</b>	<b>1,403,410.36</b>	<b>1,750,649.00</b>	<b>347,238.64</b>	<b>80.2</b>
<b>NET REVENUE OVER EXPENDITURES</b>	<b>24,548.62</b>	<b>5,081.98</b>	<b>.00</b>	<b>( 5,081.98)</b>	<b>.0</b>

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

HOLIDAY FUND

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEXPENDED</u>	<u>PCNT</u>
<u>REVENUE</u>					
86-30-200 HOLIDAY FUND DONATION	150.00	7,700.00	4,000.00	( 3,700.00)	192.5
TOTAL REVENUE	150.00	7,700.00	4,000.00	( 3,700.00)	192.5
TOTAL FUND REVENUE	150.00	7,700.00	4,000.00	( 3,700.00)	192.5

TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

HOLIDAY FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>HOLIDAY FUND EXPENDITURES</u>					
86-40-100 CHILDREN'S FUND GIFTS/FOOD	.00	656.12	4,000.00	3,343.88	16.4
TOTAL HOLIDAY FUND EXPENDITURES	.00	656.12	4,000.00	3,343.88	16.4
TOTAL FUND EXPENDITURES	.00	656.12	4,000.00	3,343.88	16.4
NET REVENUE OVER EXPENDITURES	150.00	7,043.88	.00	( 7,043.88)	.0

TOWN OF HUACHUCA CITY  
 REVENUES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

AMERICAN RELIEF PROGRAM ACT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>SOURCE 30</u>					
88-30-200 ARPA FUNDS	.00	289,894.76	289,894.76	.00	100.0
88-30-300 FUND BALANCE	.00	.00	289,894.76	289,894.76	.0
TOTAL SOURCE 30	.00	289,894.76	579,789.52	289,894.76	50.0
TOTAL FUND REVENUE	.00	289,894.76	579,789.52	289,894.76	50.0



TOWN OF HUACHUCA CITY  
 EXPENDITURES WITH COMPARISON TO BUDGET  
 FOR THE 11 MONTHS ENDING MAY 31, 2023

AMERICAN RELIEF PROGRAM ACT

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
88-40-100 AUTHORIZED EXPENDITURES	.00	.00	579,789.52	579,789.52	.0
TOTAL DEPARTMENT 40	.00	.00	579,789.52	579,789.52	.0
TOTAL FUND EXPENDITURES	.00	.00	579,789.52	579,789.52	.0
NET REVENUE OVER EXPENDITURES	.00	289,894.76	.00	( 289,894.76)	.0

Officer: \_\_\_\_\_  10 months  11/12 month

District: \_\_\_\_\_

Site(s): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



**School Safety Program  
FY 2024 Cooperative Agreement**

**Position must be filled by December 31, 2024**

We, the undersigned, acknowledge we will coordinate and cooperate in the School Safety Program if funds are awarded. By signing this agreement, we also give our assurance of the following items:

- We agree with the budget submitted
- We will uphold the intent of the grant, which includes but not limited to:
  - Provide for 180 hours of law-related education
  - Ensure full-time officer presence on campus during school hours consistent with grant requirements
  - Maintain weekly activity logs completed by the officer and submitted and monitored by the school administrator and agency supervisor
  - Facilitate access to appropriate educational records and data to officers in accordance with FERPA
  - Utilize a multidisciplinary School Safety Assessment and Prevention Team that meets quarterly for safety needs assessment, program planning, and continuous improvement
- We understand that, to the best of our ability, we are committed to ensuring officer continuity over the duration of the three-year grant cycle
- We understand that a school will be disadvantaged in the next School Safety Program competitive application by having more than three officers within a three-year grant cycle
- We will share the program design and operational plan with the assigned officer
- We will enter into a Service Agreement (or IGA)
- We understand each party's responsibility under the program

Print Name: \_\_\_\_\_  
*School Principal(s)*

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_  
*District Superintendent*

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_  
*Authorized Local Law Enforcement Agent/Authorized County Juvenile Probation Agent*

Signature: \_\_\_\_\_

Agency: \_\_\_\_\_

Current approved  
Salary reimbursement  
total: \$ 71,866.80  
For HCS.



State of Arizona  
Department of Education

**School Safety Program**  
**Fiscal Year 2023 School Safety Program (SSP) – New Grantee SRO JPO– Year 1**  
**Program Information and Application Instructions**

**Program Purpose**

Per Arizona Revised Statute (A.R.S.) 15-154, the School Safety Program is established within the Department of Education to support, promote and enhance safe and effective learning environments for all students by supporting the costs of placing school resource officers (SROs), juvenile probation officers (JPOs), school counselors (SCs) and school social workers (SWs) on school campuses.

**Program Eligibility**

The **School Safety Program (SSP)** grant is a school-level award and is open to all Arizona Local Education Agency (LEA) schools. \*Schools that submit a complete application and meet the scoring criteria will be awarded on a rolling basis until funds are depleted.

**Select the Correct Application**

Use this application packet for schools for which both of the following apply:

Schools that are **NOT** currently funded under one of these grants:

- FY 2023 School Safety Program Expansion Continuation.
- FY 2022 School Safety Program ESSER.

AND

Schools that are applying for an SRO/JPO as the first and/or second position

Select the separate and distinct FY23 SSP – New Grantees SC SW – Year 1 application if your school is applying for a School Counselor (SC) and/or School Social Worker (SW) as your first and/or second position request(s).

\*Please note that first position requests for SROs/JPOs are prioritized over first position requests for SCs and SWs. The statute provides that the State Board awards grants on the recommendation of the Department of Education. The Department favors a counselor or social worker in every school, but first priority is for school resource officers to protect our students and prevent a potential massacre as has tragically occurred in other states.

**Accessing the FY 2023 SSP – New Grantee SRO JPO – Year 1 Application**

The application will be available beginning February 3, 2023. It can be accessed through the Arizona Department of Education's (ADE) Grants Management Enterprise (GME) at <https://gme.azed.gov>. Applications will be accepted, reviewed, and awarded (if eligible) as they are submitted, with a deadline of April 15, 2023, at 11.59 PM. The application must be in the status of LEA Authorized Representative Approved in GME for it to be eligible for review by ADE.

**Please read this document in its entirety before you complete the application.**

**Fiscal Year 2023 SSP – New Grantee SRO JPO – Year 1  
Program Information and Application Instructions**

The remainder of this document has **three parts. Please read all three parts before completing and submitting your application.**

**Part 1:** Program Position Information.

**Part 2:** Program Requirements.

**Part 3:** Application Instructions (step-by-step instructions to complete the application).

**PART 1: PROGRAM POSITION INFORMATION**

This section includes information pertaining to schools applying for an SRO or JPO.

- **Program Funded Position:** A school district or charter school can submit a program proposal for supporting the costs of placing school resource officers or juvenile probation officers on a school campus. Schools may apply for a first and/or second position. **To make it more likely that a school can fill an SRO award, the program allows for multiple officers to fill one FTE position at an awarded school.**

First positions will be awarded to schools meeting scoring criteria on a first-come first-served basis as funding remains available. Second position requests will be set aside and potentially funded if funds are available.

- **School Resource Officer/Juvenile Probation Officer:** An SRO is defined as a peace officer or a full-authority reserve peace officer who is certified by the Arizona peace officer standards and training board.
- **Notes:**
  - **Awarded positions must be filled by December 31, 2023.**
  - Awarded schools that can fill the position in FY 2023 can be on the program for up to three and a half years.
- **Program Position Amount:** Awarded amounts received by a school district or charter school under the program shall be spent to fund the positions as follows:
  - **School Resource Officer/Juvenile Probation Officer:** The awarded amount for an SRO/JPO is for salary and benefits. Allowable benefits include customary benefits of medical, dental, retirement and social security. Benefits that are not included are uniform allowances, additional stipends, and overtime.
- **Program Position Required Documents:** The following documents are required immediately upon the hire of an officer. Documents must be uploaded to the Related Documents page of the GME funding application.
  - **School Resource Officer/Juvenile Probation Officer:**
    - FY 2024 Cooperative Agreement with the required signatures from the appropriate representatives.
    - Statement of Officer Salary and Benefits obtained from the partnering agency providing the officer.

**Fiscal Year 2023 SSP – New Grantee SRO JPO – Year 1  
Program Information and Application Instructions**

**PART 2: PROGRAM REQUIREMENTS**

This section includes key program requirements.

- **Annual Trainings:** The following program participants are required to attend an annual training each year on the program:
  - District/Charter Holder Administrator.
  - Site Administrator or Site Administrator Designee.
    - Joint Site Administrator or Joint Site Administrator Designee (if awarded as a joint site).
  - Awarded Position: School Resource Officer/Juvenile Probation Officer.
  - Police Agency Supervisor or Juvenile Probation Agency Supervisor.
  
- **Quarterly Meetings:** The following program participants are required to establish a school safety team that meets quarterly (recommended monthly).
  - Site Administrator (principal, assistant principal, or dean of students).
  - Awarded Position: SRO or JPO.
  - School prevention coordinator, or school mental/behavioral health expert, or registered nurse, or similar role.
  
- **Annual Program Reporting:** Program participants are required to quantify activities implemented under the grant and report on the implementation of the grant. The data collected will be utilized for the end-of-year reporting and for program evaluation purposes.
  - **SRO/JPO:**
    - **Law-Related Education (LRE):** Each officer is required to complete at least 180 hours of LRE instruction per year. The development and implementation of LRE must be based on a need's assessment.
    - **Officer Weekly Log:** Officers are required to complete a weekly activity log that tracks LRE instruction hours, teacher and subject, the topic of each LRE lesson, and the time the officer is off their assigned campus during their duty hours, regardless of the reason.
  
- **Annual Program Evaluation:** Schools awarded funding under the program agree to participate in the evaluation. The evaluation shall include survey results and data of the impact of participating in the program.

**PART 3: APPLICATION INSTRUCTIONS**

This section includes step-by-step instructions for navigating the Grants Management Enterprise (GME) Online Funding Application and completing the application.

Below are the steps to complete the **FY 2023 SSP – New Grantee SRO JPO – Year 1 Grant Funding Application**.



# Town of Huachuca City

The Sunset City

500 N Gonzales Blvd • Huachuca City, Arizona 85616

Phone: (520) 456-1354 • TDD: (520) 456-1353 • Fax: (520) 456-2230

## RESOLUTION NO. 2023-09

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF HUACHUCA CITY, ARIZONA, ADOPTING A PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM [“PSPRS”] FUNDING POLICY.

WHEREAS, HB2097, adopted in the 2018 Arizona Legislative Session, requires all governing bodies of entities participating in the PSPRS to establish a Pension Funding Policy and post that policy on the jurisdictions’ websites; and

WHEREAS, the Town Manager has developed an updated policy, attached hereto as Exhibit A, and incorporated herein by this reference; and

WHEREAS, the Town Council has reviewed the proposed policy, and finds that adopting it is in the best interests of the Town, its residents and public safety employees.

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the Town of Huachuca City, Arizona, that the policy attached hereto as Exhibit A is hereby approved.

**BE IT FURTHER RESOLVED** that the Town Manager is hereby authorized and directed to implement the policy forthwith.

**PASSED AND ADOPTED BY THE MAYOR AND TOWN COUNCIL OF THE TOWN OF HUACHUCA CITY, COCHISE COUNTY, ARIZONA, THIS 8th DAY OF JUNE, 2023.**

\_\_\_\_\_  
Johann Wallace, Mayor

ATTEST:

Approved as to Form:

\_\_\_\_\_  
Brandye Thorpe, Town Clerk

\_\_\_\_\_  
Thomas Benavidez, Town Attorney

[Exhibit A]

*[PSPRS Funding Policy Must Be Attached]*



# Town of Huachuca City

The Sunset City

500 N Gonzales Blvd • Huachuca City, Arizona 85616  
Phone: (520) 456-1354 • TDD: (520) 456-1353 • Fax: (520) 456-2230



## Town of Huachuca City Public Safety Personnel Retirement System Pension Funding Policy

The intent of this policy is to clearly communicate the Council's pension funding objectives and its commitment to our employees and the sound financial management of the Town and to comply with new statutory requirements of Laws 2018, Chapter 112.

Several terms are used throughout this policy:

**Unfunded Actuarial Accrued Liability (UAAL)** – Is the difference between trust assets and the estimated future cost of pensions earned by employees. This UAAL results from actual results (interest earnings, member mortality, disability rates, etc.) being different from the assumptions used in previous actuarial valuations.

**Annual Required Contribution (ARC)** – Is the annual amount required to pay into the pension funds, as determined through annual actuarial valuations. It is comprised of two primary components: normal pension cost- that is the estimated cost of pension benefits earned by employees in the current year; and, amortization of UAAL -which is the cost needed to cover the unfunded portion of pensions earned by employees in previous years. The UAAL is collected over a period of time referred to as the amortization period. The ARC is a percentage of the current payroll.

**Funded Ratio** – Is a ratio of fund assets to actuarial accrued liability. The higher the ratio the better funded the pension is with 100% being fully funded.

**Intergenerational equity** – Ensures that no generation is burdened by substantially more or less pension costs than past or future generations.

The Town's police employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS).

### Public Safety Personnel Retirement System (PSPRS)

PSPRS is administered as an agent multiple-employer pension plan. An agent multiple- employer plan has two main functions: 1) to commingle assets of all plans under its administration, thus achieving economy of scale for more cost-efficient investments and invest those assets for the benefit of all members under its administration and 2) serve as the statewide uniform administrator for the distribution of benefits.

Under an agent multiple-employer plan, each agency participating in the plan has an individual trust fund reflecting those agencies' assets and liabilities. Under this plan, all contributions are deposited to and distributions are made from that fund's assets, each fund has its own funded ratio and contribution rate, and each fund has a unique annual actuarial valuation. The Town of Huachuca City has one trust fund for police employees. Council formally accepts the assets, liabilities, and current funding ratio of the Town's PSPRS trust funds from the June 30, 2022, actuarial valuation, which are detailed below.

<b>Trust Fund</b>	<b>Assets</b>	<b>Accrued</b>	<b>Unfunded Actuarial Accrued</b>	<b>Funded</b>
		<b>Liability</b>	<b>Liability</b>	<b>Ratio</b>
Huachuca City Police	1,285,698	1,598,399	312,701	80.4%
<b>Totals</b>	1,285,698	1,598,399	312,701	80.4%

PSPRS Funding Goal

Pensions that are less than fully funded place the cost of service provided in earlier periods (amortization of UAAL) on the current taxpayers. Fully funded pension plans are the best way to achieve taxpayer and member intergenerational equity. Most funds in PSPRS are significantly underfunded and falling well short of the goal of intergenerational equity.

**The Council's PSPRS funding ratio goal is 100% (fully funded) by June 30, 2036.**

Council established this goal for the following reasons:

- The PSPRS trust funds represent only the Town of Huachuca City's liability
- The fluctuating cost of an UAAL causes strain on the Town's budget, affecting our ability to provide services
- A fully funded pension is the best way to achieve taxpayer and member intergenerational equity

Council has taken the following actions to achieve this goal:

- Maintain ARC payment from operating revenues – Council is committed to maintaining the full ARC payment (normal cost and UAAL amortization) from operating funds. The estimated combined ARC for FY24 is \$78,023 and will be able to be paid from operating funds without diminishing Town services.

Based on these actions the Council plans to achieve its goal of 100% funding by June 30, 2036, in accordance with the amortization timeline set forth by the PSPRS June 30, 2017 Actuarial Valuation.



**ARIZONA PUBLIC SAFETY PERSONNEL  
RETIREMENT SYSTEM**

**HUACHUCA CITY POLICE DEPT. (253)**

ACTUARIAL VALUATION  
AS OF JUNE 30, 2022

CONTRIBUTIONS APPLICABLE TO THE  
PLAN/FISCAL YEAR ENDING JUNE 30, 2024



**FOSTER & FOSTER**  
ACTUARIAL AND CONSULTANTS

December 2022

Board of Trustees  
Arizona Public Safety Personnel Retirement System  
Phoenix, AZ

*Re: Actuarial Valuation Report as of June 30, 2022 for Huachuca City Police Dept. (253)*

Dear Members of the Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Arizona Public Safety Personnel Retirement System (PSPRS). The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year.

This report was prepared at the request of the Board and is intended for use by PSPRS and those designated or approved by the Board. It documents the valuation of the consolidated plan and provides summary information for PSPRS participating employers. This report may be provided to parties other than PSPRS only in its entirety and only with the permission of the Board. Foster & Foster is not responsible for the unauthorized use of this report.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Title 38, Chapter 5, Article 4 of the Arizona Revised Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

The computed contribution rates shown in the "Contribution Results" section should be considered minimum contribution rates that comply with the Board's funding policy and Arizona Statutes. Users of this report should be aware that contributions made at that rate do not guarantee benefit security. Given the importance of benefit security to any retirement system, we suggest that contributions to the System in excess of those presented in this report be considered.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of the Plan's liabilities.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by PSPRS through June 30, 2022 and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

This valuation assumes the continuing ability of the participating employers to make the contributions necessary to fund this plan. A determination regarding whether or not the participating employers are actually able to do so is outside our scope of expertise. Consequently, we did not perform such an analysis.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

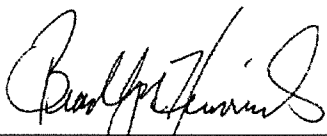
The undersigned are familiar with the immediate and long-term aspects of pension valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All sections of this report are considered an integral part of the actuarial opinions.

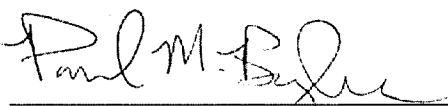
To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Arizona Public Safety Personnel Retirement System, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Arizona Public Safety Personnel Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully Submitted,

Foster & Foster, Inc.

By:   
Bradley R. Heinfichs, FSA, EA, MAAA

By:   
Paul M. Baugher, FSA, EA, MAAA

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# I. SUMMARY OF REPORT

The regular annual actuarial valuation of the Arizona Public Safety Personnel Retirement System for the Huachuca City Police Dept., performed as of June 30, 2022, has been completed and the results are presented in this Report. The purpose of this valuation is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and active members. This information is contained in the section entitled “Liability Support.”
- Compare accumulated assets with the liabilities to assess the funded condition. This information is contained in the section entitled “Liability Support.”
- Compute the employers’ recommended contribution rates for the Fiscal Year beginning July 1, 2023. This information is contained in the section entitled “Contribution Results.”

## 1. Key Valuation Results

The funded status as of June 30, 2022 and the employer contribution amounts applicable to the plan/fiscal year ending June 30, 2024 are as follows:

	Tier 1 & Tier 2 Members			Tier 3 Members *		
	Pension	Health	Total	Pension	Health	Total
Employer Contribution Rate	22.71%	0.44%	23.15%	8.69%	0.12%	8.81%
Funded Status	80.4%	134.5%	81.6%	110.5%	212.1%	112.1%

## 2. Comparison of Key Results to Prior Year

The chart below compares the results from this valuation with the results of the prior year’s valuation (as of June 30, 2021):

Valuation Date	Contribution Rate					
	Tier 1 & Tier 2 Members			Tier 3 Members *		
	Pension	Health	Total	Pension	Health	Total
June 30, 2021	25.36%	0.31%	25.67%	9.00%	0.12%	9.12%
June 30, 2022	22.71%	0.44%	23.15%	8.69%	0.12%	8.81%

Valuation Date	Funded Status					
	Tier 1 & Tier 2 Members			Tier 3 Members		
	Pension	Health	Total	Pension	Health	Total
June 30, 2021	77.6%	141.3%	78.9%	107.3%	210.0%	108.9%
June 30, 2022	80.4%	134.5%	81.6%	110.5%	212.1%	112.1%

\* The Tier 3 rates shown are the calculated rates as of the valuation date and do not reflect any Legacy costs that the employer must also contribute.

### 3. Reasons for Change

Changes in the results from the prior year's valuation can be illustrated in the following tables along with high-level explanations for the entire System below:

	Contribution Rate			
	Tier 1 & Tier 2		Tier 3 Members	
	Pension	Health	Pension	Health
Contribution Rate Last Valuation	25.36%	0.31%	9.00%	0.12%
Asset Experience	0.08%	0.00%	(0.03%)	0.00%
Payroll Base	(0.05%)	0.00%	(0.11%)	(0.03%)
Liability Experience	(0.54%)	0.02%	(0.57%)	(0.01%)
Additional Contribution	0.00%	0.00%	0.00%	0.00%
Assumption/Method Change	(0.03%)	(0.03%)	(0.13%)	0.00%
Other	<u>(2.11%)</u>	<u>0.14%</u>	<u>0.53%</u>	<u>0.04%</u>
Contribution Rate This Valuation	22.71%	0.44%	8.69%	0.12%

	Funded Status			
	Tier 1 & Tier 2		Tier 3 Members	
	Pension	Health	Pension	Health
Funded Status Last Valuation	77.6%	141.3%	107.3%	210.0%
Asset Experience	(0.1%)	(0.2%)	0.6%	2.3%
Liability Experience	0.7%	(1.7%)	9.9%	16.4%
Additional Contribution	0.0%	0.0%	0.0%	0.0%
Assumption/Method Change	(0.2%)	0.4%	2.3%	(6.7%)
Other	<u>2.4%</u>	<u>(5.3%)</u>	<u>(9.6%)</u>	<u>(9.9%)</u>
Funded Status This Valuation	80.4%	134.5%	110.5%	212.1%

**Assets Experience** – Asset gains and losses (relative to the assumed earnings rate) are smoothed over seven years for Tiers 1 and 2 and over five years for Tier 3. The return on the market value of assets for the year ending June 30, 2022 was (4.2%) for Tiers 1 and 2 and (4.6%) for Tier 3. On a smoothed, actuarial value of assets basis, however, the average return was 7.1% for Tiers 1 and 2 and 7.7% for Tier 3. These returns nearly met the 2021 assumed earnings rate for Tiers 1 and 2 of 7.3% and exceeded the 2021 assumed earnings rate for Tier 3 of 7.0%.

**Payroll Base** – Under the current amortization policy for Tiers 1 and 2, the contribution rate is developed as a level percentage of payroll. Payroll for this purpose includes members of this plan and defined contribution plan's members that would have been in this plan. To the extent that actual payroll is lower/greater than last year's projected payroll, the contribution rate will increase/decrease as a result.

**Liability Experience** – Experience overall was unfavorable, driven by salary increases that were higher than expected.

**Additional Contribution** – Monies contributed in excess of the required contribution rate in order to pay down the unfunded liability.

**Assumption / Method Change** – The Board adopted the assumption recommendations provided in the 2022 experience study report, dated April 21, 2022, which updated the salary, inflation, and demographic assumptions. The Board also reduced the interest rate for Tier 1 and 2 members from 7.30% to 7.20% and continued the decrease in the payroll growth assumption from 3.00% to 2.50%.

**Other** – This is the combination of all other factors that could impact liabilities year-over-year, with the primary sources being changes in benefits for continuing inactive. Note that Tier 3 experience will stabilize as the group matures.

#### 4. Looking Ahead

The volatility in annual returns, which have produced both gains and losses in recent years, was dampened by the asset smoothing reflected in the actuarial value of assets. The significant loss realized this year will, in the absence of other gains, put upward pressure on the contribution rate next year.

If the June 30, 2022 pension valuation results were based on the market value of assets instead of the actuarial value of assets, the pension funded percentage for Tiers 1 and 2 would be 78.3% (instead of 80.4%) and the pension employer contribution requirement would be 23.99% of payroll (instead of 22.71%).

#### 5. Conclusion

The funded status for Tiers 1 and 2 will continue to improve if assumptions are met and contributions at least equal to the rates determined for each employer are made to the fund. The recent adoption of a layered amortization approach along with a plan to systematically lower the payroll growth assumption was an excellent step to improve funding and ensure the Plan is on a viable path.

The funded status for Tier 3 will stabilize as the population continues to grow, as contributions appear sufficient to keep the liabilities fully funded.

## II. CONTRIBUTION RESULTS

### Contribution Requirements

#### Development of Employer Contributions - Tiers 1 & 2 Members

Valuation Date Applicable to Fiscal Year Ending	June 30, 2022 2024		June 30, 2021 2023	
	Rate	Dollar	Rate	Dollar
<b>Pension</b>				
Normal Cost				
Total Normal Cost	17.17%	\$ 38,877	19.05%	\$ 42,847
Employee Cost	<u>(7.65%)</u>	<u>(17,321)</u>	<u>(7.65%)</u>	<u>(17,206)</u>
Employer (Net) Normal Cost	9.52%	21,556	11.40%	25,641
Amortization of Unfunded Liability	<u>13.19%</u>	<u>29,865</u>	<u>13.96%</u>	<u>31,398</u>
Total Employer Cost (Pension)	22.71%	51,421	25.36%	57,039
<b>Health</b>				
Normal Cost	0.65%	1,472	0.74%	1,664
Amortization of Unfunded Liability	<u>(0.21%)</u>	<u>(475)</u>	<u>(0.43%)</u>	<u>(967)</u>
Total Employer Cost (Health)	0.44%	997	0.31%	697
<b>Total Employer Cost (Pension + Health)</b>	<b>23.15%</b>	<b>52,418</b>	<b>25.67%</b>	<b>57,736</b>
Total Minimum Contribution Requirement (if applicable)	8.00%		8.00%	
Alternate Contribution Rate (ACR) *	13.19%		13.96%	
Underlying Payroll (as of valuation date)		220,901		218,366

\* The Alternate Contribution Rate is the sum of the positive amortization rates for Tiers 1 & 2 Pension and Health (subject to an 8% minimum) and is charged when retirees return to active status.

The results above are shown both prior to and after the application of the statutory minimum contribution requirement of 8% of payroll (5% of payroll if the actual employer contribution is less than 5% for the 2006/2007 Fiscal Year) and are based on the current amortization schedule approved by the Board of Trustees for your individual plan (see "Actuarial Assumptions and Methods").



**Development of Employer Contributions – Tier 3 Members**

Valuation Date June 30, 2022 June 30, 2021  
 Applicable to Fiscal Year Ending 2024 2023

**Defined Benefit (DB) Retirement Plan**

	Rate	Dollar	Rate	Dollar
<b>Pension</b>				
Total Normal Cost	17.37%	\$ 9,890	17.99%	\$ 9,101
Amortization of Unfunded Liability	<u>0.00%</u>	<u>0</u>	<u>0.00%</u>	<u>0</u>
Total Pension Cost	17.37%	9,890	17.99%	9,101
Employee (EE) Pension Cost	8.69%	4,945	9.00%	4,551
Employer (ER) Pension Cost	8.69%	4,945	9.00%	4,551
<b>Health</b>				
Total Normal Cost	0.24%	137	0.24%	121
Amortization of Unfunded Liability	<u>0.00%</u>	<u>0</u>	<u>0.00%</u>	<u>0</u>
Total Health Cost	0.24%	137	0.24%	121
Employee (EE) Health Cost	0.12%	69	0.12%	61
Employer (ER) Health Cost	0.12%	69	0.12%	61
<b>Total</b>				
Total Calculated Tier 3 Required EE/ER Individual Cost	8.81%	5,014	9.12%	4,612
Board Approved Tier 3 Required EE/ER Individual Cost <sup>1</sup>	9.56%	5,443	9.94%	5,028
ER Legacy Cost of Tiers 1 & 2 Amort of Unfunded Liabilities <sup>2</sup>	13.19%	7,510	13.96%	7,062
Total Calculated Tier 3 Required ER Defined Benefit Cost	22.00%	12,524	23.08%	11,674
<b>Total Board Approved Tier 3 Required ER Defined Benefit Cost</b>	<b>22.75%</b>	<b>12,953</b>	<b>23.90%</b>	<b>12,090</b>
Underlying Payroll (as of valuation date)		55,549		49,114

<sup>1</sup> The "Board Approved" cost was reset with the June 30, 2022 valuation to be the lesser of 1) the calculated rate plus 0.75%, or 2) the prior Board approved rate. Going forward, the funding policy will reflect the approach in setting the costs and will be reviewed annually.

<sup>2</sup> Pursuant to ARS § 38-843(B), the amortization of positive unfunded liabilities for Tiers 1 & 2 shall be applied to all Tier 3 payroll on a level percent basis. However, while it is statutorily required to present the rates in this manner, these are the minimums where alternate methods for paying down that unfunded liability is at the discretion of each employer. Further, to understand the effects of reform in relation to Tier 3, compare the total rate of Tier 3 before application of those legacy costs.

**Development of Employer Contributions – Tier 3 Members**

Valuation Date	June 30, 2022	June 30, 2021
Applicable to Fiscal Year Ending	2024	2023

**Defined Contribution (DC) Retirement Plan**

	Rate	Dollar	Rate	Dollar
<b>Tier 2 &amp; 3 DB / Non-Social Security</b>				
Employee Cost	3.00%		3.00%	
Employer Cost <sup>1</sup>	3.00%		3.00%	
<b>Tier 3 DC Only</b>				
Employee Cost	9.00%	\$ 0	9.00%	\$ 0
Employee Health Subsidy Program Cost	0.17%	0	0.19%	0
Employee Disability Program Cost	<u>1.43%</u>	<u>0</u>	<u>1.66%</u>	<u>0</u>
<b>Total Employee Cost</b>	<b>10.60%</b>	<b>0</b>	<b>10.85%</b>	<b>0</b>
Employer Cost	9.00%	0	9.00%	0
Employer Health Subsidy Program Cost	0.17%	0	0.19%	0
Employer Disability Program Cost	<u>1.43%</u>	<u>0</u>	<u>1.66%</u>	<u>0</u>
<b>Total Employer Cost (before Legacy)</b>	<b>10.60%</b>	<b>0</b>	<b>10.85%</b>	<b>0</b>
ER Legacy Cost of Tiers 1 & 2 Amort of Unfunded Liabilities <sup>2</sup>	13.19%	0	13.96%	0
<b>Total Employer Cost</b>	<b>23.79%</b>	<b>0</b>	<b>24.81%</b>	<b>0</b>
Underlying Payroll (as of valuation date)		0		0

<sup>1</sup> Employer rate is 4% for Tier 2 members for a period of time depending on the individual's membership date.

<sup>2</sup> Pursuant to ARS § 38-843(B), the amortization of positive unfunded liabilities for Tiers 1 & 2 shall be applied to all Tier 3 payroll on a level percent basis. However, while it is statutorily required to present the rates in this manner, these are the minimums where alternate methods for paying down that unfunded liability is at the discretion of each employer. Further, to understand the effects of reform in relation to Tier 3, compare the total rate of Tier 3 before application of those legacy costs.

### Contribution Rate Summary

	Tier 1		Tier 2		Tier 3		
	7/1/1968	7/20/2011	1/1/2012		7/1/2017		
Membership Date On or After	7/1/1968	7/20/2011	1/1/2012		7/1/2017		
Participates in Social Security	N/A	N/A	Yes	No	Yes	No	N/A
Available Retirement Plan <sup>1</sup>	DB Only	DB Only	DB Only	Hybrid	DB Only	Hybrid	DC Only
<b>Employee Contribution Rate</b>							
PSPRS DB Rate	7.65%	11.45%	11.45%	11.45%	9.56%	9.56%	
PSPRS DC Rate				3.00%		3.00%	9.00%
Employer Health Subsidy Program Cost							0.17%
PSPDCRP Disability Program Rate							1.43%
<b>Total EE Contribution Rate</b>	<b>7.65%</b>	<b>11.45%</b>	<b>11.45%</b>	<b>14.45%</b>	<b>9.56%</b>	<b>12.56%</b>	<b>10.60%</b>
<b>Employer Contribution Rate</b>							
PSPRS DB Normal Cost	10.17%	10.17%	10.17%	10.17%	9.56%	9.56%	
PSPRS DB Tier 1 & 2 Legacy Cost <sup>2</sup>	12.98%	12.98%	12.98%	12.98%	13.19%	13.19%	13.19%
PSPRS DC Rate <sup>3</sup>				4.00%		3.00%	9.00%
Employer Health Subsidy Program Cost							0.17%
PSPDCRP Disability Program Rate							1.43%
<b>Total ER Contribution Rate</b>	<b>23.15%</b>	<b>23.15%</b>	<b>23.15%</b>	<b>27.15%</b>	<b>22.75%</b>	<b>25.75%</b>	<b>23.79%</b>

<sup>1</sup> Employers that pay into Social Security on behalf of their members do not participate in the Hybrid Plan.

<sup>2</sup> Per statute (ARS § 38-843(B)), any positive unfunded liability for Tiers 1 and 2 is to be applied to all Tier 3 (DB and DC) payrolls.

<sup>3</sup> The 4.00% employer match for Tier 2 Hybrid members is for a short period of time depending on the membership date of the employee at which point the rate will change to 3.00% (ARS § 38-868(C)).

Exhibit summarizes employee and employer contributions based on Statute and the results of June 30, 2022 actuarial valuation. Pension and health components are combined, where applicable.

### Impact of Additional Contributions

Impact On	Additional Contribution (000s)										
	\$0	\$10	\$20	\$30	\$40	\$50	\$60	\$70	\$80	\$90	\$100
Funded Status - June 30, 2022	80.4%	81.1%	81.7%	82.3%	82.9%	83.6%	84.2%	84.8%	85.4%	86.1%	86.7%
FYE 2024 Contribution Rate	22.71%	22.34%	21.98%	21.61%	21.25%	20.88%	20.51%	20.15%	19.78%	19.42%	19.05%

Table shows the hypothetical change in the funded status and contribution rate from the June 30, 2022 actuarial valuation results for Tiers 1 & 2 if an additional contribution of the amount shown had been made to the Fund on June 30, 2022. This illustration can help estimate the impact of contributing additional monies to the fund in the future.

### Historical Summary of Employer Rates

	Valuation Date June 30	Fiscal Year Ending June 30	Pension			Health		
			Normal Cost	Unfunded Amortization	Total	Normal Cost	Unfunded Amortization	Total
<b>TIERS 1 &amp; 2</b>	2018	2020	13.68%	7.55%	21.23%	0.45%	0.13%	0.58%
	2019	2021	11.73%	2.91%	14.64%	0.78%	(0.05%)	0.73%
	2020	2022	10.69%	15.40%	26.09%	0.69%	(0.42%)	0.27%
	2021	2023	11.40%	13.96%	25.36%	0.74%	(0.43%)	0.31%
	2022	2024	9.52%	13.19%	22.71%	0.65%	(0.21%)	0.44%
<b>TIER 3 <sup>1</sup></b>	2018	2020	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
	2019	2021	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
	2020	2022	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
	2021	2023	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
	2022 <sup>2</sup>	2024	8.69%	0.00%	8.69%	0.12%	0.00%	0.12%
	2022	2024	9.30%	0.00%	9.30%	0.26%	0.00%	0.26%

<sup>1</sup> Rates shown are Board approved EE/ER rates, unless otherwise noted. Does not reflect Legacy costs that the employer must also contribute.

<sup>2</sup> Rates shown are calculated EE/ER rates

### III. LIABILITY SUPPORT

#### Liabilities and Funded Ratios by Benefit - Tiers 1 & 2

	June 30, 2022	June 30, 2021
<b>Pension</b>		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 690,371	\$ 683,420
DROP Members	0	0
Vested Members	149	149
Active Members	<u>1,130,328</u>	<u>1,064,955</u>
Total Actuarial Present Value of Benefits	1,820,848	1,748,524
Actuarial Accrued Liability (AAL)		
All Inactive Members	690,520	683,569
Active Members	<u>907,879</u>	<u>829,113</u>
Total Actuarial Accrued Liability	1,598,399	1,512,682
Actuarial Value of Assets (AVA)	1,285,698	1,173,554
Unfunded Actuarial Accrued Liability	312,701	339,128
PVB Funded Ratio (AVA / PVB)	70.6%	67.1%
AAL Funded Ratio (AVA / AAL)	80.4%	77.6%
<b>Health</b>		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 0	\$ 0
DROP Members	0	0
Active Members	<u>43,243</u>	<u>39,459</u>
Total Present Value of Benefits	43,243	39,459
Actuarial Accrued Liability (AAL)		
All Inactive Members	0	0
Active Members	<u>35,422</u>	<u>31,073</u>
Total Actuarial Accrued Liability	35,422	31,073
Actuarial Value of Assets (AVA)	47,644	43,899
Unfunded Actuarial Accrued Liability	(12,222)	(12,826)
PVB Funded Ratio (AVA / PVB)	110.2%	111.3%
AAL Funded Ratio (AVA / AAL)	134.5%	141.3%

Pension and health liabilities were not impacted under the lateral transfer methodology.

### Liabilities and Funded Ratios by Benefit - Tier 3

	June 30, 2022	June 30, 2021
<b>Pension</b>		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	\$ 944,111	\$ 440,356
Vested Members	3,654,003	1,850,254
Active Members	<u>403,144,180</u>	<u>288,612,448</u>
Total Actuarial Present Value of Benefits	407,742,294	290,903,058
Actuarial Accrued Liability (AAL)		
All Inactive Members	4,598,114	2,290,610
Active Members	<u>64,341,090</u>	<u>40,442,927</u>
Total Actuarial Accrued Liability	68,939,204	42,733,537
Actuarial Value of Assets (AVA)	76,171,857	45,863,401
Unfunded Actuarial Accrued Liability	(7,232,653)	(3,129,864)
PVB Funded Ratio (AVA / PVB)	18.7%	15.8%
AAL Funded Ratio (AVA / AAL)	110.5%	107.3%
<b>Health</b>		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	0	0
Active Members	<u>5,807,514</u>	<u>3,998,992</u>
Total Present Value of Benefits	5,807,514	3,998,992
Actuarial Accrued Liability (AAL)		
All Inactive Members	0	0
Active Members	<u>1,075,733</u>	<u>680,877</u>
Total Actuarial Accrued Liability	1,075,733	680,877
Actuarial Value of Assets (AVA)	2,281,928	1,429,806
Unfunded Actuarial Accrued Liability	(1,206,195)	(748,929)
PVB Funded Ratio (AVA / PVB)	39.3%	35.8%
AAL Funded Ratio (AVA / AAL)	212.1%	210.0%

The liabilities shown on this page are the liabilities for all Tier 3 members grouped together in the Risk Sharing group. These liabilities are NOT the liabilities solely for Huachuca City Police Dept. Tier 3 members.

**Derivation of Experience (Gain)/Loss**

	Tiers 1 & 2		Tier 3	
	Pension	Health	Pension	Health
(1) Unfunded Actuarial Accrued Liability as of June 30, 2021	339,128	(12,826)	(3,129,864)	(748,929)
(2) Normal Cost Developed in Last Valuation	25,641	1,664	10,742,365	143,232
(3) Actual Contributions	59,393	663	13,287,994	708,578
(4) Expected Interest On (1), (2), and (3)	24,498	(839)	79,243	(69,623)
(5) Expected Unfunded Actuarial Accrued Liability as of June 30, 2022 (1)+(2)-(3)+(4)	329,874	(12,664)	(5,596,250)	(1,383,898)
(6) Changes to UAAL Due to Assumptions, Methods and Benefits	3,640	(114)	(1,466,606)	33,112
(7) Change to UAAL Due to Actuarial (Gain)/Loss	<u>(20,813)</u>	<u>556</u>	<u>(169,797)</u>	<u>144,591</u>
(8) Unfunded Actuarial Accrued Liability as of June 30, 2022	312,701	(12,222)	(7,232,653)	(1,206,195)

### Amortization of Unfunded Liabilities - Tiers 1 & 2

	Date Established	Outstanding Balance <sup>1</sup>	Years Remaining	Amortization Rate
<b>Pension</b>	06/30/2019	90,930	14	3.12%
	06/30/2021	269,037	14	10.51%
	06/30/2022	<u>(11,799)</u>	15	<u>(0.44%)</u>
	Total	348,168		13.19%
<b>Health</b>	06/30/2019	0	10	0.00%
	06/30/2021	0	10	0.00%
	06/30/2022	<u>(4,401)</u>	10	<u>(0.21%)</u>
	Total	(4,401)		(0.21%)

### Amortization of Unfunded Liabilities - Tier 3

	Date Established	Outstanding Balance	Years Remaining	Amortization Rate <sup>2</sup>
<b>Pension</b>	06/30/2018	133,264	6	0.02%
	06/30/2019	(1,174,488)	7	(0.12%)
	06/30/2020	783,926	8	0.07%
	06/30/2021	(2,629,391)	9	(0.23%)
	06/30/2022	<u>(4,345,964)</u>	10	<u>(0.35%)</u>
	Total	(7,232,653)		0.00%
<b>Health</b>	06/30/2018	(2,826)	6	0.00%
	06/30/2019	(107,381)	7	(0.01%)
	06/30/2020	(199,078)	8	(0.02%)
	06/30/2021	(379,902)	9	(0.03%)
	06/30/2022	<u>(517,008)</u>	10	<u>(0.04%)</u>
	Total	(1,206,195)		0.00%

<sup>1</sup> By Statute, any unfunded liability is adjusted to remove any "maintenance of effort" balance included in the assets. The current balance is \$35,467.

<sup>2</sup> By Statute, negative total amortization rates are not subtracted in Tier 3 rate calculations.



## IV. ASSET SUPPORT

### Statement of Changes in Fiduciary Net Position for Year Ended June 30, 2022 Market Value Basis

	Tiers 1 & 2		Tier 3	
	Pension	Health	Pension	Health
<b>Additions</b>				
<b>Contributions</b>				
Member Contributions	\$ 131,683,526	\$ 0	\$ 29,063,146	\$ 0
Employer Contributions	3,012,703,558	0	29,064,040	0
Health Insurance Contributions	<u>0</u>	<u>3,802,966</u>	<u>0</u>	<u>1,407,709</u>
Total Contributions	3,144,387,084	3,802,966	58,127,186	1,407,709
<b>Investment Income</b>				
Net Increase in Fair Value	(701,182,251)	(21,695,499)	(8,741,820)	(280,480)
Interest and Dividends	126,401,305	3,911,022	1,575,879	50,562
Other Income	87,059,416	2,683,297	1,085,391	34,690
Less Investment Expenses	<u>(22,862,270)</u>	<u>(565,977)</u>	<u>(285,030)</u>	<u>(7,317)</u>
Net Investment Income	(510,583,800)	(15,667,157)	(6,365,580)	(202,545)
Non-investment Income	986,277	0	12,296	0
Transfers In	1,279,046	0	30,523	0
Total Additions	2,636,068,607	(11,864,191)	51,804,425	1,205,164
<b>Deductions</b>				
<b>Distributions to Members</b>				
Benefit Payments	1,014,242,856	0	151,291	0
Health Insurance Subsidy	0	17,298,612	0	0
Refund of Contributions	<u>13,520,140</u>	<u>0</u>	<u>1,255,336</u>	<u>0</u>
Total Distributions	1,027,762,996	17,298,612	1,406,627	0
Administrative Expenses	9,180,607	278,897	114,460	3,606
Transfers Out	780,862	0	0	0
Other	0	0	0	0
Total Deductions	1,037,724,465	17,577,509	1,521,087	3,606
<b>Net Increase / (Decrease)</b>	1,598,344,142	(29,441,700)	50,283,338	1,201,558
<b>Net Position Held in Trust</b>				
Prior Valuation	11,444,452,554	403,467,753	112,339,143	3,633,858
Beginning of the Year Adjustment	0	0	0	0
End of the Year	13,042,796,696	374,026,053	162,622,481	4,835,416

### Development of Pension Actuarial Value of Assets - Tiers 1 & 2

#### A. Investment Income

A1. Actual Investment Income	\$ (519,764,407)
A2. Expected Amount for Immediate Recognition	911,394,336
A3. Amount Subject to Amortization	(1,431,158,743)

B. Amortization Schedule	Year Ended June 30						
	2022	2023	2024	2025	2026	2027	2028
2022 Experience (A3 / 7)	(204,451,249)	(204,451,249)	(204,451,249)	(204,451,249)	(204,451,249)	(204,451,249)	(204,451,249)
2021 Experience	238,978,744	238,978,744	238,978,744	238,978,744	238,978,744	238,978,745	
2020 Experience	(68,882,158)	(68,882,158)	(68,882,158)	(68,882,158)	(68,882,160)		
2019 Experience	(22,859,275)	(22,859,275)	(22,859,275)	(22,859,275)			
2018 Experience	(6,266,349)	(6,266,349)	(6,266,351)				
2017 Experience	33,380,149	33,380,148					
2016 Experience	(64,250,889)						
Total Amortization	(94,351,027)	(30,100,139)	(63,480,289)	(57,213,938)	(34,354,665)	34,527,496	(204,451,249)

#### C. Actuarial Value of Assets

	Total	Employer
C1. Actuarial Value of Assets, June 30, 2021	10,462,717,622	
C2. Non-investment Net Cash Flow	2,118,108,549	
C3. Preliminary Actuarial Value of Assets, June 30, 2022 (A2 + B + C1 + C2)	13,397,869,480	
C4. Market Value of Assets, June 30, 2022	13,042,796,696	1,251,624
C5. Final Actuarial Value of Assets, June 30, 2022 (C3 Within 20% Corridor of C4)	13,397,869,480	1,285,698

#### D. Rates of Return

D1. Market Value Rate of Return	(4.2%)
D2. Actuarial Value Rate of Return	7.1%

### Development of Health Actuarial Value of Assets - Tiers 1 & 2

#### A. Investment Income

A1. Actual Investment Income	\$ (15,946,054)
A2. Expected Amount for Immediate Recognition	28,969,231
A3. Amount Subject to Amortization	(44,915,285)

B. Amortization Schedule	Year Ended June 30						
	2022	2023	2024	2025	2026	2027	2028
2022 Experience (A3 / 7)	(6,416,469)	(6,416,469)	(6,416,469)	(6,416,469)	(6,416,469)	(6,416,469)	(6,416,471)
2021 Experience	9,257,478	9,257,478	9,257,478	9,257,478	9,257,478	9,257,481	
2020 Experience	(2,898,713)	(2,898,713)	(2,898,713)	(2,898,713)	(2,898,716)		
2019 Experience	(1,075,569)	(1,075,569)	(1,075,569)	(1,075,572)			
2018 Experience	(304,653)	(304,653)	(304,656)				
2017 Experience	1,532,136	1,532,136					
2016 Experience	(3,220,881)						
Total Amortization	(3,126,671)	94,210	(1,437,929)	(1,133,276)	(57,707)	2,841,012	(6,416,471)

#### C. Actuarial Value of Assets

	Total	Employer
C1. Actuarial Value of Assets, June 30, 2021	367,789,300	
C2. Non-investment Net Cash Flow	(13,495,646)	
C3. Preliminary Actuarial Value of Assets, June 30, 2022 (A2 + B + C1 + C2)	380,136,214	
C4. Market Value of Assets, June 30, 2022	374,026,053	46,878
C5. Final Actuarial Value of Assets, June 30, 2022 (C3 Within 20% Corridor of C4)	380,136,214	47,644

#### D. Rates of Return

D1. Market Value Rate of Return	(4.0%)
D2. Actuarial Value Rate of Return	7.2%

### Development of Pension Actuarial Value of Assets - Tiers 3

#### A. Investment Income

A1. Actual Investment Income	\$ (6,480,040)
A2. Expected Amount for Immediate Recognition	9,816,857
A3. Amount Subject to Amortization	(16,296,897)

B. Amortization Schedule	Year Ended June 30				
	2022	2023	2024	2025	2026
2022 Experience (A3 / 5)	(3,259,379)	(3,259,379)	(3,259,379)	(3,259,379)	(3,259,381)
2021 Experience	3,551,936	3,551,936	3,551,936	3,551,938	
2020 Experience	(351,296)	(351,296)	(351,294)		
2019 Experience	44,435	44,437			
2018 Experience	(208)				
Total Amortization	(14,512)	(14,302)	(58,737)	292,559	(3,259,381)

#### C. Actuarial Value of Assets

	Total	Employer
C1. Actuarial Value of Assets, June 30, 2021	99,096,619	
C2. Non-investment Net Cash Flow	56,763,378	
C3. Preliminary Actuarial Value of Assets, June 30, 2022 (A2 + B + C1 + C2)	165,662,342	
C4. Market Value of Assets, June 30, 2022	162,622,481	74,774,123
C5. Final Actuarial Value of Assets, June 30, 2022 (C3 Within 20% Corridor of C4)	165,662,342	76,171,857

#### D. Rates of Return

D1. Market Value Rate of Return	(4.6%)
D2. Actuarial Value Rate of Return	7.7%

### Development of Health Actuarial Value of Assets - Tiers 3

#### A. Investment Income

A1. Actual Investment Income	\$ (206,151)
A2. Expected Amount for Immediate Recognition	302,807
A3. Amount Subject to Amortization	(508,958)

B. Amortization Schedule	Year Ended June 30				
	2022	2023	2024	2025	2026
2022 Experience (A3 / 5)	(101,792)	(101,792)	(101,792)	(101,792)	(101,790)
2021 Experience	128,963	128,963	128,963	128,961	
2020 Experience	(10,555)	(10,555)	(10,557)		
2019 Experience	1,507	1,508			
2018 Experience	(165)				
Total Amortization	17,958	18,124	16,614	27,169	(101,790)

#### C. Actuarial Value of Assets

	Total	Employer
C1. Actuarial Value of Assets, June 30, 2021	3,146,825	
C2. Non-investment Net Cash Flow	1,407,709	
C3. Preliminary Actuarial Value of Assets, June 30, 2022 (A2 + B + C1 + C2)	4,875,299	
C4. Market Value of Assets, June 30, 2022	4,835,416	2,263,260
C5. Final Actuarial Value of Assets, June 30, 2022 (C3 Within 20% Corridor of C4)	4,875,299	2,281,928

#### D. Rates of Return

D1. Market Value Rate of Return	(4.8%)
D2. Actuarial Value Rate of Return	8.3%

## V. MEMBER STATISTICS

### Valuation Data Summary

	June 30, 2022		June 30, 2021	
	Tiers 1 & 2	Tier 3	Tiers 1 & 2	Tier 3
<b>Actives</b>				
Number	4	0	4	1
Average Current Age	48.0	N/A	47.0	30.0
Average Age at Employment	34.5	N/A	34.5	28.3
Average Past Service	13.5	N/A	12.5	1.7
Average Annual Salary	\$53,156	N/A	\$52,627	\$46,554
<b>Actives (transferred)</b>				
Number	0	1	0	0
Average Current Age	N/A	31.0	N/A	N/A
Average Age at Employment	N/A	28.3	N/A	N/A
Average Past Service	N/A	2.7	N/A	N/A
Average Annual Salary	N/A	\$52,603	N/A	N/A
<b>Retirees</b>				
Number	1	0	1	0
Average Current Age	64.6	N/A	63.6	N/A
Average Annual Benefit	\$36,521	N/A	\$35,805	N/A
<b>Drop Retirees</b>				
Number	0	N/A	0	N/A
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<b>Beneficiaries</b>				
Number	1	0	1	0
Average Current Age	77.4	N/A	76.4	N/A
Average Annual Benefit	\$22,056	N/A	\$21,624	N/A
<b>Disability Retirees</b>				
Number	0	0	0	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
<b>Inactive / Vested</b>				
Number	1	0	1	0
Average Current Age	40.1	N/A	39.1	N/A
Average Accumulated Contributions	\$149	N/A	\$149	N/A
<b>Total Number</b>	<b>7</b>	<b>1</b>	<b>7</b>	<b>1</b>
<b>Former Members (transferred)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Active Counts and Pay Summary - Tiers 1 & 2**

Age	Past Service							Total Count	Total Pay	Average Pay
	0-4	5-9	10-14	15-19	20-24	25-29	30+			
<20	0	0	0	0	0	0	0	0	0	0
20 - 24	0	0	0	0	0	0	0	0	0	0
25 - 29	0	0	0	0	0	0	0	0	0	0
30 - 34	0	0	0	0	0	0	0	0	0	0
35 - 39	0	1	0	0	0	0	0	1	48,908	48,908
40 - 44	0	0	0	0	0	0	0	0	0	0
45 - 49	0	0	0	1	0	0	0	1	50,556	50,556
50 - 54	0	0	0	1	0	0	0	1	49,808	49,808
55 - 59	0	0	1	0	0	0	0	1	63,350	63,350
60 - 64	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	0	1	1	2	0	0	0	4	212,622	53,156

**Active Counts and Pay Summary - Tier 3**

Age	Past Service							Total Count	Total Pay	Average Pay
	0-4	5-9	10-14	15-19	20-24	25-29	30+			
<20	0	0	0	0	0	0	0	0	0	0
20 - 24	0	0	0	0	0	0	0	0	0	0
25 - 29	0	0	0	0	0	0	0	0	0	0
30 - 34	1	0	0	0	0	0	0	1	52,603	52,603
35 - 39	0	0	0	0	0	0	0	0	0	0
40 - 44	0	0	0	0	0	0	0	0	0	0
45 - 49	0	0	0	0	0	0	0	0	0	0
50 - 54	0	0	0	0	0	0	0	0	0	0
55 - 59	0	0	0	0	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	1	0	0	0	0	0	0	1	52,603	52,603

### In-Payment Counts and Benefit Summary – All Tiers

Age	Count	Average Annual Benefit
< 40	0	0
40 - 44	0	0
45 - 49	0	0
50 - 54	0	0
55 - 59	0	0
60 - 64	1	36,521
65 - 69	0	0
70 - 74	0	0
75 - 79	1	22,056
80 - 84	0	0
85 - 89	0	0
90 - 94	0	0
95 - 99	0	0
100+	0	0
Total	2	29,289

*"In-Payment" refers to retired, beneficiary, and disabled members.*



## VI. ACTUARIAL ASSUMPTIONS AND METHODS

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<u>Interest Rate</u>	<p>This is the assumed earnings rate on System assets, compounded annually, net of investment and administrative expenses.</p> <p><b>Tiers 1 &amp; 2:</b> 7.20% per year.</p> <p><b>Tier 3:</b> 7.00% per year.</p>
<u>Salary Increases</u>	<p>See table at the end of this section. This is an annual increase for individual member’s salary. These rates are based on a 2022 experience study using actual plan experience.</p>
<u>Inflation</u>	<p>2.50%.</p>
<u>Tier 3 Compensation Limit</u>	<p>\$115,868 for calendar 2022. Assumed increases of 2.00% per year thereafter.</p>
<u>Cost-of-Living Adjustment</u>	<p>1.85%.</p>
<u>Mortality Rates</u>	<p>These rates are used to project future decrements from the population due to death.</p> <p><b>Active Lives:</b> PubS-2010 Employee mortality, adjusted by a factor of 1.03 for male members and 1.08 for female members, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021). 100% of active deaths are assumed to be in the line of duty.</p> <p><b>Inactive Lives:</b> PubS-2010 Healthy Retiree mortality, adjusted by a factor of 1.03 for male retirees and 1.11 for female retirees, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021).</p> <p><b>Beneficiaries:</b> PubS-2010 Survivor mortality, adjusted by a factor of 0.98 for male beneficiaries and adjusted by a factor of 1.06 for female beneficiaries, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021).</p>

***Disabled Lives:***

PubS-2010 Disabled mortality, adjusted by a factor of 1.08 for male disabled members and 1.01 for female disabled members, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021).

The mortality assumptions sufficiently accommodate anticipated future mortality improvements.

Retirement / DROP Rates

These rates are used to project future decrements from the active population due to retirement. The rates below are based on a 2022 experience study using actual plan experience.

***Tier 1 – reaching age 62 before attaining 20 years of service:***

Age-related rates based on age at retirement:

Police - 40% assumed at age 62 and 63, 35% assumed at age 64, 25% assumed at ages 65 and 66, 50% assumed at ages 67 – 69, and 100% assumed at age 70.

Fire - 25% assumed at age 62 and 63, 35% assumed at age 64, 25% assumed at ages 65 and 66, 50% assumed at ages 67 – 69, and 100% assumed at age 70.

***Tier 1 – reaching age 62 after attaining 20 years of service:***

Service-related rates based on service at retirement. See complete tables at the end of this section.

60% are assumed to enter the DROP program while the remaining 40% are assumed to retire and commence benefits immediately. DROP periods are assumed to be 5 years in length.

***Tiers 2 & 3:***

Age-related rates based on age at retirement. 50% assumed at age 53, 30% assumed at ages 54 – 59, 60% assumed at ages 60 – 63, and 100% assumed at age 64.

Termination Rate

These rates are used to project future decrements from the active population due to termination. Complete table of rates based on service at termination are provided at the end of this section. The rates apply to members prior to retirement eligibility and are based on a 2022 experience study using actual plan experience.

<u>Disability Rate</u>	These rates are used to project future decrements from the active population due to disability. Complete table of rates based on age at disability are provided at the end of this section. These rates are based on a 2022 experience study using actual plan experience. 90% of disablements are assumed to be duty-related.
<u>Marital Status</u>	For active members, 85% of males and 60% of females are assumed to be married. Actual marital status is used, where applicable, for inactive members.
<u>Spouse's Age</u>	Male spouses are assumed to be five years older than female members and female spouses are assumed to be 2 years younger than males members.
<u>Health Care Utilization</u>	For active members, 70% of retirees are expected to utilize retiree health care. Actual utilization is used for inactive members.
<u>Funding Method</u>	Entry Age Normal Cost Method.
<u>Lateral Transfers</u>	When active members transfer between employers, the new employer's liability starts from their new date of hire with no past service liability (i.e., all liability is accrued through normal cost). Per PSPRS administrative decision, once the new employer's liability is fully funded, the liability will reflect all past service liability.
<u>Actuarial Asset Method</u>	<p>Method described below. Note that during periods when investment performance exceeds (falls short) of the assumed rate, the actuarial value of assets will tend to be less (greater) than the market value of assets.</p> <p><b>Tiers 1 &amp; 2:</b> Each year the assumed investment income is recognized in full while the difference between actual and assumed investment income are smoothed over a 7-year period subject to a 20% corridor around the market value.</p> <p><b>Tier 3:</b> Each year the assumed investment income is recognized in full while the difference between actual and assumed investment income are smoothed over a 5-year period subject to a 20% corridor around the market value.</p>

Funding Policy Amortization Method     *Tiers 1 & 2:*

Any positive UAAL (assets less than liabilities) is amortized using a layered approach beginning with the June 30, 2020 valuation, with new amounts determined according to a Level Dollar method over a closed period of 15 years (phased into from current period of at most 30 years). Initial layer from June 30, 2019 valuation continues to be amortized according to a Level Percentage of Payroll method. Any negative UAAL (assets greater than liabilities) is amortized according to a Level Dollar method over an open period of 20 years.

*Tier 3:*

Any positive UAAL (assets less than liabilities) is amortized according to a Level Dollar method over a closed period of 10 years. No amortization is made of any negative UAAL (assets greater than liabilities).

Payroll Growth     2.50% per year. This is annual increase for total employer payroll.

**Changes to Actuarial Assumptions and Methods Since the Prior Valuation**

Based on the results of the 2022 experience study, the following assumption changes were made:

- Updated mortality, retirement, termination, and disability rate tables.
- Updated assumed salary increase and cost-of-living adjustment rates.

In addition, the interest rate for Tier 1 and 2 members was decreased from 7.30% to 7.20% and the payroll growth assumption was lowered from 3.00% to 2.50%.

The expected DROP period length was increased from 4 years to 5 years to reflect DROP benefit changes.

There were no method changes since the prior valuation.

**Salary Increase Rates**

Age	Maricopa Police	Pima Police	Other Police	Maricopa Fire	Pima Fire	Other Fire
20	15.00%	12.00%	14.00%	15.00%	12.00%	13.00%
21	14.00%	6.00%	12.00%	14.00%	11.00%	12.00%
22	13.00%	6.00%	10.00%	13.00%	10.00%	11.00%
23	12.00%	6.00%	9.00%	12.00%	9.50%	10.00%
24	11.00%	6.00%	8.00%	11.00%	9.00%	9.00%
25	10.00%	6.00%	7.00%	10.00%	8.50%	8.00%
26	9.00%	5.50%	6.50%	9.50%	7.50%	7.50%
27	8.00%	5.50%	6.25%	9.00%	6.50%	7.50%
28	7.50%	5.50%	6.00%	8.50%	5.75%	7.00%
29	7.00%	5.50%	5.80%	8.00%	5.75%	6.50%
30	6.50%	5.25%	5.60%	8.00%	5.50%	6.50%
31	6.00%	5.25%	5.40%	7.50%	5.50%	6.00%
32	5.50%	5.00%	5.20%	7.00%	5.00%	5.50%
33	5.10%	5.00%	5.00%	6.50%	5.00%	5.50%
34	4.90%	5.00%	4.90%	6.50%	5.00%	5.50%
35	4.70%	4.50%	4.80%	6.00%	5.00%	5.50%
36	4.50%	4.50%	4.70%	5.50%	5.00%	5.50%
37	4.30%	4.50%	4.60%	5.25%	4.50%	5.00%
38	4.10%	4.00%	4.50%	5.00%	4.50%	5.00%
39	4.00%	4.00%	4.40%	4.75%	4.50%	5.00%
40	3.90%	4.00%	4.30%	4.75%	4.50%	5.00%
41	3.80%	3.80%	4.20%	4.50%	4.50%	4.50%
42	3.70%	3.60%	4.10%	4.50%	4.00%	4.50%
43	3.60%	3.40%	4.00%	4.50%	4.00%	4.50%
44	3.50%	3.20%	3.90%	4.50%	4.00%	4.00%
45	3.50%	3.00%	3.80%	4.25%	4.00%	4.00%
46	3.50%	3.00%	3.70%	4.25%	3.75%	4.00%
47	3.50%	3.00%	3.60%	4.25%	3.75%	3.75%
48	3.50%	3.00%	3.50%	4.00%	3.75%	3.75%
49	3.50%	3.00%	3.50%	4.00%	3.50%	3.75%
50	3.25%	3.00%	3.50%	3.75%	3.50%	3.75%
51	3.25%	3.00%	3.50%	3.75%	3.50%	3.75%
52	3.25%	2.75%	3.50%	3.75%	3.50%	3.75%
53+	3.25%	2.75%	3.50%	3.75%	3.25%	3.75%

**Tier 1 Retirement Rates– reaching age 62 after attaining 20 years of service**

Service	Maricopa	Pima	Other	Maricopa		Other
	Police	Police	Police	Fire	Pima Fire	Fire
20	28%	28%	35%	14%	20%	20%
21	25%	25%	35%	17%	20%	25%
22	15%	16%	22%	7%	13%	15%
23	12%	12%	12%	7%	7%	10%
24	8%	9%	12%	7%	7%	10%
25	30%	22%	25%	17%	22%	30%
26	42%	42%	40%	30%	26%	30%
27	32%	30%	28%	23%	30%	30%
28	32%	30%	28%	30%	30%	30%
29	32%	20%	28%	30%	30%	30%
30	35%	25%	35%	30%	30%	35%
31	35%	33%	30%	40%	30%	35%
32	60%	50%	70%	55%	30%	35%
33	60%	50%	70%	55%	60%	60%
34+	100%	100%	100%	100%	100%	100%

**Termination Rates**

Service	Maricopa	Pima	Other	Maricopa		Other
	Police	Police	Police	Fire	Pima Fire	OtherFire
0	13.0%	14.0%	13.5%	4.5%	10.0%	10.5%
1	8.0%	9.0%	11.5%	3.5%	6.0%	8.5%
2	6.0%	7.5%	10.5%	2.5%	4.5%	8.0%
3	4.5%	7.0%	9.5%	2.0%	4.0%	8.0%
4	3.6%	6.5%	9.0%	1.5%	4.0%	7.0%
5	3.3%	5.0%	8.0%	1.5%	4.0%	5.0%
6	3.3%	5.0%	7.0%	1.5%	4.0%	5.0%
7	3.3%	4.0%	6.5%	1.5%	3.0%	4.0%
8	2.4%	4.0%	6.5%	1.5%	3.0%	4.0%
9	2.4%	4.0%	6.0%	1.5%	3.0%	3.5%
10	2.4%	4.0%	5.0%	1.0%	2.0%	3.0%
11	1.8%	3.0%	4.0%	1.0%	2.0%	2.5%
12	1.8%	3.0%	4.0%	1.0%	1.5%	2.0%
13	1.3%	2.0%	3.5%	1.0%	1.0%	1.5%
14	1.3%	2.0%	3.0%	0.5%	1.0%	1.4%
15	0.8%	1.5%	2.5%	0.5%	1.0%	1.4%
16	0.8%	1.5%	2.0%	0.5%	0.5%	1.4%
17	0.8%	1.0%	2.0%	0.5%	0.5%	1.4%
18	0.8%	1.0%	1.8%	0.5%	0.5%	1.4%
19	0.8%	1.0%	1.8%	0.5%	0.5%	0.5%
20+	0.5%	1.0%	1.8%	0.4%	0.5%	0.5%

**Disability Rates**

Age	Maricopa Police	Pima Police	Other Police	Maricopa Fire	Pima Fire	Other Fire
20	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
21	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
22	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
23	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
24	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
25	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
26	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
27	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
28	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
29	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
30	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
31	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
32	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
33	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
34	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
35	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
36	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
37	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
38	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
39	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
40	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
41	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
42	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
43	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
44	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
45	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
46	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
47	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
48	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
49	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
50	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
51	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
52	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
53	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
54	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
55	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
56+	1.000%	0.850%	0.900%	1.100%	0.800%	1.000%

## VII. DISCUSSION OF RISK

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ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined under various assumption scenarios. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. Whenever possible, the recommended assumptions in this report reflect conservatism to allow for some margin of unfavorable future plan experience. However, it is still possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- **Investment Return:** When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- **Salary Increases:** When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- **Payroll Growth:** The plan's payroll growth assumption, if one is used, causes a predictable annual increase in the plan's amortization payment in order to produce an amortization payment that remains constant as a percentage of payroll if all assumptions are realized. If payroll does not increase according to the plan's payroll growth assumption, the plan's amortization payment can increase significantly as a percentage of payroll even if all assumptions other than the payroll growth assumption are realized.
- **Demographic Assumptions:** Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment



produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

- **Contribution risk:** This risk results from the potential that actual employer contributions may deviate from actuarially determined contributions, which are determined in accordance with the Board’s funding policy. The funding policy is intended to result in contribution requirements that if paid when due, will result in a reasonable expectation that assets will accumulate to be sufficient to pay plan benefits when due. Contribution deficits, particularly large deficits and those that occur repeatedly, increase future contribution requirements and put the plan at risk for not being able to pay plan benefits when due.

### **Impact of Plan Maturity on Risk**

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature plans with a substantial inactive liability. Similarly, mature plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled “Plan Maturity Measures and Other Risk Metrics.” For a better understanding of the overall Plan and the impact of these risks, please refer to the consolidated PSPRS valuation report.

### Plan Maturity Measures and Other Risk Metrics - Tiers 1 & 2

	06/30/2019	06/30/2020	06/30/2021	06/30/2022
<b>Support Ratio</b>				
Total Actives	5	4	4	4
Total Inactives	2	3	3	3
Actives / Inactives	250.0%	133.3%	133.3%	133.3%
<b>Asset Volatility Ratio</b>				
Market Value of Assets (MVA)	963,400	1,011,946	1,283,671	1,251,624
Total Annual Payroll	244,622	219,003	210,507	212,622
MVA / Total Annual Payroll	393.8%	462.1%	609.8%	588.7%
<b>Accrued Liability (AL) Ratio</b>				
Inactive Accrued Liability	204,022	687,548	683,569	690,520
Total Accrued Liability	1,088,131	1,499,222	1,512,682	1,598,399
Inactive AL / Total AL	18.7%	45.9%	45.2%	43.2%
<b>Funded Ratio</b>				
Actuarial Value of Assets (AVA)	996,460	1,089,549	1,173,554	1,285,698
Total Accrued Liability	1,088,131	1,499,222	1,512,682	1,598,399
AVA / Total Accrued Liability	91.6%	72.7%	77.6%	80.4%
<b>Net Cash Flow Ratio</b>				
Net Cash Flow <sup>1</sup>	60,756	37,035	(6,188)	20,187
Market Value of Assets (MVA)	963,400	1,011,946	1,283,671	1,251,624
Net Cash Flow / MVA	6.3%	3.7%	(0.5%)	1.6%

<sup>1</sup> Determined as total contributions minus benefit payments. Administrative expenses are typically included but are considered part of the net interest rate assumption for this plan.

**Plan Maturity Measures and Other Risk Metrics - Tier 3 <sup>1</sup>**

	06/30/2019	06/30/2020	06/30/2021	06/30/2022
<b>Support Ratio</b>				
Total Actives	944	1,408	1,853	2,417
Total Inactives	57	130	221	327
Actives / Inactives	1,656.1%	1,083.1%	838.5%	739.1%
<b>Asset Volatility Ratio</b>				
Market Value of Assets (MVA)	9,392,896	22,964,925	51,992,240	74,774,123
Total Annual Payroll	50,420,565	84,448,996	115,883,115	165,151,543
MVA / Total Annual Payroll	18.6%	27.2%	44.9%	45.3%
<b>Accrued Liability (AL) Ratio</b>				
Inactive Accrued Liability	203,244	1,173,104	2,290,610	4,598,114
Total Accrued Liability	7,956,725	23,239,599	42,733,537	68,939,204
Inactive AL / Total AL	2.6%	5.0%	5.4%	6.7%
<b>Funded Ratio</b>				
Actuarial Value of Assets (AVA)	9,305,220	23,570,444	45,863,401	76,171,857
Total Accrued Liability	7,956,725	23,239,599	42,733,537	68,939,204
AVA / Total Accrued Liability	116.9%	101.4%	107.3%	110.5%
<b>Net Cash Flow Ratio</b>				
Net Cash Flow <sup>2</sup>	7,281,178	13,192,598	18,607,209	25,802,686
Market Value of Assets (MVA)	9,392,896	22,964,925	51,992,240	74,774,123
Net Cash Flow / MVA	77.5%	57.4%	35.8%	34.5%

<sup>1</sup> Tier 3 results are shown for the Risk Sharing group, where applicable.

<sup>2</sup> Determined as total contributions minus benefit payments. Administrative expenses are typically included but are considered part of the net interest rate assumption for this plan.

## VIII. SUMMARY OF CURRENT PLAN

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*The following is a summary of the benefit provisions provided in Title 38, Chapter 5, Article 4 of the Arizona Revised Statutes.*

### Membership

Full-time employees of an eligible group, prior to attaining age 65, who are engaged to work for more than six months in a calendar year. Tier 3 Defined Contribution members are able to elect participation in post-retirement health insurance subsidy.

### Benefit Tiers

Benefits differ for members based on their hire date:

<u>Tier</u>	<u>Hire Date</u>
1	Hired before January 1, 2012
2	Hired on or after January 1, 2012 but before July 1, 2017
3	Hired on or after July 1, 2017

### Compensation

Compensation is the amount including base salary, overtime pay, shift and military differential pay, compensatory time used in lieu of overtime pay, and holiday pay, paid to an employee on a regular payroll basis and longevity pay paid at least every six months for which contributions are made to the System. For Tier 3 members, compensation is limited by statutory cap (\$110,000 with adjustments by the Board).

### Average Monthly Benefit Compensation

#### ***Tier 1:***

The highest compensation paid to member during three consecutive years out of the last 20 years of Credited Service, divided by months.

#### ***Tier 2:***

The highest compensation paid to member during five consecutive years out of the last 20 years of Credited Service, divided by months.

#### ***Tier 3:***

The highest compensation paid to member during five consecutive years out of the last 15 years of Credited Service, divided by months.

### Credited Service

Total periods of service, both before and after the member's date of participation, for which the member made contributions to the fund.

### Normal Retirement Date

#### ***Tier 1:***

First day of month following attainment of 1) 20 years of service or

2) 62<sup>nd</sup> birthday and completion of 15 years of service.

**Tier 2:**

First day of month following the attainment of age 52.5 and completion of 15 years of service.

**Tier 3:**

First day of month following the attainment of age 55 and completion of 15 years of service.

**Benefit**

**Tier 1:**

50% of Average Monthly Benefit Compensation, adjusted based on Credited Service as follows (maximum benefit of 80% of Average Monthly Benefit Compensation):

<u>Credited Service</u>	<u>Benefit Adjustment</u>
15 years, but less than 20	Reduced 4% per year less than 20
20 years, but less than 25	Plus 2% per year between 20 and 25
25+ years	Plus 2.5% per year above 20

**Tier 2:**

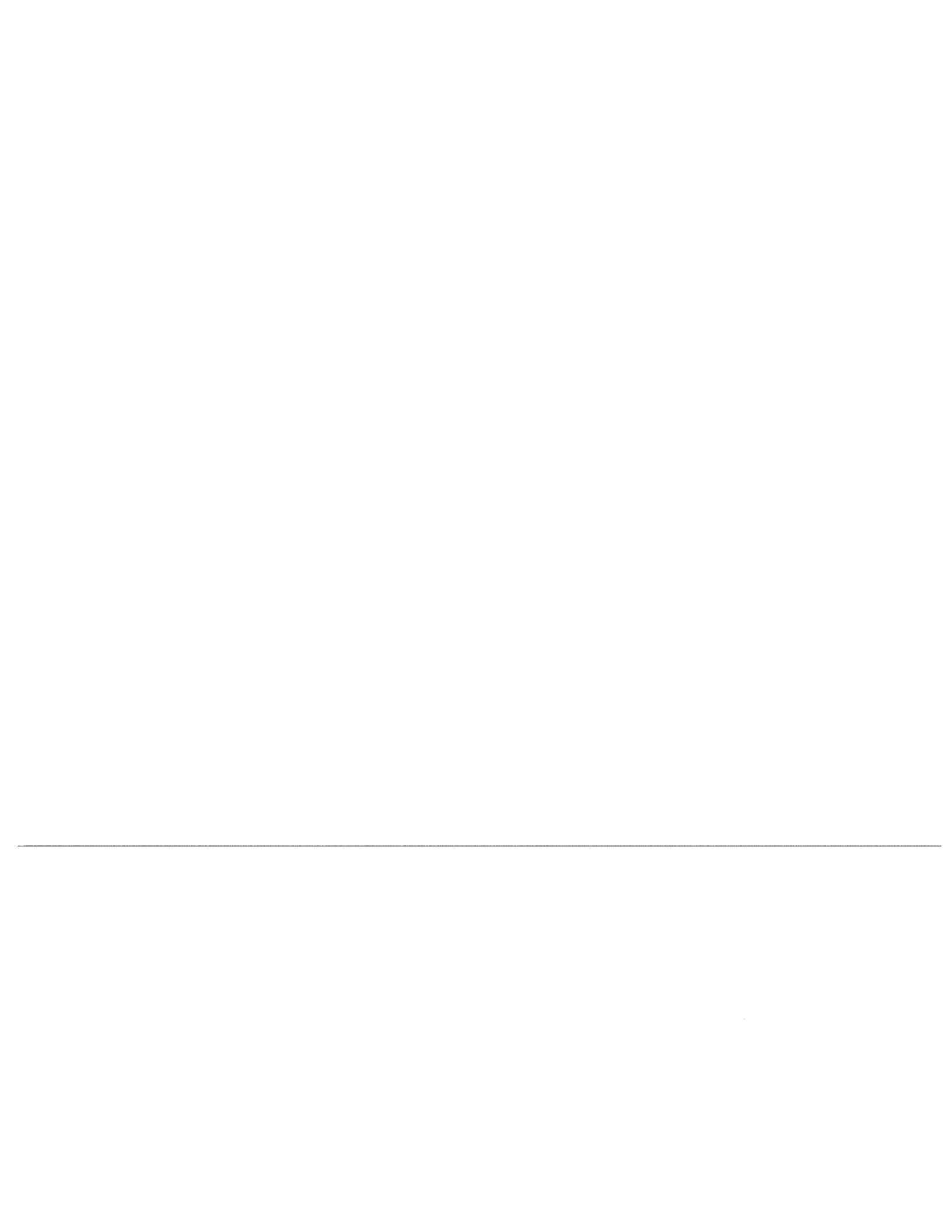
Benefit multiplier (below) times Average Monthly Benefit Compensation times Credited Service (maximum benefit of 80% of Average Monthly Benefit Compensation):

<u>Credited Service</u>	<u>Benefit Multiplier</u>
15 years, but less than 17	1.50%
17 years, but less than 19	1.75%
19 years, but less than 22	2.00%
22 years, but less than 25	2.25%
25+ years	2.50%

**Tier 3:**

Benefit multiplier (below) times Average Monthly Benefit Compensation times Credited Service (maximum benefit of 80% of Average Monthly Benefit Compensation):

<u>Credited Service</u>	<u>Benefit Multiplier</u>
15 years, but less than 17	1.50%
17 years, but less than 19	1.75%
19 years, but less than 22	2.00%
22 years, but less than 25	2.25%
25+ years	2.50%



Form of Benefit	For married retirees, an annuity payable for the life of the member with 80% continuing to the eligible spouse upon death. For unmarried retirees, the normal form is a single life annuity.
<u>Early Retirement</u>	<i>Only applicable to Tier 3 members:</i>
Date	Attainment of age 52.5 and 15 years of Credited Service.
Benefit	Actuarial equivalent of Normal Retirement benefit.
<u>Disability Benefit – Accidental (duty-related)</u>	
Eligibility	Total and permanent disability incurred in performance of duty.
Benefit Amount	A maximum of: a.) 50% of Average Monthly Benefit Compensation, and; b.) The monthly Normal Retirement pension that the member is entitled to receive if he or she retired immediately.
<u>Disability Benefit – Ordinary (not duty-related)</u>	
Eligibility	Total and permanent disability not incurred in performance of duty.
Benefit Amount	Normal Retirement pension that the member is entitled to receive, prorated based on Credited Service earned over the required Credited Service for Normal Retirement (maximum ratio of 1).
<u>Disability Benefit – Other</u>	
Temporary	Benefit equals 1/12 of 50% of compensation during year preceding date of disability. Payments terminate after 12 months.
Catastrophic	Benefit equals 90% of Average Monthly Benefit Compensation. After 60 months member receives greater of 62.5% Average Monthly Benefit Compensation and accrued normal pension.
<u>Pre-Retirement Death Benefit</u>	
Service Incurred	100% of Average Monthly Benefit Compensation, reduced by child's pension.
Non-Service Incurred	80% of benefit based on calculation for accidental disability retirement.
Child's Pension	10% of pension for each child (maximum 20% paid) based on calculation for accidental disability retirement. Payable to dependent child under age 18 (23, if full-time student).
Guardian's Pension	Same as spouse's pension. Payable (along with child's pension) when no spouse is being paid and there is at least one child under 18 (23, if full-time student).





Vesting (Termination)

Vesting Service Requirement **Tier 1:**  
10 years of Credited Service.  
**Tiers 2 & 3:**  
15 years of Credited Service.

Non-Vested Benefit **Tier 1:**  
Lump sum payment of accumulated contributions, plus additional amount based on years of Credited Service.

<u>Service</u>	<u>Additional % of Contributions</u>
Less than 5 years	0%
5 years	25%
6 years	40%
7 years	55%
8 years	70%
9 years	85%
10+ years	100%

**Tiers 2 & 3:**  
Lump sum payment of accumulated contributions, with interest at rate determined by the Board.

Vested Benefit **Tier 1:**  
Deferred retirement annuity based on two times member's accumulated contributions, deferred to age 62. Member is not entitled to survivor benefits, benefit increases, or group health insurance subsidy.

**Tiers 2 & 3:**  
Calculated same as normal retirement pension. Payable if contributions left in fund until reach age requirement. Member is entitled to survivor benefits, benefit increases, and group health insurance subsidy.

Cost-of-Living Adjustment

*Payable to retired member or survivor of retired member*

**Tiers 1 & 2:**  
Compound cost-of-living adjustment on base benefit. First payment is made on July 1, 2018, with annual adjustments effective every July 1 thereafter.

Cost-of-living adjustment will be based on the average annual percentage change in the Metropolitan Phoenix-Mesa Consumer Price Index published by the United States Department of Labor, Bureau of

Statistics. Maximum increase of 2%.

**Tier 3:**

Compound cost-of-living adjustment on base benefit beginning earlier of first calendar year after the 7<sup>th</sup> anniversary of retirement or when the retired member reaches 60 years of age.

A cost-of-living adjustment shall be paid on July 1 each year that the funded ratio for members hired on or after July 1, 2017 is 70% or more.

The cost-of-living adjustment will be based on the average annual percentage change in the Metropolitan Phoenix-Mesa Consumer Price Index published by the United States Department of Labor, Bureau of Statistics. The cost-of-living adjustment will not exceed:

- 2%, if funded ratio for members who are hired on or after July 1, 2017 is 90% or more;
- 1.5%, if funded ratio for members who are hired on or after July 1, 2017 is 80-90%;
- 1%, if funded ratio for members who are hired on or after July 1, 2017 is 70-80%.

Deferred Retirement Option Plan (DROP):

Eligibility	Tier 1 and 20 years of Credited Service.	
DROP Period	Maximum 84 months.	
Member Contributions	Cease upon DROP entry.	
Benefit Amount	Calculated based on Credited Service and average monthly compensation as of the beginning of the DROP period, credited to DROP participation account for DROP period.	
Interest on DROP Participation Account	<u>Beginning Year</u>	<u>Interest Rate</u>
	July 1, 2016	7.40%
	July 1, 2018	7.30%
	July 1, 2022	7.20%
Payment of DROP Participation Account	Payable as lump sum distribution to Public Safety Personnel Defined Contribution Retirement Plan at earlier of 1) end of DROP period, 2) at termination, or 3) five years.	
Payment Monthly Benefit	System commences payment of benefit amount at the earlier of 1) the end of the DROP period and 2) at termination.	

Post-Retirement Health Insurance Subsidy

Eligibility Retired member or survivor who elect health coverage provided by the state or participating employer.

Maximum Subsidy Amounts (monthly)	Member Only		With Dependents
	Medicare Eligible	\$100	\$170
One w/ Medicare	N/A	\$215	
Not Medicare Eligible	\$150	\$260	

Employee Contributions

**Members hired before July 20, 2011:**  
7.65%

**Members hired on/after July 20, 2011, but before July 1, 2017:**  
11.65%. Amounts in excess of 7.65% are not used to reduce the employer contribution (“maintenance of effort”).

**Tier 3:**  
50% of total contribution, which is Normal Cost plus a level-dollar amortization of unfunded actuarial accrued liability over a closed period not to exceed 10 years.

Employer Contributions

**Tiers 1 & 2:**  
Normal Cost plus amortization of unfunded actuarial accrued liability over a closed period not to exceed 20 years (subject to one-time election to extend to closed period not to exceed 30 years). Contribution will never be less than 8% of payroll.

**Tier 3:**  
50% of total contribution, which is Normal Cost plus a level-dollar amortization of unfunded actuarial accrued liability over a closed period not to exceed 10 years.

**Changes to Benefit Provisions Since the Prior Valuation**

The DROP benefit was extended to 84 months.

## IX. ACTUARIAL FUNDING POLICY

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A pension plan funding policy describes how pension funding will improve for underfunded plans or maintain funded benefits for funded plans over time for those benefits defined in ARS. Those benefits defined in ARS are to be equitably managed and administered by PSPRS.

This Actuarial Funding Policy identifies the funding objectives and elements of the actuarial funding policy set by the Board for the Arizona Public Safety Personnel Retirement System (PSPRS). The Board adopted this Funding Policy to help ensure the systematic funding of future benefit payments for members of the Retirement System as established by the legislature.

To achieve the systematic funding of future benefits, metrics are identified to measure the progress, or the lack of progress, over time to identify trends. These trends inform the continuation of the current policies or identify areas of needed research for consideration.

This funding policy is reviewed annually and adopted by the Board in accordance with ARS 38-863.02. This policy was reviewed and adopted by the Board in September 2022.

### **PSPRS Statement of Purpose**

The Purpose of the Public Safety Personnel Retirement System is to provide uniform, consistent, and equitable statewide retirement programs for those who have been entrusted to our care.

### **Funding Objectives**

1. Maintain adequate assets so that current plan assets, plus future contributions and investment earnings, are sufficient to fund all benefits expected to be paid to members and their beneficiaries.
  - a. Corollary 1a: Current and future contributions should be calculated based upon assumptions that reflect the Board's best estimate of future experience and methods that appropriately allocate costs to address generational equity.
  - b. Corollary 1b: While the shorter-term objective is to fully fund the actuarial liability (AAL) that estimates benefits earned as of the valuation date, contributions should target the long-term present value of benefits (PVB) to fund all benefits and help offset risks.
  - c. As closed plans mature, the target funding should be 110% of AAL or 100% of PVB, whichever is greater.
2. Maintain public policy goals of accountability and transparency through stakeholder communication and education. Each policy element is clear in intent and effect, and each should be considered in a balanced approach to determine how and when the funding requirements of the plan will be met.
  - a. Corollary 2a: Board shall provide stakeholders with separate reports and tools to help explain current results as well as to help model future funding requirements.
3. Promote intergenerational equity. Defined benefit pensions are designed with a long-term perspective and designed to minimize contribution volatility that cannot avoid some level of generational cost shift. However, the goal is that each generation of members and employers (taxpayers) should, to the extent

possible, incur the cost of benefits for the employees who provide services to them, rather than shifting those costs to other generations of members and employers (taxpayers).

- a. Corollary 3a: A systematic reduction of the Unfunded Actuarial Accrued Liability (UAAL) over a reasonable time period is paramount to achieving this objective.

Consideration can be given to reduce volatility, to the extent possible, of employer and employee contribution rates as long as the integrity of the objectives listed above is not compromised.

## Elements of Actuarial Funding Policy

1. Actuarial Cost Method
  - a. The Entry Age Normal level percent of pay actuarial cost method of valuation shall be used in determining the Actuarial Accrued Liability (AAL) and Normal Cost. Differences in the past between assumed experience and actual experience (“actuarial gains and losses”) shall become part of the AAL. The Normal Cost shall be determined on an individual basis for each active member.
2. Asset Smoothing Method
  - a. The investment gains or losses of each valuation period, resulting from the difference between the actual investment return and assumed investment return, shall be recognized annually in level amounts over seven years (Tiers 1 and 2) or five years (Tier 3) in calculating the Actuarial Value of Assets.
  - b. The Actuarial Value of Assets so determine shall be subject to a 20% corridor relative to the Market Value of Assets.
3. Amortization Method (Unfunded Amounts)
  - a. The Actuarial Value of Assets are subtracted from the computed AAL. Any unfunded amount is amortized as a level percent of payroll over a closed period.
  - b. The unfunded liabilities, for EORP and Tiers 1 & 2 for both PSPRS and CORP, determined in the June 30, 2019 actuarial valuation will become the initial layer for each employer beginning with the June 30, 2020 actuarial valuation and amortized using the current closed year period for that employer and continue to decrease each year.
    - i. The payroll growth rate assumption used to amortize the Public Safety Plan (PSPRS) June 30, 2019 Unfunded Liability will be decreased by 0.5% beginning with the 6/30/2021 actuarial valuation and again each year with the intention of ultimately achieving 0.0%. Once the payroll growth assumption reaches 2.0%, however, the Board will reevaluate the payroll growth assumption and decide whether to continue to let it track down to 0.0%.
    - ii. The payroll growth rate used to amortize the Correction Officers Retirement Plan (CORP) June 30, 2019 Unfunded Liability will be 3.0% beginning with the 6/30/2020 actuarial valuation, and future years will be reduced by 0.5% until 0.0% is reached.
    - iii. The payroll growth rate used to amortize the Elected Officials Retirement Plan (EORP) June 30, 2019 Unfunded Liability will be 2.5% beginning with the 6/30/2020 actuarial valuation, and future years will be reduced by 0.5% until 0.0% is reached.
  - c. Gains and losses, for EORP and Tiers 1 & 2 for both PSPRS and CORP, for each employer beginning with the June 30, 2020 actuarial valuation will be amortized as a new layer over the same amortization period as the regular unfunded liability to a minimum of 15 years. Once the amortization period for each employer decreases to 15 years, each subsequent year’s gains and losses will be amortized as a new 15-year closed layer.

- i. The payroll growth rate used to amortize unfunded liability for all Plans under this paragraph will be 0.0% (i.e. level-dollar amortization).
  - d. Tier 3 amortization methods are established in ARS 38-843.G and ARS 38-891.K.
4. Amortization Method (Overfunded Amounts)
- a. The Actuarial Value of Assets are subtracted from the target funding level (greater of 110% of AAL or 100% of PVB). Any overfunded amount is amortized as a level dollar amount over an open 10-year period.

### Metrics to Monitor Funding Objectives

1. Appropriateness of Assumptions – Gain/Loss Experience (Corollary 1a)
  - a. Metric: Do the cumulative gain/loss layers over the prior five years exceed 8% of plan assets?
  - b. Measurement: History of annual gain/loss (split by asset and liability experience) and five-year cumulative results will be tracked.
  - c. Action Plan: This metric assumes that a full experience study is performed at least every five years so objective of measurement is to monitor interim experience. If the metric answer is yes, a review of the sources or causes of gains and losses should be analyzed and presented to the Advisory Committee to provide a recommendation to the Board of Trustees. The analysis and presentation are intended to provide a basis for consideration if assumption changes are warranted between full experience studies.
2. Funding Targets (Corollary 1b)
  - a. Metric: Has the funded status, on both an AAL and PVB basis when compared to the market value of assets, increased over a five-year period?
  - b. Measurement: History of funded status measures will be tracked.
  - c. Action Plan: If the answer is no and not readily explainable (e.g., significant assumption change), a review of the reason(s) for the decrease should be researched and presented to the Advisory Committee to provide a recommendation to the Board of Trustees. The analysis and presentation are intended to provide a basis for consideration if changes to assumptions and/or methods are warranted between full experience studies.
3. Communication with Stakeholders (Corollary 2a)
  - a. Metric: Have reports and budgeting tools been provided to stakeholders in a timely fashion?
  - b. Measurement: Yes/No answer based on input from PSPRS administrator. (An annual standard survey of stakeholders – 3 to 5 questions.)
  - c. Action Plan: If the answer is no, and periodically regardless (e.g., every three years), PSPRS staff will revisit this metric to report to the Advisory Committee to provide a recommendation to the Board of Trustees if current reports / tools are sufficient and if the delivery timing is appropriate.
4. Timely Recognition of Costs (Corollary 3a)
  - a. Metric: Has the percentage of unfunded liability subject to negative amortization decreased over a five-year lookback period?
  - b. Measurement: History of unfunded liability subject to negative amortization as a percentage of total unfunded liability will be tracked.
  - c. Action Plan: If the answer is no, and not readily explainable (e.g., adopted assumption changes being phased in are anticipated to address negative amortization), a review of the reason(s) for negative

## X. GLOSSARY

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Actuarial Accrued Liability – Computed differently under different funding methods, the actuarial accrued liability generally represents the portion of the actuarial present value of benefits attributable to service credit earned (or accrued) as of the valuation date.

Actuarial Present Value of Benefits – Amount which, together with future interest, is expected to be sufficient to pay all benefits to be paid in the future, regardless of when earned, as determined by the application of a particular set of actuarial assumptions; equivalent to the actuarial accrued liability plus the present value of future normal costs attributable to the members.

Actuarial Assumptions – Assumptions as to the occurrence of future events affecting pension costs. These assumptions include rates of investment earnings, changes in salary, rates of mortality, withdrawal, disablement, and retirement as well as statistics related to marriage and family composition.

Actuarial Cost Method – A method of determining the portion of the cost of a pension plan to be allocated to each year; sometimes referred to as the "actuarial funding method." Each cost method allocates a certain portion of the actuarial present value of benefits between the actuarial accrued liability and future normal costs.

Actuarial Equivalence – Series of payments with equal actuarial present values on a given date when valued using the same set of actuarial assumptions.

Actuarial Present Value - The amount of funds required as of a specified date to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payments between the specified date and the expected date of payment.

Actuarial Value of Assets – The value of cash, investments, and other property belonging to the pension plan as used by the actuary for the purpose of the actuarial valuation. This may correspond to market value of assets, or some modification using an asset valuation method to reduce the volatility of asset values.

Asset Gain (Loss) – That portion of the actuarial gain attributable to investment performance above (below) the expected rate of return in the actuarial assumptions.

Amortization – Paying off an interest-discounted amount with periodic payments of interest and (generally) principal, as opposed to paying off with a lump sum payment.

Amortization Payment – That portion of the pension plan contribution designated to pay interest and reduce the outstanding principal balance of unfunded actuarial accrued liability. If the amortization payment is less than the accrued interest on the unfunded actuarial accrued liability the outstanding principal balance will increase.

Assumed Earnings Rate – The interest rate used in developing present values to reflect the time value of money.

Decrements – Events which result in the termination of membership in the system such as retirement, disability, withdrawal, or death.

Entry Age Normal (EAN) Funding Method – A standard actuarial funding method whereby each member's normal costs (service costs) are generally level as a percentage of pay from entry age until retirement. The annual cost of benefits is comprised of the normal cost plus an amortization payment to reduce the UAL.

Experience Gain (Loss) – The difference between actual unfunded actuarial accrued liabilities and anticipated unfunded actuarial accrued liabilities during the period between two valuation dates. It is a measurement of the difference between actual and expected experience, and may be related to investment earnings above (or below) those expected or changes in the liability due to fewer (or greater) than expected numbers of retirements, deaths, disabilities, or withdrawals, or variances in pay increases relative to assumed pay increases. The effect of such gains (or losses) is to decrease (or increase) future costs.

Funded Ratio – A measure of the ratio of the actuarial value of assets to liabilities of the system. Typically, the assets used in the measure are the actuarial value of assets as determined by the asset valuation method. The funded ratio depends not only on the financial strength of the plan but also on the asset valuation method used to determine the assets and on the funding method used to determine the liabilities.

Market Value of Assets (MVA) – The value of assets as they would trade on an open market.

Normal Cost – Computed differently under different funding methods, generally that portion of the actuarial present value of benefits allocated to the current plan year.

Unfunded Actuarial Accrued Liability (UAAL) – The excess of the actuarial accrued liability over the valuation assets; sometimes referred to as "unfunded past service liability". UAL increases each time an actuarial loss occurs and when new benefits are added without being fully funded initially and decreases when actuarial gains occur.



amortization should be researched and presented to the Advisory Committee to provide a recommendation to the Board of Trustees. The analysis and presentation are intended to provide a basis for consideration if changes to assumptions and/or methods are warranted between full experience studies.



Mr. Fix It of Sierra Vista  
 Licensed General Contractor, Home Repair,  
 Remodeling and Restoration Contractor,  
 Roofing, Plumbing and Electrical Contractor

121 N. 6th St.  
 Sierra Vista, AZ 85635  
 Office: (520) 227-8194 | Fax: (520) 335-2088  
 Email: mrfixitsv@cox.net

# Estimate

Date	Estimate #
9/1/2022	87518

Licensed, Bonded,  
 Insured Contractor  
 ROC # 315572, 315573, 315574

Responsible Party Contact Information:
Huachuca City Fire Department 502 Gonzales Blvd Huachuca City, AZ 85616 520-249-5241

Location Work is to be Performed At:

Job Sold		Estimator	Brady
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Description of Project	Qty.	U/M	Rate	Total
<b>Demo:</b> - Mask off areas in the bathroom for demo. - Remove and dispose of the pan tile and demo cement pan. - Remove of the cement block curb in the shower. - Remove and dispose of shower walls			900.00	900.00
<b>Plumbing:</b> - Install a new 34 x 60 center drain shower pan. - Move and set new plumbing drain to fit shower pan.			650.00	650.00
<b>Framing / Carpentry:</b> - Frame a new pony wall on the side of the shower. (Approximately 6' tall by 36" wide)			725.00	725.00
<b>Denshield:</b> - Install new denshield in shower surround. - Install water proofing membrane on all seams and penetrations of the denshield.			775.00	775.00

- Estimates are valid for 30 days.  
 - A minimum deposit of 1/2 (2/3 if total is greater than \$5,000.00.) will be required upon approval of work prior to scheduling. Final balance is due upon completion. A 3% credit card fee will be applied for payments over \$500.00.  
 - Price is subject to change due to additional work and/or materials needed for completion of job. This can include repairs of unforeseen issues.  
 - Ask about the workmanship warranty. Materials are covered by manufacturer warranty (if available).  
 - Balance of all work completed is due at time of completion. Mr. Fix It will assess 10% interest per month for balance(s)

**Disclaimer:** Mr. Fix It of Sierra Vista reserves the right to file a preliminary lien notice and to retain and pursue all lien rights arising out of this contract/invoice. The filing of a preliminary notice in no way reflects on the owner. Pursuant to Arizona Law we are required to inform you that you have the right to file a written complaint with the Arizona Registrar of Contractors for alleged violation of Arizona Revised Statutes Section 32-1155. Any complaints must be made within the applicable time period as set forth in Section 32-1155, subsection A. You may contact the ROC at (602) 542-1525 or www.azroc.org. Mr. Fix It of Sierra Vista requests that if any portion of its work is unsatisfactory that it be notified prior to filing of complaint so that it can resolve any concerns.

E-mail mrfixitsv@cox.net	Web Site www.mrfixitsv.com	Facebook facebook.com/mrfixitsv	<b>Total</b>
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Mr. Fix It of Sierra Vista  
 Licensed General Contractor, Home Repair,  
 Remodeling and Restoration Contractor,  
 Roofing, Plumbing and Electrical Contractor

# Estimate

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 Sierra Vista, AZ 85635  
 Office: (520) 227-8194 | Fax: (520) 335-2088  
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Date	Estimate #
9/1/2022	87518

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Huachuca City Fire Department 502 Gonzales Blvd Huachuca City, AZ 85616 520-249-5241

Location Work is to be Performed At:

Job Sold		Estimator	Brady
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Description of Project	Qty.	U/M	Rate	Total
<b>Drywall:</b> - Install new drywall on the wall around section of the new shower. - Tape and texture the drywall repairs to match the existing texture.			950.00	950.00
<b>Tile Installation:</b> - Install new tile surround in shower. - Install two corner shelves in new surround. - Finish off all edges with schluter metal.			4,600.00	4,600.00
<b>Plumbing:</b> Install new Delta Porter Single-Handle 3-Spray Shower Faucet in Brushed Nickel (HD 303669726)			375.00	375.00
<b>Painting:</b> - Paint the complete bathroom one color.			925.00	925.00
<b>Payment:</b> 2/3 down, remainder due when the project is completed.				

- Estimates are valid for 30 days.  
 - A minimum deposit of 1/2 (2/3 if total is greater than \$5,000.00.) will be required upon approval of work prior to scheduling. Final balance is due upon completion. A 3% credit card fee will be applied for payments over \$500.00.  
 - Price is subject to change due to additional work and/or materials needed for completion of job. This can include repairs of unforeseen issues.  
 - Ask about the workmanship warranty. Materials are covered by manufacturer warranty (if available).  
 - Balance of all work completed is due at time of completion. Mr. Fix It will assess 10% interest per month for balance(s)

**Disclaimer:** Mr. Fix It of Sierra Vista reserves the right to file a preliminary lien notice and to retain and pursue all lien rights arising out of this contract/invoice. The filing of a preliminary notice in no way reflects on the owner. Pursuant to Arizona Law we are required to inform you that you have the right to file a written complaint with the Arizona Registrar of Contractors for alleged violation of Arizona Revised Statutes Section 32-1155. Any complaints must be made within the applicable time period as set forth in Section 32-1155, subsection A. You may contact the ROC at (602) 542-1525 or www.azroc.org. Mr. Fix It of Sierra Vista requests that if any portion of its work is unsatisfactory that it be notified prior to filing of complaint so that it can resolve any concerns.

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# Estimate

Date	Estimate #
9/1/2022	87518

Licensed, Bonded,  
 Insured Contractor  
 ROC # 315572, 315573, 315574

Responsible Party Contact Information:
Huachuca City Fire Department 502 Gonzales Blvd Huachuca City, AZ 85616 520-249-5241

Location Work is to be Performed At:

Job Sold		Estimator	Brady
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Description of Project	Qty.	U/M	Rate	Total
*Huachuca City Fire Department has a \$950 credit with Mr. Fix It. If the Fire Department decides to move forward with this project that credit will be applied to the cost of this project. If the Fire Department decides to go with another contractor a check in the amount of \$950 will be refunded to the Huachuca City Fire Department.				

- Estimates are valid for 30 days.  
 - A minimum deposit of 1/2 (2/3 if total is greater than \$5,000.00.) will be required upon approval of work prior to scheduling. Final balance is due upon completion. A 3% credit card fee will be applied for payments over \$500.00.  
 - Price is subject to change due to additional work and/or materials needed for completion of job. This can include repairs of unforeseen issues.  
 - Ask about the workmanship warranty. Materials are covered by manufacturer warranty (if available).  
 - Balance of all work completed is due at time of completion. Mr. Fix It will assess 10% interest per month for balance(s)

Disclaimer: Mr. Fix It of Sierra Vista reserves the right to file a preliminary lien notice and to retain and pursue all lien rights arising out of this contract/invoice. The filing of a preliminary notice in no way reflects on the owner. Pursuant to Arizona Law we are required to inform you that you have the right to file a written complaint with the Arizona Registrar of Contractors for alleged violation of Arizona Revised Statutes Section 32-1155. Any complaints must be made within the applicable time period as set forth in Section 32-1155, subsection A. You may contact the ROC at (602) 542-1525 or www.azroc.org. Mr. Fix It of Sierra Vista requests that if any portion of its work is unsatisfactory that it be notified prior to filing of complaint so that it can resolve any concerns.

E-mail mrfixitsv@cox.net	Web Site www.mrfixitsv.com	Facebook facebook.com/mrfixitsv	<b>Total</b>	\$9,900.00
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INTERGOVERNMENTAL AGREEMENT  
PUBLIC PARKS, RECREATION AND SPORTS FACILITIES

This Intergovernmental Agreement is between the Town of Huachuca City, hereinafter referred to as “City” and Tombstone Unified School District #1, hereinafter referred to as “District,” subject to the following terms and conditions:

I. Purpose

The purpose of this Agreement is to permit the parties to use each other’s buildings and grounds to provide organized programs of recreation and educational activities that contribute to the physical, mental, and moral welfare of the citizens of the community.

II. Authorization

Municipalities and school districts are authorized to carry out all activities included in this Agreement, pursuant to A.R.S. §§ 9-494, 15-363 and 15-364, and to enter into intergovernmental agreements, pursuant to A.R.S. § 11-952.

III. Term

This Agreement will commence on the date it has been executed by both parties, and will terminate on the 30<sup>th</sup> day of June, 2024. Thereafter, it may be renewed for successive terms by formal action of the governing body of each party.

IV. Responsibilities of District

The District agrees to:

1. Allow the City to use its facilities (e.g., gymnasium, kitchen, classrooms and athletic fields) for public parks/recreation, summer programs and other supervised activities, provided that the City’s use does not interfere with the operation or activities of the District.
2. Use City facilities solely for public parks/recreation, educational and summer programs and other supervised activities, provide adequate adult supervision for District’s activities, and conduct all activities in a safe, responsible manner.
3. Notify the City Manager or her designee in a timely manner if a proposed District use of facilities pursuant to this Agreement will interfere with the City’s activities or operations or a custodial or maintenance schedule.
4. Continue, at no cost to the City, maintenance and custodial services of facilities, at a level at least equal to that during the year immediately preceding the initiation of this Agreement.
5. Furnish appropriate trash receptacles on an agreeable schedule.
6. Pay any utility charges attributed to the City’s use of District’s facilities pursuant to this Agreement.

7. Issue all keys deemed essential for City use.
8. Provide to the City Manager a list of City facilities the District wishes to use, together with a proposed use schedule, in sufficient time to allow the City to review the proposed use and notify the District whether there are any conflicts and alternate facilities available.

V. Responsibilities of City

The City agrees to:

1. Allow the District to use City parks, buildings, athletic fields, library and the pool for District educational and recreational programs, so long as District's activities are all appropriately supervised, and provided that the District's use does not interfere with the operating activities of the City.
2. Use District facilities solely for public parks/recreation, summer programs and other supervised activities, provide adequate adult supervision for City's activities, and conduct all activities in a safe, responsible manner.
3. Notify the District Superintendent or his designee in a timely manner if a proposed District use of facilities pursuant to this Agreement will interfere with the City's activities or operations or a custodial or maintenance schedule.
4. Continue, at no cost to the District, maintenance and custodial services of facilities, at a level at least equal to that during the year immediately preceding the initiation of this Agreement.
5. Furnish appropriate trash receptacles on an agreeable schedule.
6. Pay any utility charges attributed to the District's use of City's facilities pursuant to this Agreement.
7. Issue all keys deemed essential for District use.
8. Provide to the District Superintendent a list of the District facilities the City wishes to use for its recreational activities, together with a proposed use schedule, in sufficient time to allow the District to review the proposed use and notify the City whether there are conflicts and alternate facilities available.

VI. Responsibility/Liability Insurance

Each party agrees to be responsible for its own operations and the acts and omissions of its officials, employees and agents, and to maintain, throughout the Agreement term, sufficient liability insurance to cover its activities pursuant to this Agreement. Upon request, the parties will provide each other and any other party with proof of such liability insurance.

VII. Administrative Contacts

The contact for each party for administration of this Agreement will be:

Huachuca City:  
City Manager, Suzanne Harvey  
[sharvey@huachucacityaz.gov](mailto:sharvey@huachucacityaz.gov)

With copy to City Clerk, Brandye Thorpe  
[bthorpe2@huachucacityaz.gov](mailto:bthorpe2@huachucacityaz.gov)

Tombstone Unified School District #1:  
Superintendent of Schools, Robert Devere  
[RDevere@tombstone.k12.az.us](mailto:RDevere@tombstone.k12.az.us)

#### VIII. Financing

Each party will be responsible for financing its own activities and responsibilities pursuant to this Agreement. Should any party establish fees for participation in an activity that it is providing as part of this Agreement, the fee shall be based upon the actual cost of providing the activity. Collection of the fee shall be the responsibility of the party providing the activity and fee proceeds shall be retained by and be exclusive to such party.

#### IX. Termination

This Agreement may be terminated by the governing body of either party upon thirty (30) days written notice to the other party.

#### X. Disposal of Property upon Termination

The parties do not anticipate any joint acquisition of property pursuant to this Agreement. Property acquired solely for the purposes of this Agreement shall be retained by the purchasing party upon termination of this Agreement.

#### XI. Preparation of Agreement

The parties participated jointly in the creation of this Agreement.

#### XII. Cancellation

The parties reserve the right to cancel this Agreement for conflicts of interest pursuant to A.R.S. §38-511, the applicable provisions of which are incorporated herein by reference.

#### XIII. Entire Agreement

This document constitutes the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous proposals, both oral and written, negotiations, representations, commitments, writings, agreements, and all other

communications between the parties. It may not be released, discharged, changed, or modified except by an instrument in writing, formally executed.

XIV. No Third-Party Beneficiaries

Enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person under this Agreement. Any person or entity other than the Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

XV. Amendment

Except as otherwise expressly provided in this Agreement, this Agreement may be amended, modified, or changed, in whole or in part, only by written agreement executed by the Parties in the same manner as this Agreement.

XVI. Assignment

No Party shall assign its rights or delegate its duties hereunder, without the prior written consent of the other Party.

XVII. No Discrimination

Neither Party shall discriminate against any employee or agent of either Party, or any other individual in any way, because of that person's age, race, creed, color, religion, sex, genetic information, disability, familial status, political affiliation or national origin in the course of carrying out the duties pursuant to this Agreement. Both Parties shall comply with applicable provisions of Executive Order 75-5, as amended by Executive Order 2009-09 of the Governor of Arizona, which are incorporated into this Agreement by reference as if set forth in full herein, and of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36, as well as the Genetic Information Nondiscrimination Act of 2008.

*[Signatures follow]*



Huachuca City:

Johann Wallace, Mayor

\_\_\_\_\_ Date: \_\_\_\_\_

Tombstone Unified School District #1:

Keith Guin, School Board President

\_\_\_\_\_ Date: \_\_\_\_\_

Pursuant to A.R.S. § 11-952(D), the undersigned attorneys have reviewed the foregoing Agreement, and confirm the Agreement is in proper form, and is within the powers and authority granted to their respective clients under Arizona law.

\_\_\_\_\_  
Huachuca City Attorney

\_\_\_\_\_  
Tombstone School District Attorney