



CITY OF SURPRISE
Regular City Council Meeting
16000 N. Civic Center Plaza
Surprise, AZ 85374
Tuesday, April 4, 2023 @ 6:00 PM
COUNCIL CHAMBERS

A. Call To Order

Any prayer or invocation that may be offered before the start of the Regular Council Meeting is a voluntary offering by a private resident of Surprise; has not been previously reviewed or approved by City Council or City staff; should not be considered an endorsement of any particular religion by the City or its officials, as the beliefs, viewpoint, and content are personal to the speaker; and no participation by any person in attendance is required. A list of volunteers is maintained by the office of the City Clerk and interested persons should contact the Clerk's Office for further information.

B. Roll Call

C. Pledge of Allegiance

D. Proclamation and Community Acknowledgements

National Community Development Week Proclamation

Bookmark Contest Award Ceremony presented by Friends of the Surprise Libraries

E. City Manager Report

1. **Recognition of the Ottawa University's Men's Basketball and Women's Wrestling Teams**

F. City Clerk Report

G. Call To The Public

INSTRUCTIONS: In order to address the City Council, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the City Clerk before the meeting begins. [Download the Call to the Public form](#) (PDF download requires Adobe Acrobat Reader)
[Fill out the Call to the Public form online](#) If submitting form electronically, please submit to City Clerk at least one hour before the meeting start time.
The Call to the Public form is also available at the front counter.

Note: A.R.S. 38-431.01(H)- During this time members of the public may address City Council only on issues within the jurisdiction of the City Council which are not an item on the agenda. At the conclusion of the open call, City Council may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

Approval of items on the Consent Agenda – all items with an asterisk (*) are considered to be routine matters and will be enacted by one motion and one roll call vote to the City Council. There will be no separate discussion on these items unless a Councilmember requests, in which event the item will be removed from the consent agenda and considered in its normal sequence on the agenda.

Please be aware that Council Members may not discuss or respond to matters raised during call to the public that are not specifically identified on the agenda. Council Members may however, in their discretion, discuss or respond to relevant matters raised during a noticed public hearing or agenda item.

H. Regular City Council Meeting Agenda

CONSENT AGENDA:

- | | | | |
|-----|------------|--|---|
| 2. | Citywide | Consideration and action to approve minutes for the Regular Work Session and Regular Council Meeting of Tuesday, March 21, 2023. | None

Sherry Aguilar
City Clerk |
| 3. | District 4 | Consideration and action to approve a request by Melissa Piazza for a Series 07 (Beer and Wine Bar) Liquor License for Coyote Lakes Golf Club located at 18800 N Coyote Lakes Parkway, Surprise, AZ 85374. | None

Sherry Aguilar
City Clerk |
| 4. | District 4 | Consideration and action to approve a request by Melissa Piazza for a Series 12 (Restaurant) Liquor License for Coyote Lakes Golf Club located at 18800 N Coyote Lakes Parkway, Surprise, AZ 85374. | None

Sherry Aguilar
City Clerk |
| 5. | Citywide | Consideration and action approving amendments to the City's Investment Policy; Resolution #2023-33. | Andrea Davis
Finance |
| 6. | District 3 | Consideration and action pertaining to approval of the Final Plat entitled, "Final Re-Plat Toll at Prasada, Unit L – Phase 3" and dated January 24, 2023, a property located west of Cotton Lane, between Cactus Road and Peoria Avenue; Case FS22-1057. | None

Tanner Wessel
Community
Development |
| 7. | District 3 | Consideration and action pertaining to approval of the Final Plat entitled, "Toll at Prasada, Phase II Unit P Lot 631 & Tract A" and dated February 06, 2023, a property located west of Cotton Lane, between Cactus Road and Peoria Avenue; Case FS22-1161. | None

Tanner Wessel
Community
Development |
| 8. | District 1 | Consideration and action pertaining to approval of the Final Plat entitled, "Anderson Acres" and dated January 30, 2023, a property generally located south of Jomax Road and east of 239 th Avenue; Case FS22-1353. | Tanner Wessel
Community
Development |
| 9. | District 6 | Consideration and action pertaining to approval of the Final Plat entitled, "Re-Plat of Lots 1A, 1B, and 2A of Stampede Junction" and dated February 15, 2023, a property located at the southwest corner of Waddell Road and Dysart Road; Case FS22-1469. | None

Tanner Wessel
Community
Development |
| 10. | District 5 | Consideration and action pertaining to approval of the Final Plat entitled, "Hoffman Estates and the Amparo Contreras Living Trust Final Plat" and dated January 27, 2023, a property generally located south of Paradise Lane and east of Reems Road; Case FS22-1476. | None

Tanner Wessel
Community
Development |
| 11. | District 3 | Consideration and action pertaining to approval of the Final Plat entitled, "Replat of Lots 4 and 5 of Replat of Lot 4 of Village at Prasada" and dated January 27, 2023, a property located at the northwest corner of Sweetwater Avenue and Prasada Parkway; Case FS22-1486. | None

Tanner Wessel
Community
Development |
| 12. | District 1 | Consideration and action pertaining to approval of the Final Plat entitled, "Clark Final Plat" and dated February 07, 2023, a property located at the northwest corner of Williams Road and 219 th Avenue; Case FS22-1555. | None

Tanner Wessel
Community
Development |
| 13. | Citywide | Consideration and action pertaining to the approval of an Intergovernmental Agreement with Maricopa County in | Seth Dyson |

		the amount of \$2,580,000 to expand housing availability for homeless individuals in the Northwest Valley, adding one full-time employee, amending the Fiscal Year 2023 budget by moving budget authority of \$2,580,000 from contingency to project G51721, accepting grant funding from Maricopa County via the Department of Treasury State and Local Fiscal Recovery Funds, and amending the fiscal year 2023 Contract Awarding Authority List to include the homeless infrastructure item in the amount of \$2,600,000; Resolution #2023-28.	Human Svcs and Comm Vitality
14.	Citywide	Consideration and action pertaining to approval of an amendment to the Fiscal Year 2023 budget by moving budget authority of \$675,300 from contingency to the Fire-Medical Department for the purpose of covering increased operational costs and wildland fire deployments; Resolution #2023-38.	None Andrea Davis Fire - Medical
15.	District 3	Consideration and action pertaining to the conditional acceptance and maintenance of certain Public Improvements at Dollar General – Zanjero Trails; Resolution #2023-27.	Kristin Tytler Public Works
16.	District 1	Consideration and action pertaining to the conditional acceptance and maintenance of certain streets and public utility improvements at Desert Oasis Parcel B9, generally located at the Southwest corner of Desert Oasis Boulevard and 163 rd Avenue; Resolution #2023-34.	Kristin Tytler Public Works
17.	Internal	Consideration and action pertaining to approval of an Intergovernmental Agreement (IGA) between the City of Surprise and Luke Air Force Base for mutual aid in fire protection services; Resolution #2023-37.	None Brenden Espie Fire - Medical
REGULAR AGENDA ITEM - PUBLIC HEARING:			
18.	District 3	Consideration and action pertaining to a Major Planned Area Development (PAD) Amendment to the Prasada PAD to change the land use designation from PGV-1 to PGV-E for approximately 22 gross acres to accommodate a Dignity Health West Valley Campus. The site is generally located at the southwest corner of Greenway Road and Loop 303; Ordinance #2023-06.	Trever Fleetham Community Development
19.	District 1	Consideration and action pertaining to a Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation from commercial to mixed-use and modify development standards for approximately 101 gross acres. The site is generally located at the southwest corner of 163 rd Avenue and Pat Tillman Blvd, within the Asante PAD; Ordinance #2023-03.	Trever Fleetham Community Development
REGULAR AGENDA ITEM - NON-PUBLIC HEARING:			
20.	Citywide	Consideration and action pertaining to an update on Sober Living Homes within the City of Surprise.	Tracy Montgomery Community Development

- | | | | |
|-----|------------|---|---|
| 21. | Citywide | Presentation and discussion pertaining to the fiscal year 2022 annual audit and Annual Comprehensive Financial Report, and associated reports. | None

Andrea Davis
Erick Martin
Finance |
| 22. | Internal | Consideration and action by City Council determining, in accordance with A.R.S. § 9-481(H), that the City of Surprise has complied with A.R.S. § 41-1494, an Arizona law which prohibits a state agency, including cities, from requiring, or expending public funds on, certain training, orientation or therapy; Resolution #2023-41. | Andrea Davis
Finance |
| 23. | District 4 | Consideration and action pertaining to a Ground Lease between the City of Surprise and the Housing Authority of Maricopa County for affordable senior housing in Surprise; Resolution #2023-35. | Seth Dyson
Human Svcs and
Comm Vitality |
| 24. | Citywide | Consideration and action pertaining to amendments to the Surprise Municipal Code relating to City Council procedures and Boards and Commissions procedures, membership, and by-laws; Ordinance #2023-08. | None

Robert Wingo
Legal |
- I. Other Business and Future Agenda Items
- J. City Council Reports
- K. Executive Session

For information Purposes; Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, but for only the following purposes:

- discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));
- discussion or consideration of records exempt by law from public inspection (A.R.S. §38-401.03 (A)(2));
- discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03 (A)(3));
- discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. §38-431.03 (a)(4));
- discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03 (A)(5)); or
- discussion, consultation or consideration for international and interstate negotiations or for negotiations by a city or town, or its designated representatives, with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city or town. A.R.S. §38-401.03 (A)(6)).
- discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03 (A)(7)).

Confidentiality Requirements Pursuant to A.R.S. §38-431.03(C)(D): Any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney by agreement of the City Council, or as otherwise ordered by a court of competent jurisdiction.

The council may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

L. Adjournment

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: Thursday March 30, 2023 @ 2:45 PM

SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: City Clerk
Staff Recommendations:

Contact Person:
District: Internal

Consent: No	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Invocation

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Seth Dyson, DIRECTOR - HSCV,
Deborah Perry, ASSISTANT DIRECTOR

Submitting Department: City Manager Office
Staff Recommendations:

District: Citywide

Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: No

Agenda Wording:

National Community Development Week Proclamation

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Danielle Osborne, HSCV
Administrator

Submitting Department: City Manager Office
Staff Recommendations:

District: Citywide

Consent: No

Regular: No

Public Hearing: No

Report/Discussion: No

Agenda Wording:

Bookmark Contest Award Ceremony presented by Friends of the Surprise Libraries

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: City Clerk
Staff Recommendations:

Contact Person:
District: Citywide

Consent: No Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Recognition of the Ottawa University's Men's Basketball and Women's Wrestling Teams

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: Citywide

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action to approve minutes for the Regular Work Session and Regular Council Meeting of Tuesday, March 21, 2023.

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:

1. 032123 Work Session Minutes
 2. 032123 Regular Meeting Minutes
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CITY OF SURPRISE
Regular City Council Work Session
16000 N. Civic Center Plaza
Surprise, AZ 85374
Tuesday, March 21, 2023 @ 4:00 PM
COUNCIL CHAMBERS

A. Call To Order

Mayor Hall called the Regular Council Work Session to order at 4:00 p.m. at the Surprise City Hall located at 16000 N. Civic Center Plaza, Surprise, AZ. 85374.

B. Roll Call

In attendance with Mayor Hall were Vice-Mayor Chris Judd and Councilmembers Nick Haney, Alyson Cline, Patrick Duffy, Ken Remley and Jack Hastings.

C. Pledge of Allegiance

Mayor Hall led the Pledge of Allegiance.

D. Proclamation and Community Acknowledgements

None issued.

E. City Manager Report

No report

F. City Clerk Report

No report

G. Call To The Public

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no call to the public received.

H. Regular City Council Work Session Agenda

CONSENT AGENDA:

No consent agenda items.

REGULAR AGENDA ITEM - PUBLIC HEARING:

No public hearing items.

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

1. Citywide Presentation and discussion regarding updates to our Investment Advisor and policy. None
Andrea Davis
Finance

Finance Director, Andrea Davis gave a powerpoint presentation on our Investment Advisor Policy changes. Ms. Davis' staff report explained that the investment of public monies is regulated by Title 35 of Arizona Revised Statutes (A.R.S). Investment policies are an important element of sound financial principles which demonstrate the City's commitment to invest public monies in a manner that will maintain the safety of principal, maintain liquidity, and provide an industry benchmark yield. The City's Investment Policy was initially adopted by Resolution #04-171 on August 26, 2004, it was first amended by Resolution #07-62 on May 24, 2007, and then it was amended a second time by Resolution #2018-88 on June 19, 2018.

Ash Mehta, consultant explained what his roles with the company and identified the key professionals that represent the firm. Mr. Mehta identified state statutes that is required to follow regarding municipal investments and discussed City benchmark investments, credit downgrades, eligible money market funds.

Councilmember Remley asked about investment on the funds we have on hand, on the corporate bonds, what level of bonds and what is the status on US Government Bonds? Mr. Mehta gave some examples of different types of bonds that would qualify and the procedures that are required by state statute for ratings. Councilmember Remley inquired about in recent months the rates for CD's and savings accounts have changed dramatically, where are you at in this area? Mr. Mehta commented that we are working on this actively but it is a volatile environment right now. Our main focus is to preserve capital.

Ms. Davis mentioned having a larger benchmark, higher yielding savings account. We have cash in the bank earning interest at the highest rate we can, we have operating cash, savings accounts, etc. Council member Remley commented that the point of his question was to make sure we have assurance that we are not in the same position as the other banks and what we have been seeing lately.

Vice-Mayor Judd asked how much do we have invested? Mr. Mehta estimated at 180 million, and 75 million as a safety net. Ms. Davis confirmed and also mentioned that we have some in an LGIP Account in the bank. Vice-Mayor Judd asked Why do we have so much money? Ms. Davis gave a summary of the funding we have available and what is allocated for expenses. The additional funds are not meant to be spent, but for financial stability.

Vice-Mayor Judd asked staff if they can give us an idea of what kinds of things can we invest in? Mr. Mehta clarified- 17 different classifications with a 3.8% returns.

Councilmember Duffy asked if we are running a discretionary? Mr. Mehta confirmed, yes we are.

Mayor Hall asked if the yields, would that flow into our CIP? Ms. Davis commented yes the flow we would get from the yields could go towards our CIP projects with one time funding.

Councilmember Cline asked if departmental interest earnings come back to a specific fund for accounting? Ms. Davis commented that absolutely, who ever owns the cash, gets the interest.

Councilmember Remley commented that when we reduce the allocation on the municipal bonds from 40 to 25, which that sounds good, the municipal bonds are paying at a lower interest rate. Also, Arizona Cities and Towns have struggled with our pension boards, the City is in good

shape but it would have been nice to have this kind of management before.

Ms. Davis commented that if no other questions, staff will bring this item back at a future meeting for council consideration.

No other comments or questions were made.

- | | | | |
|----|----------|--|-------------------------------------|
| 2. | Citywide | Presentation and discussion pertaining to the FY2024 Budget Department Overview - Public Works, Transportation, Water Resource Management, and Community and Economic Development Departments. | None

Andrea Davis
Finance |
|----|----------|--|-------------------------------------|

Finance Director, Andera Davis and Assistant Finance Director, Eric Boyles gave a powerpoint presentation pertaining to the FY2024 Budget Department Overview - Public Works, Transportation, Water Resource Management and Community and Economic Development Departments.

Topics highlighted included:

Development Services points of interest were reviewed. FY 24 top priorities - capital and operating were discussed.

Economic Development - points of interest included 40+ citywide ribbon cuttings, groundbreakings and business celebrations. A Workforce Development Program is being requested and capita request of City Center Civic Maintenance costs.

Vice-Mayor Judd asked why is this being done through economic development. Shouldn't this be some other department such as public works? Ms. Davis commented that overall this is to support workforce development to assist businesses with finding employees.

Councilmember Cline commented that she serves on the Education sub-committee along with Councilmember Hastings which has a lot to do with part of what we are working on. If we can bring the right workforce here, our businesses will benefit.

Councilmember Remley commented that "work force" is a wonderful buzz word, Is there any specific examples of what we plan to do with somebody for \$250,000.00 that is being requested? Assistant Economic Development Director, Hoover commented that the emphasis has gone from real estate to business interests. The funding will benefit assisting the small business community in conjunction with local colleges, students would have a right to apply for the scholarships.

Councilmember Remley commented that WES-TEC has a cosmetology program that didn't require a scholarship. Mr. Hoover commented that this would be more geared to the college adult education program for admission costs, supplies to name a few and restrictions to qualify if they are a graduate or student of our community or an employee of a local business, they could be entitled to this program funding.

Councilmember Cline said she is excited about this program and working with adults who are looking into expanding into IT Programs, workflow programs, project management. Many of them have dealt with layoffs at their current employers. Mr. Hoover concurred that this will effect - University level campuses and part of the plan is to rollout awareness of this program.

Mayor Hall asked staff to not forget about the people who are home base students, He stated that he was thinking of the one in Surrprise that recently opened with foster kids, this could be a great opportunity for them. Mr. Hoover commented that yes two will be home-based education programs. We are also about to launch a micro-transit program. and we are hoping to bridge the programs together.

Public Works, Transportation and Streets - points of interests including capital projects.

Councilmember Haney asked about Loop 303, who's jurisdiction is that? Ms. Davis commented that Loop 303 is a State highway, it does not belong to the City, we cannot make improvements but will be working with various agencies for future improvements.

Mayor Hall asked about Happy Valley Road and 163rd Avenue. Public Works Director, Kristin Taylor commented that this will be developer lead and will be a requirement to be worked into the design.

Councilmember Remley asked about the plan for building or rebuilding the main streets, specifically, in District 1, what are our priorities? This is where our major growth is at and we have lots of dirt roads.

Ms. Davis clarified that we will prioritize the City street projects developing in phases due to traffic issues.

City Manager Wingenroth reminded Council of the budget discussion last year, some of the scalloped streets will come out of the general capital fund, and currently preparing to come to Council with a bond ballot issue for this year,

Councilmember Remley commented that we are receiving lots of complaints about Happy Valley Road and other main streets, why didn't we plan for this?

Councilmember Haney commented that we have been holding community meetings with the topic of traffic and the 303 and Grand, and explaining to our residents that we are making traction working with the State Legislature down at the State capital on potential funding for traffic improvements and we expect to be heard today.

Water Resource Management - points of interest

Councilmember Cline commented that the WIFA fund was approved, she asked what the amount that we was approved? Ms. Davis commented \$35 million, less that 2.91 rate.

Upcoming Calendar - Tentative Budget Adoption Schedule was reviewed.

Councilmember Remley asked about the bio-solids Phase 2, we were hoping to get some results from the investment, also talking about alternative uses for left excrement, what are we saving with this program? Water Resources Director, Michael Boule commented that with Phase 1 being completed, we have some good data now. Our partnership with Ottawa is flourishing, looking at alternate uses for the bio-solids.

Councilmember Remley commented that our facility is only 1 of 2 that is used for a training facility for the newer operations. Do we have marketing that we put out to other states? This could offer College class certifications.

City Manager Wingenroth commented that currently we do not have that type of marketing in place but we will look at this.

- I. Other Business and Future Agenda Items
No items added.
- J. City Council Reports
No Council Reports.
- K. Executive Session

No Executive Session was held.

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- discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));
- discussion or consideration of records exempt by law from public inspection (A.R.S. §38-401.03 (A)(2));

L. Adjournment

Councilmember Cline made the motion to adjourn the Regular Council Work Session to order at 4:53 p.m. Seconded by Councilmember Duffy. 7 yes votes to adjourn. Motion carried.

ATTEST:

Skip Hall, Mayor

Sherry Ann Aguilar, City Clerk, MMC

CERTIFICATION: I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Regular City Council Work Session of March 21, 2023.

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: Thursday, March 16, 2023 @ 1:30 PM

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Regular City Council Meeting
16000 N. Civic Center Plaza
Surprise, AZ 85374
Tuesday, March 21, 2023 @ 6:00 PM
COUNCIL CHAMBERS

A. Call To Order

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Any prayer or invocation that may be offered before the start of the Regular Council Meeting is a voluntary offering by a private resident of Surprise; has not been previously reviewed or approved by City Council or City staff; should not be considered an endorsement of any particular religion by the City or its officials, as the beliefs, viewpoint, and content are personal to the speaker; and no participation by any person in attendance is required. A list of volunteers is maintained by the office of the City Clerk and interested persons should contact the Clerk's Office for further information.

Invocation led by Pastor, Kent Guyer

B. Roll Call

In attendance with Mayor Hall were Vice-Mayor Chris Judd, Councilmembers Jack Hastings, Ken Remley, Patrick Duffy, Aly Cline, and Nicholas Haney.

C. Pledge of Allegiance

Mayor Hall led the Pledge of Allegiance.

D. Proclamation and Community Acknowledgements

Fix a Leak Week Proclamation

Mayor Hall presented the proclamation to Sandra Hurlbut, Water Conservation Specialist.

Recognition of the Valley Vista High School Girls Basketball team's 2023 Arizona Interscholastic Association 6A State Championship

Mayor Hall recognized the Valley Vista High School Girls Basketball team, head coach Brooklyn Hinkins, and athletic director Pete Jillovic.

E. City Manager Report

City Manager Bob Wigenroth talked about the Bases and Brews Music Festival this Friday March 24th through Sunday March 26th. It celebrates the end of spring training. He asked citizens to visit the City website for more information.

F. City Clerk Report

G. Call To The Public

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Alejandro Christ a Surprise resident, came to talk about BNSF. He talked about the presenters from the BNSF that were present at the last meeting. He then mentioned the March 16th derailment, and a Washington State incident. He expressed his concerns about BNSF moving into Surprise.

H. Regular City Council Meeting Agenda

CONSENT AGENDA:

Councilmember Duffy moved to approve the Consent Agenda Items, Councilmember Remely seconded the motion. The Motion to Approve passed unanimously.

- | | | | |
|----|------------|--|---|
| 1. | Internal | Consideration and action to approve minutes for the Regular Work Session and Regular Council Meeting of Tuesday, March 7, 2023. | None
Sherry Aguilar
City Clerk |
| 2. | District 6 | Consideration and action pertaining to approval of the Final Plat entitled, "Surprise Logistics Park" and received January 11, 2023, an approximately 28.42 acre property generally located on the southwest corner of Litchfield Rd. and Laurel Ln; Case FS22-1340. | None
Leslie Carnie
Community
Development |
| 3. | District 1 | Consideration and action to accept an Amendment to Right of Way from the Arizona State Land Department for 227 th Avenue between Sun Valley Parkway and Beardsley. | Lloyd Abrams
Community
Development |
| 4. | District 1 | Consideration and action to accept a Quit Claim Deed from The Goertzen Trust for Right of Way along Dale Lane near 165th Avenue. | Lloyd Abrams
Community
Development |
| 5. | District 1 | Consideration and action to accept a Quit Claim Deed from Eugene and Valerie Rollin for Right of Way along Dale Lane near 175th Avenue. | Lloyd Abrams
Community
Development |
| 6. | District 1 | Consideration and action to accept a Quit Claim Deed from HOH Land Holdings for Right of Way along Dale Lane at 163rd Avenue. | Lloyd Abrams
Community
Development |

- | | | | |
|----|------------|---|--|
| 7. | District 1 | Consideration and action to accept a transfer of Right of Way from Arizona State Land Department for 163 rd Avenue between Dixileta and White Wing. | Lloyd Abrams
Community
Development |
| 8. | | Consideration and action to approve an amendment to the Fiscal Year 2023 budget moving budget authority within grant and capital projects to/from contingency or between projects to adjust amounts originally estimated during the FY2022 budget process, as required by grant stipulations and guidelines, or based on anticipated revenues; Resolution #2023-29. | Eric Boyles
Finance |

REGULAR AGENDA ITEM - PUBLIC HEARING:

- | | | | |
|----|------------|---|--|
| 9. | District 1 | Consideration and action pertaining to approval of a Major Planned Area Development (PAD) Amendment to the Vistas Montanas PAD; Ordinance #2023-07. | Chris Sexton
Community
Development |
|----|------------|---|--|

Chris Sexton gave a presentation about Vista Montonas PAD. She talked about how this was a continuation of a previous presentation, then talked about the surrounding area impacted by the Ordinance. She went into further details about the amenities that the planed area would include.

Councilmember Duffy asked if the number of lots have changed? Chris said that they reduced the number to include a pool.

Councilmember Hastings appreciated the item coming back, stating he supports the project. Vice-Mayor Judd likes the project, commenting about different aspects of the project.

Councilmember Remley asked about the before and after site plans. He was curious about the 45 foot lots, and wanted to know about the clearance between homes. Jeff Bar, the applicant with RBI, said there were development standards that they have to adhere to. He said it was 13 feet. Remley asked how long the proposed driveways would be? Jeff said it would be 20 feet to the garage. Councilmember Remely thanked the applicant for coming in to listen to their comments from the last time.

Councilmember Haney thanked his fellow councilmembers for the discussion. He talked about how a community meeting was held by the applicant at his suggestion. He was concerned about the infrastructure in the area being taxed, stating that he wants the growth to be smart. He said the infrastructure issues are a public safety concern. Councilmember Haney said he would stand by the current citizen concerns for this item at this time.

Councilmember Cline was pleased about a pool being on that side of town and appreciated that they listened about the issues. She talked about traffic being a concern and how a traffic light was suggested. Mayor Hall appreciated the changes to the plan.

Alejandro Christ, a Surprise resident, came up to ask about the location of the BNSF project in relation to this plan. Lloyd Abrams said they were a few miles apart. Alejandro asked for clarification about the number of residents who would live there.

Councilmember Hastings motioned to approve the amendment, Councilmember Cline seconded the motion. The Motion to Approve passed with 5 yes votes, and 2 no votes from Councilmembers Duffy, and Haney.

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

10. District 4 Consideration and action pertaining to a Ground Lease between the City of Surprise and the Housing Authority of Maricopa County for affordable senior housing in Surprise; Resolution #2023-35. Seth Dyson
Human Svcs and
Comm Vitality

Seth Dyson presented the item and asked for a motion to move this to the following council meeting on April 4, 2023.

Vice-Mayor Judd motioned to move this item to the next meeting, Councilmember Hastings seconded the motion. The Motion to continue passed unanimously.

11. Citywide Consideration and action pertaining to the approval of an Intergovernmental Agreement with the Housing Authority of Maricopa County for affordable senior housing in Surprise; Resolution #2023-36. Seth Dyson
Human Svcs and
Comm Vitality

Seth Dyson gave a presentation about the Intergovernmental Agreement with the Housing Authority of Maricopa County. Heritage Senior will be 99 units of affordable senior housing in the Original Town Site.

CM Cline thanked Seth for his work. She thought it was a great project and liked that it was looking out for our community.

CM Remley said this is a proud moment. He said that the project is setting the bar for the west valley. He further talked about the impact on the citizens. He thanked Seth for his work.

Councilmember Remley motioned to approve the agreement, Councilmember Cline seconded the motion. The motion passed unanimously.

I. Other Business and Future Agenda Items

Councilmember Remley would like to have a work session item about Finance coming out to talk about the bond issues and what was accomplished with that. Councilmember Cline seconded the suggestion.

J. City Council Reports

Councilmember Haney talked about his community meeting at Asanta library. He said how he was able to go to some spring training and got to meet a few business leaders.

Councilmember Cline said the library would be closed on the weekend. She wanted to congratulate everyone who worked on the project. She also wanted to mention the Falls Restaurant will be open by the end of the month. She said that she has two meetings this month: the Grand meeting on the 28th at 6:00 PM in the Pima Room, and the AZ Tradition meeting on the 31st at 10:00 AM.

Vice-Mayor Judd said that there would be a Joint meet and greet with Councilmember Duffy on the second Saturday of the month. His last meet and greet was last Wednesday which had to be delayed. He also met with the Maricopa County District Attorney and asked how they could help with sober living homes.

Councilmember Hastings talked about signature events and how they had been delayed until this weekend with Bases & Brews. He thanked his colleagues for the investment put into this project. He talked about recycling and how it has come back.

Councilmember Remley wanted to thank everyone for their support. Arizona is a unique state with tax credits for schools. He talked about organizations that help the working poor and how tax credits could be applied to those.

Councilmember Duffy said his next meet and greet is the second Saturday. He said they would be doing a parks tour. He also state that this Friday is the opening of Fat Cats.

Mayor Hall talked about the first ever Bases and Brews Music Festival this weekend at Mark

Coronado Park. He also mentioned that this Thursday March 30, 6-8 PM for the State of the City Event.

K. Executive Session

For information Purposes; Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, but for only the following purposes:

- discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));
- discussion or consideration of records exempt by law from public inspection (A.R.S. §38-401.03 (A)(2));
- discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03 (A)(3));
- discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. §38-431.03 (a)(4));
- discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03 (A)(5)); or
- discussion, consultation or consideration for international and interstate negotiations or for negotiations by a city or town, or its designated representatives, with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city or town. A.R.S. §38-401.03 (A)(6)).
- discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03 (A)(7)).

Confidentiality Requirements Pursuant to A.R.S. §38-431.03(C)(D): Any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney by agreement of the City Council, or as otherwise ordered by a court of competent jurisdiction.

The council may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

L. Adjournment

Councilmember Cline motioned to adjourn, Councilmember Haney seconded. The motion passed unanimously and the meeting adjourned at 6:55 PM.

ATTEST:

Skip Hall, Mayor

Sherry Ann Aguilar, City Clerk, MMC

CERTIFICATION: I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Regular City Council Meeting of March 21, 2023.

POSTED: Thursday, March 16, 2023 @ 2:00 PM
Amended Agenda (Added Item 11 Attachments) - March 20, 2023 @ 3:30 PM

SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: District 4

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action to approve a request by Melissa Piazza for a Series 07 (Beer and Wine Bar) Liquor License for **Coyote Lakes Golf Club** located at 18800 N Coyote Lakes Parkway, Surprise, AZ 85374.

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:

1. COYOTE LAKES GOLF CLUB SERIES 7 Report
 2. Coyote Lakes Golf Club Series 7 Map
 3. Finance Report Coyote Lakes Golf Club
 4. Fire Report 18800 N Coyote Lakes Pkwy Liquor License
 5. Police Coyote Lake Golf Club Grill Series 07
 6. ADLLC Report Coyote Lakes - Series 7
-



COMMUNITY DEVELOPMENT DEPARTMENT

Date: March 20, 2023
To: Charles Vasquez, Deputy City Clerk
From: Lloyd Abrams, Community Development Director
James Stewart, Zoning Specialist
Re: Liquor License Application for:

**AGENT, Melissa Piazza
Coyote Lakes Golf Club
18800 N. Coyote Lakes Parkway
Surprise, Arizona 85374
New Series 7 (NEW APPLICATION – BEER WINE BAR) Application # 233502**

The number and series of licenses in close proximity to the subject site are:

1. Lou's Tivoli Gardens (Series 12) – 12555 W. Bell Rd.
2. Marley's Restaurant & Bar (Series 12) – 15226 W. Bell Rd. (Expired)
3. Surprise AZ Aerie #4534 FOE (Series14) – 12425 W. Bell rd., Ste. 100 (Expired)
4. Chevron Foodmart # 601 (Series 10)– 12299 W. Bell Rd.
5. I & J Fountain Restaurant (Series 12) - 12221 W. Bell Rd.
6. QuikTrip (Series 10) – 11420 W. Bell Rd.
7. Circle K #6285 (Series # 9) – 11339 W Bell Rd.
8. Angry Crab Shack (Series 12) – 11340 W. Bell Rd. #118A
9. Hurricane Grill & Wings (Series 12) – 11340 W. Bell Rd.#103
10. Gifts To Go (Series 10) – 11340 W. Bell Rd. #12 (EXPIRED)
11. Café on the Avenue (Series 12) – 17420 N. Avenue of the Arts (EXPIRED)
12. Coyote Lakes Golf Club (Series 12) – 18800 N. Coyote Lakes Parkway (PENDING)

The area is comprised of Golf Course Club House. The property is zoned PAD C-2 which is consistent with the proposed use.

Commercial and residential growth is expected to remain static in this area.

If managed properly, the effects of granting this liquor license on surrounding residences will be minimal. This license will have little to no affect on parking in the area. Staff believes that granting this liquor license will not directly impact the surrounding business and residential areas in a negative way.

COYOTE LAKES GOLF CLUB SERIES 7

UNINCORPORATED MARICOPA COUNTY

UNINCORPORATED MARICOPA COUNTY

SITE

PAD
COYOTE
LAKES

STATE TRUST LAND

PAD
CANYON RIDGE WEST

RR

C-2, CC

PAD
SUN RIDGE

STATE TRUST LAND

C-3, CR

SHD-CO

C-2, CC

RR

C-2, CC

UNINCORPORATED MARICOPA COUNTY



MEMO

Date: 03/07/2023

To: Sherry Aguilar, City Clerk
Charles Vasquez, Deputy City Clerk

From: Courtnee Chavez

RE: Liquor License Application – Coyote Lakes Golf Club - 18800 N Coyote Lakes Pkwy

Business License Status:

- ☐ Application link emailed on .
- ☒ License # 1023916 , current and valid for 12/31/23 .
- ☐ Applied for license but is still pending and waiting on customer to provide additional information or documents.

BUSINESS LICENSE

CITY OF SURPRISE

16000 N. Civic Center Plaza
Surprise, AZ 85374-7470

Business Name: Coyote Lakes Golf Club

Business Location: 18800 N Coyote Lakes Pkwy Surprise, Az 85378-2576

Description: Golf Pro Shops/Golf Courses



Swing First Golf, Llc
Tony Contresceri
Coyote Lakes Golf Club
18800 N Coyote Lakes Pkwy
Surprise, Az 85378-2576

BUSINESS LICENSE NUMBER: 1023916

Effective Date: 01/01/2023

Expiration Date: 12/31/2023

TO BE POSTED IN A CONSPICUOUS PLACE

NOT TRANSFERABLE



Surprise Fire-Medical Department
14250 W. Statler Plaza Ste. 101
Surprise, AZ 85374-7479
Phone: 623-222-5000
Fax: 623-222-5001



March 27, 2023

To: Sherry Ann Aguilar, City Clerk

From: Keith Tanner, Fire Marshal

Subject: Liquor License Application

Applicant: Coyote Lakes Golf Club
18800 N Coyote Lakes Pkwy
Surprise, AZ 85374

The Surprise Fire-Medical Department recently conducted a fire inspection at the above referenced location within the last 12 months to ensure compliance with the applicable fire codes within the tenant space and building. There are no known fire code violations at this time.

Therefore fire has no comment on the application at this time.

If you have any questions feel free to contact me.

Keith Tanner
Keith Tanner, Fire Marshal
Fire Prevention Division
Surprise Fire-Medical Department

**SURPRISE POLICE DEPARTMENT
LIQUOR LICENSE APPLICATION REVIEW**

REFERENCE:

DATE: March 20, 2023

Job Number- 233502
Series #07– (New Application)
Current License – Interim Permit on site

APPLICANT:

Coyote Lakes Golf Club
18800 N Coyote Lakes Parkway
Surprise, Arizona 8537

FINDINGS:

1) ***Evidence concerning the nature of the proposed business, its potential market and its likely customers.***

Coyote Lakes Golf Club is requesting a liquor license for their café. There is seating for 38 people, not including patio seating. Customers should be persons from the area along with golfers from valley. Mainly breakfast foods and sandwiches are on the menu. There is one 85” TV on site, along with a live music 2 to 4 times a month between the months of November through April.

2) ***Effect of vehicular traffic in close proximity.***

There should be no altering effect on traffic with these licenses.

3) ***The history for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant has received a detailed report of such activity at least 20 days before the hearing.***

In March 2022, there was a set of golf clubs stolen from the curb in front of the golf club. Unwanted guest in February 2021 where subject was made to leave. September 2021 a man was disorderly and trespassed from the scene. In April 2020, there was an aggravated assault when an adult male struck a patron with a golf club. In March 2020, there was a burglary of the golf cart barn, where multiple golf carts were damaged, and some were stolen but recovered on sight. There was also a fight among golfers on the golf course with no one pressing charges. In June 2019, unknown persons broke a window in club house and stole two golf clubs.

4) ***Comparison of hours of operation of the proposed premises to the existing businesses in close proximity.***

Coyote Lakes Golf Club grill will have live music every other Friday and will close at approximately 8:30 PM. Otherwise, their hours are until 6 PM. There are no other businesses in the immediate area.

5) ***Appropriateness of series license requested.***

This series 07 license request appears appropriate for this type of business.

Submitted by Officer C. E. Tovar #2059

State of Arizona
Department of Liquor Licenses and Control

Created 03/01/2023 @ 09:43:10 AM

Local Governing Body Report

LICENSE

Number:	07070270	Type:	007 BEER AND WINE BAR
Name:	COYOTE LAKES GOLF CLUB		
State:	Pending		
Issue Date:		Expiration Date:	02/29/2024
Original Issue Date:	08/08/1986		
Location:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Mailing Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Phone:	(623)566-2323		
Alt. Phone:	(623)670-4412		
Email:	GM@COYOTELAKESGOLFCLUB.COM		

Currently, this license has pending applications.

AGENT

Name:	MELISSA PIAZZA
Gender:	Female
Correspondence Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA
Phone:	(623)670-4412
Alt. Phone:	
Email:	GM@COYOTELAKESGOLFCLUB.COM

OWNER

Name:	SWING FIRST GOLF LLC		
Contact Name:	MELISSA PIAZZA		
Type:	LIMITED LIABILITY COMPANY		
AZ CC File Number:	1.11351776	State of Incorporation:	AZ
Incorporation Date:	05/27/2004		
Correspondence Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Phone:	(623)670-4412		
Alt. Phone:			
Email:	GM@COYOTELAKESGOLFCLUB.COM		

Officers / Stockholders

Name:
DAVID BRUCE ASHTON

Title:
Managing
Member,Stockholder
CREDITOR
CREDITOR
Creditor

% Interest:
100.00

METRO PHOENIX BANK
NTM INVESTMENTS LLC
ARIZONA BANK & TRUST -ATTN TROY NORRIS

JMG INVESTMENTS INC - Stockholder,VP
NTM INVESTMENTS LLC - Member,Stockholder

Name: MAUREEN GLENNA GUBA
Gender: Female
Correspondence Address: 22702 N LAS PAITAS DRIVE
SURPRISE, AZ 85375
USA
Phone: (623)566-2323
Alt. Phone:
Email:

SWING FIRST GOLF LLC - Managing
Member,Stockholder

Name: DAVID BRUCE ASHTON
Gender: Male
Correspondence Address: 18800 N COYOTE LAKES PARKWAY
SURPRISE, AZ 85374
USA
Phone: (307)222-8996
Alt. Phone:
Email: DAVE@SWINGFIRST.CO

NTM INVESTMENTS LLC - Member,Stockholder

Name: JMG INVESTMENTS INC
Contact Name: JMG INVESTMENTS INC
Type: CORPORATION
AZ CC File Number: State of Incorporation: IL
Incorporation Date:
Correspondence Address: 13080 CYPRESS LANE
PALOS HEIGHTS, IL 60463
USA
Phone: (999)999-9999
Alt. Phone:
Email:

SWING FIRST GOLF LLC - CREDITOR

Name: METRO PHOENIX BANK
Contact Name: LARRY STANGLER
Type: CORPORATION
AZ CC File Number: State of Incorporation:
Incorporation Date:
Correspondence Address: 4686 E VAN BUREN STREET
#150
PHOENIX, AZ 85008
USA
Phone: (602)346-1800
Alt. Phone:
Email: LSTANGLER@METROPHOENIXBANK.COM

SWING FIRST GOLF LLC - Creditor

Name: ARIZONA BANK & TRUST -ATTN TROY NORRIS
Contact Name: ARIZONA BANK & TRUST -ATTN TROY NORRIS
Type: TRUST
AZ CC File Number: State of Incorporation:
Incorporation Date:
Correspondence Address: 1000 N 54TH STREET
CHANDLER, AZ 85226
USA
Phone: (480)844-4558
Alt. Phone:
Email:

JMG INVESTMENTS INC - Pres,Stockholder NTM INVESTMENTS LLC - Member,Stockholder

Name: JOHN JOSEPH GUBA
Gender: Male
Correspondence Address: 22702 N LAS POSITAS DRIVE
SURPRISE, AZ 85375
USA
Phone: (623)566-2323
Alt. Phone:
Email:

SWING FIRST GOLF LLC - CREDITOR

Name: NTM INVESTMENTS LLC
Contact Name: JOHN GUBA
Type: LIMITED LIABILITY COMPANY
AZ CC File Number: L-11699572 State of Incorporation: AZ
Incorporation Date:
Correspondence Address: 12831 MICHELTORRENA COURT
SUN CITY WEST, AZ 85375
USA
Phone: (602)618-1017
Alt. Phone:
Email: PGA560@MSN.COM

APPLICATION INFORMATION

Application Number: 233502
Application Type: Owner Transfer
Created Date: 02/28/2023

QUESTIONS & ANSWERS

007 Beer and Wine Bar

- 1) Are you applying for an Interim Permit (INP)?
Yes
A Document of type INTERIM PERMIT (INP) NOTARY PAGE is required.
- 4) Does the Business location address have a street address for a City or Town but is actually in the boundaries of another City, Town or Tribal Reservation?
No
- 8) Did the Premises phone number change?
No
- 10) Provide name, address, and distance of nearest school. (If less than one (1) mile note footage)
PARKRIDGE ELEMENTRAY SCHOOL- 3 MILES
9970 W BEARDSLEY RD PEORIA, AZ 85382
- 11) Are you one of the following? Please indicate below.
Property Tenant
Subtenant
Property Owner
Property Purchaser
Property Management Company
Property Owner
- 12) Is there a penalty if lease is not fulfilled?
No
- 13) What is the total money borrowed for the business not including the lease?
Please list lenders/people owed money for the business.
TOTAL : \$3,600,000.00

ALERUS FINANCIAL- \$2,300,000.00
4686 E VAN BUREN #150 PHOENIX, AZ 85008

TMC FINANCING- \$1,300,000.00
1611 TELEGRAPH AVE OAKLAND, CA 94612
- 14) Is there a drive through window on the premises?
No
- 15) If there is a patio please indicate contiguous or non-contiguous within 30 feet.
CONTIGUOUS PATIO
- 16) Is your licensed premises now closed due to construction, renovation or redesign or rebuild?
No
- 23) Total Price paid for Series 6 Bar, Series 7 Beer & Wine Bar or Series 9 Liquor Store (license only)
NOT DISCLOSED

State of Arizona
Department of Liquor Licenses and Control

Created 03/01/2023 @ 09:43:17 AM

Local Governing Body Report

LICENSE

Number:	INP070022552	Type:	INP INTERIM PERMIT
Name:	COYOTE LAKES GOLF CLUB		
State:	Active		
Issue Date:	03/01/2023	Expiration Date:	06/14/2023
Original Issue Date:	03/01/2023		
Location:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Mailing Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Phone:	(623)566-2323		
Alt. Phone:	(623)670-4412		
Email:	GM@COYOTELAKESGOLFCLUB.COM		

AGENT

Name:	MELISSA PIAZZA
Gender:	Female
Correspondence Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA
Phone:	(623)670-4412
Alt. Phone:	
Email:	GM@COYOTELAKESGOLFCLUB.COM

OWNER

Name:	SWING FIRST GOLF LLC		
Contact Name:	MELISSA PIAZZA		
Type:	LIMITED LIABILITY COMPANY		
AZ CC File Number:	L11351776	State of Incorporation:	AZ
Incorporation Date:	05/27/2004		
Correspondence Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Phone:	(623)670-4412		
Alt. Phone:			
Email:	GM@COYOTELAKESGOLFCLUB.COM		

Officers / Stockholders

Name:
DAVID BRUCE ASHTON

METRO PHOENIX BANK
NTM INVESTMENTS LLC
ARIZONA BANK & TRUST -ATTN TROY NORRIS

Title:
Managing
Member,Stockholder
CREDITOR
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Creditor

% Interest:
100.00

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NTM INVESTMENTS LLC - Member,Stockholder

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Gender: Female
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SWING FIRST GOLF LLC - Managing
Member,Stockholder

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Gender: Male
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SURPRISE, AZ 85374
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Phone: (307)222-8996
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PALOS HEIGHTS, IL 60463
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Phone: (999)999-9999
Alt. Phone:
Email:

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Name: METRO PHOENIX BANK
Contact Name: LARRY STANGELER
Type: CORPORATION
AZ CC File Number: State of Incorporation:
Incorporation Date:
Correspondence Address: 4686 E VAN BUREN STREET
#150
PHOENIX, AZ 85008
USA
Phone: (602)346-1800
Alt. Phone:
Email: LSTANGLER@METROPHOENIXBANK.COM

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Contact Name: ARIZONA BANK & TRUST -ATTN TROY NORRIS
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CHANDLER, AZ 85226
USA
Phone: (480)844-4558
Alt. Phone:
Email:

JMG INVESTMENTS INC - Pres,Stockholder NTM INVESTMENTS LLC - Member,Stockholder

Name: JOHN JOSEPH GUBA
Gender: Male
Correspondence Address: 22702 N LAS POSITAS DRIVE
SURPRISE, AZ 85375
USA
Phone: (623)566-2323
Alt. Phone:
Email:

SWING FIRST GOLF LLC - CREDITOR

Name: NTM INVESTMENTS LLC
Contact Name: JOHN GUBA
Type: LIMITED LIABILITY COMPANY
AZ CC File Number: L-11699572 State of Incorporation: AZ
Incorporation Date:
Correspondence Address: 12831 MICHELTORRENA COURT
SUN CITY WEST, AZ 85375
USA
Phone: (602)618-1017
Alt. Phone:
Email: PGA560@MSN.COM

APPLICATION INFORMATION

Application Number: 233503
Application Type: New Application
Created Date: 02/28/2023

QUESTIONS & ANSWERS

INP Interim Permit

- 1) Enter License Number currently at location
07070270
- 2) Is the license currently in use?
Yes
- 3) Will you please submit section 5, page 6, of the license application when you reach the upload page?
No



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: District 4

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action to approve a request by Melissa Piazza for a Series 12 (Restaurant) Liquor License for **Coyote Lakes Golf Club** located at 18800 N Coyote Lakes Parkway, Surprise, AZ 85374.

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:

1. COYOTE LAKES GOLF CLUB SERIES 12 Report
 2. Coyote Lakes Golf Club Series 12 Map
 3. Finance Coyote Lakes Golf Club Report
 4. Fire Report 18800 N Coyote Lakes Pkwy Liquor License
 5. Police Coyote Lake Golf Club Grill Series 12
 6. ADLLC Report Coyote Lakes - Series 12
-



COMMUNITY DEVELOPMENT DEPARTMENT

Date: March 20, 2023
To: Charles Vasquez, Deputy City Clerk
From: Lloyd Abrams, Community Development Director
James Stewart, Zoning Specialist
Re: Liquor License Application for:

**AGENT, Melissa Piazza
Coyote Lakes Golf Club
18800 N. Coyote Lakes Parkway
Surprise, Arizona 85374
New Series 12 (NEW APPLICATION – RESTAURANT) – Application # 233504**

The number and series of licenses in close proximity to the subject site are:

1. Lou's Tivoli Gardens (Series 12) – 12555 W. Bell Rd.
2. Marley's Restaurant & Bar (Series 12) – 15226 W. Bell Rd. (Expired)
3. Surprise AZ Aerie #4534 FOE (Series14) – 12425 W. Bell rd., Ste. 100 (Expired)
4. Chevron Foodmart # 601 (Series 10)– 12299 W. Bell Rd.
5. I & J Fountain Restaurant (Series 12) - 12221 W. Bell Rd.
6. QuikTrip (Series 10) – 11420 W. Bell Rd.
7. Circle K #6285 (Series # 9) – 11339 W Bell Rd.
8. Angry Crab Shack (Series 12) – 11340 W. Bell Rd. #118A
9. Hurricane Grill & Wings (Series 12) – 11340 W. Bell Rd.#103
10. Gifts To Go (Series 10) – 11340 W. Bell Rd. #12 (EXPIRED)
11. Café on the Avenue (Series 12) – 17420 N. Avenue of the Arts (EXPIRED)
12. Coyote Lakes Golf Club (Series 7) – 18800 N. Coyote Lakes Parkway (PENDING)

The immediate area is comprised of Golf Course Club House. The property is zoned PAD C-2 which is consistent with the proposed use.

Commercial and residential growth is expected to remain static in this area.

If managed properly, the effects of granting this liquor license on surrounding residences will be minimal. This license will have little to no affect on parking in the area. Staff believes that granting this liquor license will not directly impact the surrounding business and residential areas in a negative way.

COYOTE LAKES GOLF CLUB SERIES 12

UNINCORPORATED MARICOPA COUNTY

SITE

UNINCORPORATED MARICOPA COUNTY

STATE TRUST LAND

PAD
COYOTE
LAKES

PAD
CANYON RIDGE WEST

RR

C-2, CC

PAD
SUN RIDGE

STATE TRUST LAND

C-3, CR

SHD-CO

C-2, CC

RR

C-2, CC

UNINCORPORATED MARICOPA COUNTY



MEMO

Date: 03/07/2023

To: Sherry Aguilar, City Clerk
Charles Vasquez, Deputy City Clerk

From: Courtnee Chavez

RE: Liquor License Application – Coyote Lakes Golf Club - 18800 N Coyote Lakes Pkwy

Business License Status:

- ☐ Application link emailed on .
- ☒ License # 1023916 , current and valid for 12/31/23 .
- ☐ Applied for license but is still pending and waiting on customer to provide additional information or documents.

BUSINESS LICENSE

CITY OF SURPRISE

16000 N. Civic Center Plaza
Surprise, AZ 85374-7470

Business Name: Coyote Lakes Golf Club

Business Location: 18800 N Coyote Lakes Pkwy Surprise, Az 85378-2576

Description: Golf Pro Shops/Golf Courses



Swing First Golf, Llc
Tony Contresceri
Coyote Lakes Golf Club
18800 N Coyote Lakes Pkwy
Surprise, Az 85378-2576

BUSINESS LICENSE NUMBER: 1023916
Effective Date: 01/01/2023
Expiration Date: 12/31/2023

TO BE POSTED IN A CONSPICUOUS PLACE

NOT TRANSFERABLE



Surprise Fire-Medical Department
14250 W. Statler Plaza Ste. 101
Surprise, AZ 85374-7479
Phone: 623-222-5000
Fax: 623-222-5001



March 27, 2023

To: Sherry Ann Aguilar, City Clerk

From: Keith Tanner, Fire Marshal

Subject: Liquor License Application

Applicant: Coyote Lakes Golf Club
18800 N Coyote Lakes Pkwy
Surprise, AZ 85374

The Surprise Fire-Medical Department recently conducted a fire inspection at the above referenced location within the last 12 months to ensure compliance with the applicable fire codes within the tenant space and building. There are no known fire code violations at this time.

Therefore fire has no comment on the application at this time.

If you have any questions feel free to contact me.

Keith Tanner
Keith Tanner, Fire Marshal
Fire Prevention Division
Surprise Fire-Medical Department

**SURPRISE POLICE DEPARTMENT
LIQUOR LICENSE APPLICATION REVIEW**

REFERENCE:

DATE: March 20, 2023

Job Number- 233504
Series #12– (New Application)
Current License - 12076205

APPLICANT:

Coyote Lakes Golf Club
18800 N Coyote Lakes Parkway
Surprise, Arizona 8537

FINDINGS:

- 1) ***Evidence concerning the nature of the proposed business, its potential market and its likely customers.***

Coyote Lakes Golf Club is requesting a liquor license for their café. There is seating for 38 people, not including patio seating. Customers should be persons from the area along with golfers from valley. Mainly breakfast foods and sandwiches are on the menu. There is one 85” TV on site, along with a live music 2 to 4 times a month between the months of November through April.

- 2) ***Effect of vehicular traffic in close proximity.***

There should be no altering effect on traffic with these licenses.

- 3) ***The history for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant has received a detailed report of such activity at least 20 days before the hearing.***

In March 2022, there was a set of golf clubs stolen from the curb in front of the golf club. Unwanted guest in February 2021 where subject was made to leave. September 2021 a man was disorderly and trespassed from the scene. In April 2020, there was an aggravated assault when an adult male struck a patron with a golf club. In March 2020, there was a burglary of the golf cart barn, where multiple golf carts were damaged, and some were stolen but recovered on sight. There was also a fight among golfers on the golf course with no one pressing charges. In June 2019, unknown persons broke a window in club house and stole two golf clubs.

- 4) ***Comparison of hours of operation of the proposed premises to the existing businesses in close proximity.***

Coyote Lakes Golf Club grill will have live music every other Friday and will close at approximately 8:30 PM. Otherwise, their hours are until 6 PM. There are no other businesses in the immediate area.

- 5) ***Appropriateness of series license requested.***

This series 12 license request appears appropriate for this type of business.

Submitted by Officer C. E. Tovar #2059

State of Arizona
Department of Liquor Licenses and Control

Created 03/01/2023 @ 09:37:14 AM

Local Governing Body Report

LICENSE

Number:		Type:	012 RESTAURANT
Name:	COYOTE LAKES GOLF CLUB		
State:	Pending		
Issue Date:		Expiration Date:	
Original Issue Date:			
Location:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Mailing Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Phone:	(623)566-2323		
Alt. Phone:	(623)670-4412		
Email:	GM@COYOTELAKESGOLFCLUB.COM		

AGENT

Name:	MELISSA PIAZZA
Gender:	Female
Correspondence Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA
Phone:	(623)670-4412
Alt. Phone:	
Email:	GM@COYOTELAKESGOLFCLUB.COM

OWNER

Name:	SWING FIRST GOLF LLC		
Contact Name:	MELISSA PIAZZA		
Type:	LIMITED LIABILITY COMPANY		
AZ CC File Number:	111351776	State of Incorporation:	AZ
Incorporation Date:	05/27/2004		
Correspondence Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Phone:	(623)670-4412		
Alt. Phone:			
Email:	GM@COYOTELAKESGOLFCLUB.COM		

Officers / Stockholders

Name:
DAVID BRUCE ASHTON

Title:
Managing
Member,Stockholder
CREDITOR
Creditor

% Interest:
100.00

METRO PHOENIX BANK
ARIZONA BANK & TRUST -ATTN TROY NORRIS

SWING FIRST GOLF LLC - Managing Member,Stockholder

Name: DAVID BRUCE ASHTON
Gender: Male
Correspondence Address: 18800 N COYOTE LAKES PARKWAY
SURPRISE, AZ 85374
USA
Phone: (307)222-8996
Alt. Phone:
Email: DAVE@SWINGFIRST.CO

SWING FIRST GOLF LLC - CREDITOR

Name: METRO PHOENIX BANK
Contact Name: LARRY STANGELR
Type: CORPORATION
AZ CC File Number: State of Incorporation:
Incorporation Date:
Correspondence Address: 4686 F VAN BUREN STREET
#150
PHOENIX, AZ 85008
USA
Phone: (602)346-1800
Alt. Phone:
Email: LSTANGLER@METROPHOENIXBANK.COM

SWING FIRST GOLF LLC - Creditor

Name: ARIZONA BANK & TRUST -ATTN TROY NORRIS
Contact Name: ARIZONA BANK & TRUST -ATTN TROY NORRIS
Type: TRUST
AZ CC File Number: State of Incorporation:
Incorporation Date:
Correspondence Address: 1000 N 54TH STREET
CHANDLER, AZ 85226
USA
Phone: (480)844-4558
Alt. Phone:
Email:

APPLICATION INFORMATION

Application Number: 233504
Application Type: New Application
Created Date: 02/28/2023

QUESTIONS & ANSWERS

012 Restaurant

- 1) Are you applying for an Interim Permit (INP)?
Yes
A Document of type INTERIM PERMIT (INP) NOTARY PAGE is required.
- 2) Are you one of the following? Please indicate below.
Property Tenant
Subtenant
Property Owner
Property Purchaser
Property Management Company
Property Owner
- 3) Is there a penalty if lease is not fulfilled?
No
- 4) Is the Business located within the incorporated limits of the city or town of which it is located?
Yes
- 5) What is the total money borrowed for the business not including the lease?
Please list each amount owed to lenders/individuals.
TOTAL: \$3,600,000.00

ALERUS FINANCIAL- \$2,300,000.00
4686 E VAN BUREN #150 PHOENIX, AZ 85008

TMC FINANCING- \$1,300,000.00
1611 TELEGRAPH AVE OAKLAND, CA 94612
- 6) Are there walk-up or drive-through windows on the premises?
No
- 7) Does the establishment have a patio?
Yes
Is the patio contiguous or non-contiguous (within 30 feet)?
CONTIGUOUS PATIO
- 8) Is your licensed premises now closed due to construction, renovation or redesign or rebuild?
No
- 9) What type of business will this license be used for?
RETAIL FOOD & BEVERAGE SALES

State of Arizona
Department of Liquor Licenses and Control

Created 03/01/2023 @ 09:37:32 AM

Local Governing Body Report

LICENSE

Number:	INP070022551	Type:	INP INTERIM PERMIT
Name:	COYOTE LAKES GOLF CLUB		
State:	Active		
Issue Date:	03/01/2023	Expiration Date:	06/14/2023
Original Issue Date:	03/01/2023		
Location:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Mailing Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA		
Phone:	(623)566-2323		
Alt. Phone:	(623)670-4412		
Email:	GM@COYOTELAKESGOLFCLUB.COM		

AGENT

Name:	MELISSA PIAZZA
Gender:	Female
Correspondence Address:	18800 N COYOTE LAKES PARKWAY SURPRISE, AZ 85374 USA
Phone:	(623)670-4412
Alt. Phone:	
Email:	GM@COYOTELAKESGOLFCLUB.COM

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Name:
DAVID BRUCE ASHTON

METRO PHOENIX BANK
ARIZONA BANK & TRUST -ATTN TROY NORRIS

Title:
Managing
Member,Stockholder
CREDITOR
Creditor

% Interest
100.00

SWING FIRST GOLF LLC - Managing Member,Stockholder

Name: DAVID BRUCE ASHTON
Gender: Male
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SURPRISE, AZ 85374
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PHOENIX, AZ 85008
USA
Phone: (602)346-1800
Alt. Phone:
Email: LSTANGLER@METROPHOENIXBANK.COM

SWING FIRST GOLF LLC - Creditor

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Contact Name: ARIZONA BANK & TRUST -ATTN TROY NORRIS
Type: TRUST
AZ CC File Number: State of Incorporation:
Incorporation Date:
Correspondence Address: 1000 N 54TH STREET
CHANDLER, AZ 85226
USA
Phone: (480)844-4558
Alt. Phone:
Email:

APPLICATION INFORMATION

Application Number: 233505
Application Type: New Application
Created Date: 02/28/2023

QUESTIONS & ANSWERS

INP Interim Permit

- 1) Enter License Number currently at location
12076205
- 2) Is the license currently in use?
Yes
- 3) Will you please submit section 5, page 6. of the license application when you reach the upload page?
No



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Andrea Davis, DIRECTOR -
FINANCE

Submitting Department: Finance

District: Citywide

Staff Recommendations:

Consent: Yes

Regular: No

Public Hearing: No

Report/Discussion: No

Agenda Wording:

Consideration and action approving amendments to the City's Investment Policy; Resolution #2023-33.

Motion:

I move to approve Resolution #2023-33.

Background:

The investment of public monies is regulated by Title 35 of Arizona Revised Statutes (A.R.S). Investment policies are an important element of sound financial principles which demonstrate the City's commitment to invest public monies in a manner that will maintain the safety of principal, maintain liquidity, and provide an industry benchmark yield.

The City's Investment Policy was initially adopted by Resolution #04-171 on August 26, 2004, first amended by Resolution #07-62 on May 24, 2007, and then amended a second time by Resolution #2018-88 on June 19, 2018.

Objective Analysis:

The City's Investment Policy purpose is to invest public monies in a manner that will maintain the safety of principal, maintain liquidity to meet operating requirements, and provide an industry benchmark yield.

Policy Compliant:

This item is compliant with City and Council policies.

Financial Impact:

The financial impact will vary on the market with the intent of investing public monies in a manner that will maintain the safety of principal, maintain liquidity to meet operating requirements, and provide an industry benchmark yield.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

The number of full-time equivalents (FTE) is not impacted by this item.

ATTACHMENTS:

1. City of Surprise Investment Policy
 2. Res 2023-33 Investment Policy
-

 SURPRISE ARIZONA	INVESTMENT POLICY	
PROCESS: Investment Activities With Public Monies		
POLICY REFERENCE: Arizona Revised Statutes (ARS) Title 35; City of Surprise, Arizona Comprehensive Financial Management Policies ; Governmental Accounting Standards Board (GASB)		
ISSUE DATE: August 26, 2004 Resolution 04-171	LAST AMENDED DATE:	EFFECTIVE DATE:
FINANCE DIRECTOR APPROVAL:		

GENERALLY

The City will consolidate public monies identified for investment from governmental funds, proprietary funds, and internal service funds in order to maximize investment earnings and to increase efficiencies with regard to investment management pricing, safekeeping costs, and administration costs. Funds that are contractually or statutorily restricted from investment activities will be exempted from this policy. Investment income will be allocated to the various funds based on their respective participation of cash balances and in accordance with [Governmental Accounting Standards Board \(GASB\)](#). The investment of public monies is regulated by [Title 35 of Arizona Revised Statutes \(A.R.S.\)](#).

PURPOSE

This policy applies to the investment activities of the City of Surprise with the intent to invest public monies in a manner that will maintain the safety of principal, maintain liquidity to meet operating requirements, and provide an industry benchmark yield.

DEFINITIONS

Benchmark – a comparative base for measuring the performance or risk tolerance of the investment portfolio which should represent a close correlation to the level of risk and the average duration of the portfolio's investments

Broker – a third-party who brings buyers and sellers together for a commission

Certificates of Deposit (CD) – a marketable receipt for funds deposited in a bank or thrift institution for a specific time period at a stated rate of interest

Credit Risk – the risk of loss due to the failure of the security issuer or backer

Dealer – as opposed to a broker, a third-party who acts as a principal in all transactions, buying and selling his own account

Delivery vs. Payment (DVP) – delivery of securities with an exchange of money for the securities

Delivery vs. Receipt (DVR) – delivery of securities with an exchange of a signed receipt for the securities

Diversification – dividing investment funds among a variety of securities offering independent returns

Interest Rate Risk – the risk that the market value of securities held in the portfolio will decline due to increases in market interest rates subsequent to their purchase

Investment Advisor – an investment firm with demonstrated expertise in the management of investment portfolios that acts as a fiduciary for client assets and held to the “Prudent Expert” standard of care; registered with and regulated by the [Securities and Exchange Commission \(SEC\)](#) under the Investment Advisors Act of 1940; and compensated on the basis of assets under management, not transactions

Liquidity – an asset that can be converted easily and rapidly into cash without a substantial loss of value

Market Value – the price at which a security is trading and could probably be purchased or sold

Maturity – the date upon which the principal or stated value of an investment becomes due and payable

Nationally Recognized Statistical Ratings Organization (NRSRO) – a national credit rating agency that provides reliable and credible credit ratings that are used by the U.S. government in several regulatory areas, used frequently by investors, and used as benchmarks by federal and state agencies

Pooled Investment Fund – the aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment

Portfolio – collection of securities held by an investor

Primary Dealer – a group of government securities dealers including the SEC, registered securities brokers, dealers, banks, and a few unregulated firms, who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight

Prudent Person Rule – an investment standard that, depending on the state, requires either a) that a fiduciary, such as a trustee, invest money only in a list of securities selected by the custody state, also known as the “legal list” or b) that the trustee invest in a security if it is one which would

be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of principal

Public Monies – money that is generated or levied by a governmental agency to provide goods and services for public purposes

Safekeeping – a service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection

[Securities & Exchange Commission \(SEC\)](#) – an agency created by Congress to protect investors in securities transactions by administering securities legislation

[Uniform Net Capital Rule](#) – [SEC Rule 15C3-1](#) outlining capital requirements for brokers and dealers

Yield – the current rate of return on an investment security generally expressed as a percentage of the security's current price

Yield to Maturity – the rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return

POLICIES

1. Investment Management Authority

- a. Authority to manage the investment program of the City is granted to the Finance Director or his/her designee and derived from the [A.R.S. § 35-323](#).

2. Delegation of Authority

- a. The Finance Director shall have responsibility for the operation of the investment program and shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this Investment Policy. No person may engage in investment transactions except as provided under the terms of this policy and the procedures established by the Finance Director.
- b. The Finance Director has the authority to manage internally or to delegate the management of the investment program to an investment advisor. If authority to manage all or a part of the investment program of the City is delegated to an investment advisor, the Finance Director is responsible for:
 - i. Periodic investment portfolio reporting
 - ii. Evaluating the performance of the externally managed portfolio
 - iii. Monitoring the investment advisor's compliance with the City's Investment Policy
 - iv. Conveying the investment needs of the City to the investment advisor

- v. Developing investment strategy with the investment advisor

2. Investment Policy Adoption

- a. The City's Investment Policy shall be adopted by City Council. The Policy shall be reviewed on an annual basis by the Finance Director when applicable, and any modifications made must be approved and adopted by the City Council.

3. Internal Control

- a. The Finance Director shall establish internal controls that are designed to prevent losses due to fraud, negligence, third-party misrepresentation, and other foreseeable circumstances that may arise in the operations of the investment function. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that a) the cost of a control should not exceed the benefits likely to be derived and b) the valuation of costs and benefits requires estimates and judgments by management.
- b. The internal controls shall address the following points:
 - i. Control of collusion
 - ii. Segregation of duties
 - iii. Custodial safekeeping
 - iv. Delegation of authority
 - v. Documented confirmation of transactions for investments and wire transfers

4. Prudence

- a. The standard of prudence to be used by investment officials shall be the "uniform prudent act" standard and shall be applied in the context of managing an overall portfolio. The Finance Director, acting in accordance with written procedures and this Investment Policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and sale of securities are carried out in accordance with the terms of the City's Investment Policy.

5. Investment Policy Objectives

- a. The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield.
 - i. Safety
 - a. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. The objective will be to prudently mitigate credit risk and interest rate risk.
 - b. Credit risk can be mitigated by diversification of the investment portfolio.

- c. Interest rate risk can be mitigated by structuring the investment portfolio so that securities mature concurrently with the anticipated cash flow requirements for ongoing operations, thereby avoiding, as much as possible, the need to sell securities into an adverse market environment prior to maturity, and utilizing external research and advice regarding the current interest rate outlook and global economic condition to optimize portfolio duration strategy.

ii. Liquidity

- a. The investment portfolio shall remain sufficiently liquid to meet anticipated cash flow requirements. This is to be accomplished by structuring the portfolio so that securities mature concurrently with anticipated cash flow needs. In addition, the City will maintain sufficient balances in short-term investment vehicles to provide liquidity for known and reasonably anticipated liquidity needs. The remainder of the portfolio shall be invested in a core strategy of appropriate maturity and duration.

iii. Yield

- a. The investment portfolio shall be designed to optimize the yield the City obtains from the portfolio, taking into account the criteria of the City's Investment Policy, the liquidity needs of the City, and the current interest rate outlook/economic condition while remaining compliant with the policy.

6. Authorized and Eligible Investments for Public Monies

- a. Consistent with the City's [Policy Section 5 Investment Policy Objectives](#) and [A.R.S. § 35-323 \(A\)](#), only the following investments will be permitted (only the following investments with a remaining term to maturity of five years or less will be permitted.):
 - i. Certificates of deposit in eligible depositories - 50% sector limit, must be insured or fully collateralized.
 - ii. Interest bearing savings accounts in banks and savings and loan institutions doing business in the State of Arizona whose accounts are insured by federal deposit insurance for their industry, but only if deposits in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under [A.R.S. § 35-323 \(A\)](#).
 - iii. Securities of or any other interests in any open-end management type investment company whose underlying investments are invested in securities allowed by state law, registered under the investment company act of 1940 (54 Stat. 789; 15 United States Code sections 80a-1 through 80a-64), as amended. Securities authorized by this section shall be limited to money market mutual funds whose underlying investments are limited to those defined in section [6.a.v of this Investment Policy](#).
 - iv. The pooled investment funds established by the State Treasurer pursuant to [A.R.S. § 35-326](#).

- v. Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities.
- vi. Bonds or other evidences of indebtedness of the State of Arizona or any of its counties, incorporated cities, towns, school districts, or special taxing districts, including registered warrants, substitute checks, and electronic funds transfers that bear interest pursuant to section [A.R.S. § 11-635](#). - 25% sector limit, 5% issuer limit.
- vii. Bonds, notes, or evidences of indebtedness of any county, municipal district, municipal utility, or special taxing district within the State of Arizona that are payable from revenues, earnings, or a special tax specifically pledged for the payment of the principal and interest on the obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment on principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if such obligations were issued less than five years before the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor any other obligations of the issuer within five years of the investment. Investments in this category must be rated "A/A2" or the equivalent or better by a NRSRO - 25% sector limit, 5% issuer limit.
- viii. Bonds, notes, or evidences of indebtedness issued by any county improvement district or municipal improvement district in the State of Arizona to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district. Investments in this category must be rated "A/A2" or the equivalent or better by a NRSRO - 25% sector limit, 5% issuer limit. An investment shall not be made if:
 - a. The face value of all such obligations, and similar obligations outstanding, exceeds 50% of the market value of the real property, and if improvements on which the bonds or the assessments for the payment of principal and interest on the bonds are liens inferior only to the liens for general ad valorem taxes.
 - b. A default in payment of principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if the obligations were issued less than five years before the date of investment, a default in the payment of principal or interest has occurred on the obligations to be purchased or on any other obligation of the issuer within five years of the investment.
- ix. Commercial paper of prime quality that is rated within the top two ratings by a nationally recognized rating agency. All commercial paper must be issued by corporations organized and doing business in the United States. Investments in this category shall be subject to a 10% sector limit and a 2% issuer limit.

- x. Bonds, debentures, notes or other evidences of indebtedness that are denominated in United States dollars and that carry at a minimum an "A/A2" or better rating, at the time of purchase, from at least two nationally recognized rating agencies. Investments in this category shall be subject to a 10% sector limit and a 2% issuer limit.

b. Investment Rating Downgrade

- i. Should the credit rating of a security owned by the City be downgraded to a level below that required by this Investment Policy, the City will review the credit situation and determine if such securities should be sold or retained in the portfolio based upon its remaining term to maturity, the credit outlook for the issuer, and other relevant facts and circumstances. If the decision is made to retain a downgraded security, it will be closely monitored by the City and included in the quarterly investment report.

c. Portfolio Management

- i. Following the primary objective of this policy, investments shall be actively managed to take advantage of market opportunities. In so doing, negotiable securities may be sold prior to their maturity at realized gains or losses to provide liquid funds as needed for cash flow purposes, to enhance portfolio returns, or to restructure maturities to increase yield and/or reduce risk.

d. Concentration and Diversification

- i. Any percentage sector or issuer limitations for a particular category of investment in this section is applicable only on the date of purchase of the investment. Credit criteria listed in this section refer to the credit of the issuing organization at the time the security is purchased.
- ii. It is the policy of the City to diversify its investment portfolios. The investments shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, issuer, or class of securities.

7. Safekeeping and Custody

a. Delivery vs. Payment

- i. All trades of marketable securities will be executed (cleared and settled) on a Delivery vs. Payment (DVP) basis to ensure that securities are deposited in the City's safekeeping institution prior to the release of funds.

b. Third Party Safekeeping

- i. Securities will be held by an independent third party safekeeping institution selected by the City. All securities will be evidenced by safekeeping receipts in the name of the City of Surprise.

8. Ethics and Conflicts of Interest

- a. City employees involved in the investment process shall refrain from personal business activities that could conflict with the proper execution and management of the investment program or which could impair his/her ability to make impartial investment decisions. Employees and investment officials shall disclose, within sixty (60) days, any material interests in financial institutions with which they conduct business. They shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City.

9. Authorized Brokers/Dealers

- a. The City or the City's investment advisor will maintain a list of approved security broker/dealers selected by conducting a process of due diligence. These may include "primary" dealers or regional dealers that qualify under [Securities and Exchange Commission \(SEC\) Rule 15C3-1 \(Uniform Net Capital Rule\)](#).
- b. If the City maintains a list, all broker/dealers who desire to become qualified for investment transactions must supply the following:
 - i. Audited financial statements demonstrating compliance with state and federal capital adequacy guidelines
 - ii. Proof of [Financial Industry Regulatory Authority \(FINRA\)](#) certification
 - iii. Proof of state registration
 - iv. Completed broker/dealer questionnaire
 - v. Certification of having read and understood and agreeing to comply with the City's Investment Policy.
 - vi. Evidence of adequate insurance coverage
- c. A periodic review of the financial condition and registration of all the City's qualified broker/dealers will be conducted by the Finance Director. If the City uses an investment advisor, the Finance Director may request to periodically review the advisor's approved broker/dealer list.

10. Reporting of Managed Securities

- a. The Finance Director or his/her designee shall publish a quarterly investment report on the City's public website for the governing body of the City to review. The report should include:
 - i. A list of individual securities held at the end of the reporting period
 - ii. The realized and unrealized gains or losses in the portfolio
 - iii. The duration of the portfolio
 - iv. The maturity date and market value of each security held in the portfolio
 - v. The yield to maturity of the portfolio and of each security held in the portfolio
 - vi. The periodic interest earnings of each security held in the portfolio
 - vii. The credit quality of each security held in the portfolio

RESOLUTION # 2023-33

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA ADOPTING CHANGES TO THE CITY'S INVESTMENT POLICY TO MAINTAIN CLEAR AND CONCISE GUIDANCE FOR INFORMED INVESTMENT STRATEGIES.

WHEREAS, the City's Investment Policy was adopted by City Council Resolution #04-171 on August 26, 2004, amended by Resolution #07-62 on May 24, 2007, and then amended by Resolution #2018-88 on June 19, 2018;

WHEREAS, the Finance Department recommended changes to the Investment Policy at the Regular City Council Work Session on March 21, 2023; and

WHEREAS, City Council has reviewed the proposed changes and believes they improve and clarify the investment policies of the City of Surprise.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. The Investment Policy for the City of Surprise, Arizona is hereby amended as set forth in Exhibit A attached hereto and incorporated by reference herein.

Section 2. The Finance Director is hereby authorized and directed to take the appropriate steps to incorporate the proposed changes into the Investment Policy of the City of Surprise and disseminate the changes as necessary.

APPROVED AND ADOPTED this ____ day of _____, 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A

CITY OF SURPRISE INVESTMENT POLICY



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023 Contact Person: Tanner Wessel
Submitting Department: Community Development District: District 3
Staff Recommendations: None

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to approval of the Final Plat entitled, “Final Re-Plat Toll at Prasada, Unit L – Phase 3” and dated January 24, 2023, a property located west of Cotton Lane, between Cactus Road and Peoria Avenue; Case FS22-1057.

Motion:

I move to approve the Final Plat entitled, “Final Re-Plat Toll at Prasada, Unit L – Phase 3” and dated January 24, 2023.

Background:

The subject request involves a Final Plat for Unit L of the Toll at Prasada development. The proposed Final Plat will create 124 standard lots consisting of four (4) lot products. Unit L was also included in the Phase 2 Infrastructure Plat that was approved under case FS19-061 and was depicted in said Final Plat as a single development parcel.

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Policy Compliant:

The proposed Final Plat is consistent with the Surprise General Plan 2035 and the City of Surprise Land Development Ordinance.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00-FS22-1057 Toll at Prasada Unit L - Final Plat - Staff Report
 2. 01 - FS22-1057 Toll at Prasada Unit L - Final Plat - Vicinity Map
 3. 02 - FS22-1057 Toll at Prasada Unit L - Final Plat - Case Map
 4. 03 - FS22-1057 Toll at Prasada Unit L - Final Plat - Final Plat
 5. FS22-1057 Toll at Prasada Unit L - Final Plat - PowerPoint
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS22-1057

Project Name: Toll at Prasada – Unit L

Council District: 3 – Mesquite

City Council Date: April 04, 2023

Planner: Tanner Wessel, Planner II

Owner: Toll Prasada, LLC

Applicant: Aaron Insco of Toll Brothers Arizona

Request: A re-plat of Toll at Prasada Unit L

Lot Yield: 124

Site Location: Generally located west of Cotton Lane, between Cactus Road and Peoria Avenue

Site Size: Approximately 29.43 gross acres

Density: 4.21 DU/AC

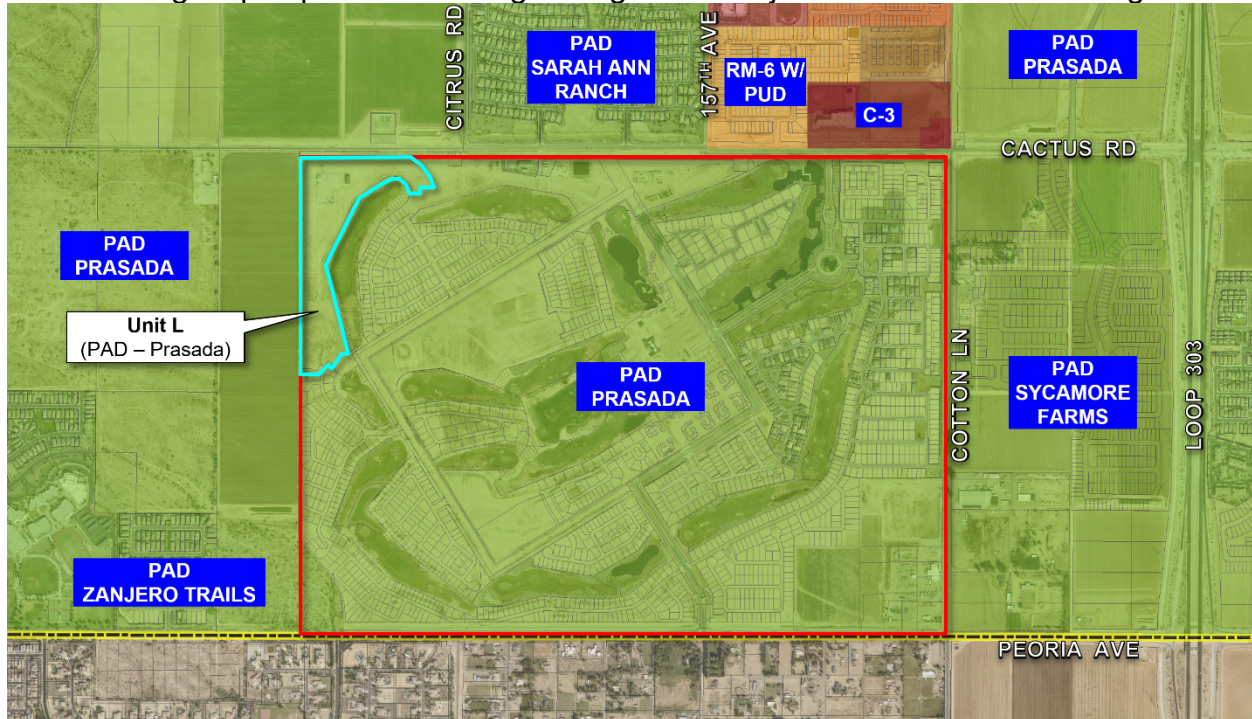
Findings:

- The proposed Final Plat is consistent with the Surprise General Plan 2035.
- The proposed Final Plat is consistent with the Surprise Land Development Ordinance.

Alternative Actions: **Approve** – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.
Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

Existing Zoning:

The following map depicts the existing zoning of the subject site and its surroundings.



Background:

June 22, 2006: The City Council approved the original Prasada PAD under case PAD05-465.

December 21, 2016: Staff approved a Minor Amendment to the Lake Village portion of the Prasada PAD under case FS16-400 for the purpose of revising the Lake Village land plan and development standards.

February 12, 2018: Staff approved a Minor Amendment to the Toll Brothers' portion of the Prasada Lake Village under case FS17-587 for the purpose of revising specific development standards related to the Toll Brothers development.

April 17, 2018: The City Council approved the original Preliminary Plat for Toll at Prasada under case FS17-394.

January 15, 2019: The City Council approved the Final Plat for Toll at Prasada Phase I Infrastructure under case FS18-290.

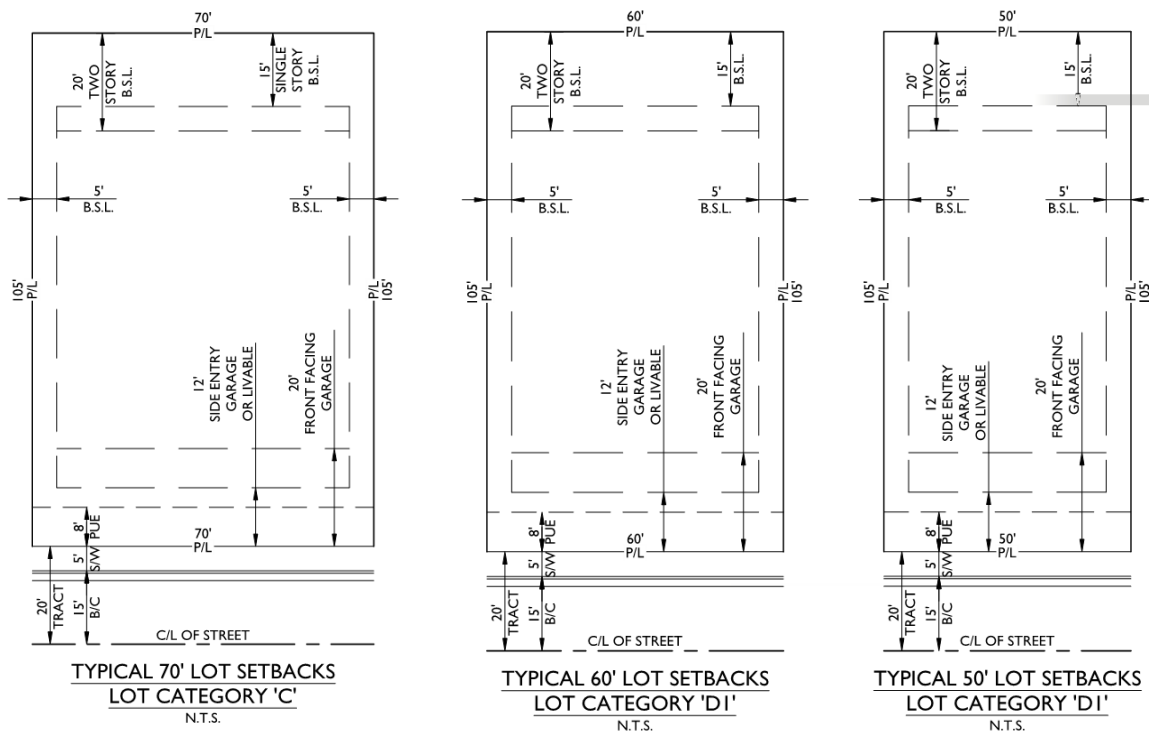
August 06, 2019: The City Council approved the Final Plat for Toll at Prasada Phase 2 Infrastructure under case FS19-061.

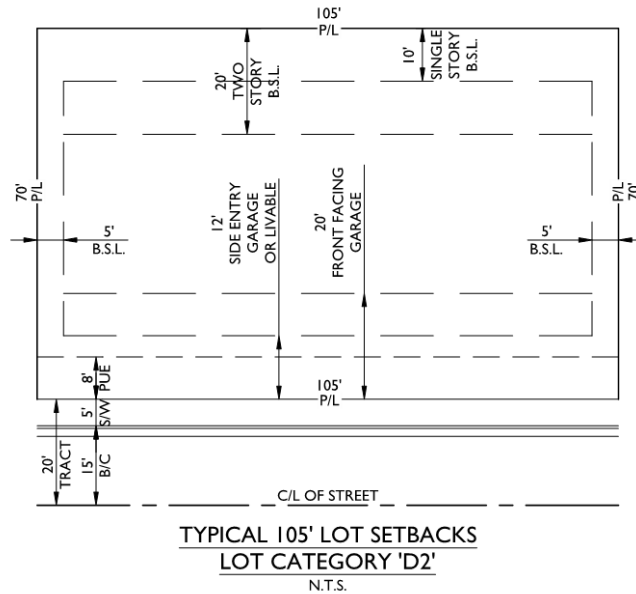
September 01, 2022: The Planning & Zoning Commission approved the Preliminary Plat for Unit L under case FS22-0176.

August 01, 2022: The applicant filed for a Final Plat for Toll at Prasada Unit L under case FS22-1057, the subject case.

Additional Information:

Aaron Insko of Toll Brothers Arizona requests approval of a Final Plat entitled “Toll at Prasada Unit L – Phase 3” dated January 24, 2023. The subject parcels are zoned Planned Area Development (PAD) – Prasada and are located within Unit L of the Toll at Prasada development. The proposed re-plat will create 124 lots with 2.65 acres of open space. This subdivision proposes three (3) lot categories, Category C, two (2) configurations of D1, and D2 which are consistent with the approved PAD zoning.





Access to Unit L will be from Unit K to the south, via Sausalito Drive, and Unit M and O at the northeast, via Julian Street. The subject site has frontage to the golf course and will also have 1.6 acres of passive open space. The landscaping proposed within this plat is consistent with the remainder of the development and the Prasada PAD.

General Plan Conformance:

The proposed final plat was reviewed against the goals, policies, recommendations, and guidelines of the City of Surprise General Plan 2035. The proposed final plat is consistent with the General Plan in some of the following ways:

This project is located within the Neighborhood character area of the General Plan. The proposed plat adheres to the design guidelines of the character area which allows for residential development

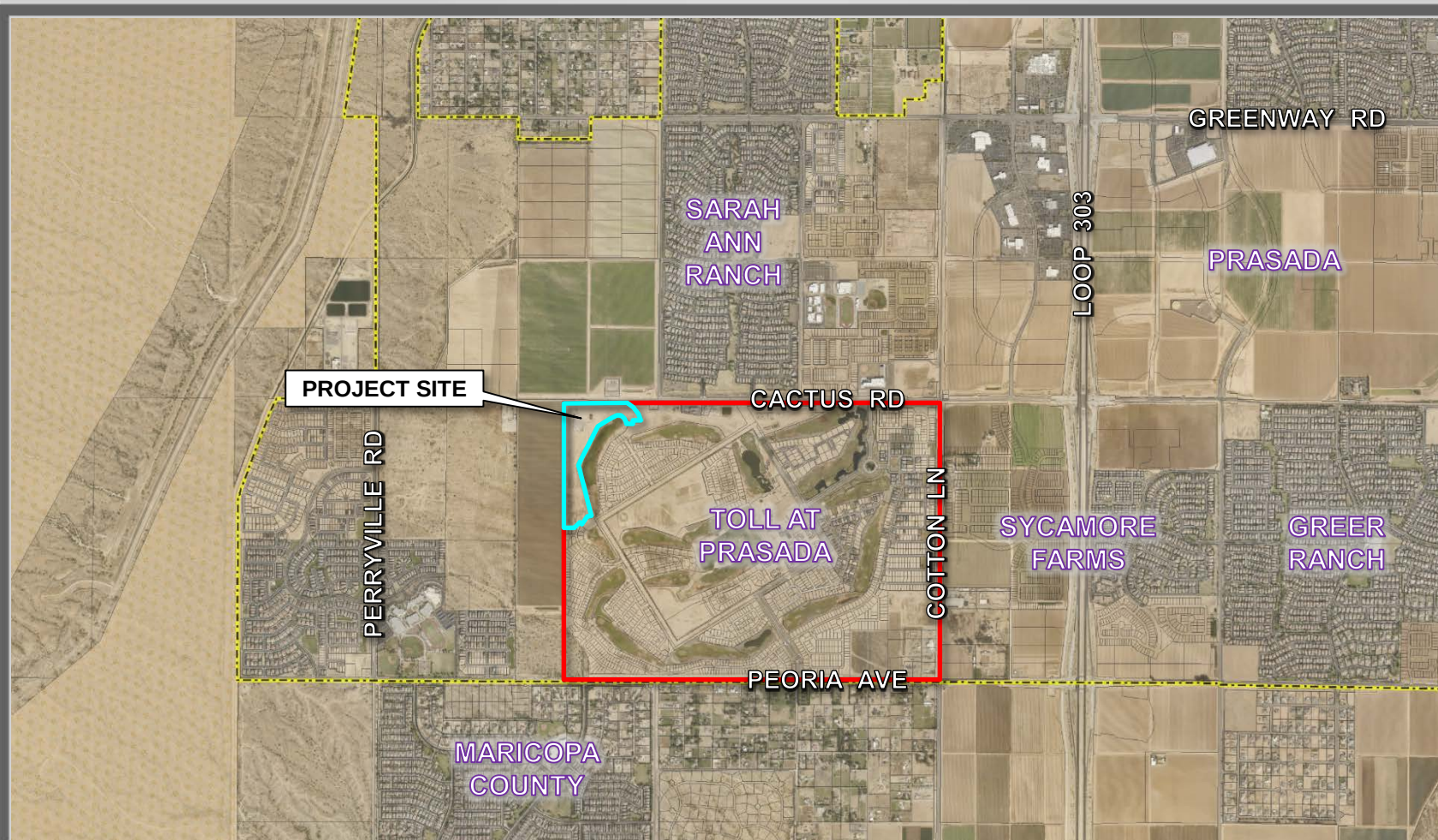
This project maintains compatibility with the quality of existing land uses in the surrounding area in that it continues the residential development pattern established in the vicinity of this parcel.

Reviewing Agencies:

This project was routed to both Luke Air Force Base and the Maricopa Water District for review. Both agencies have indicated no objections.

Attachments:

- 01 Vicinity Map
- 02 Case Map
- 03 Final Plat
- PPT





FS22-1057 CASE MAP

Dec 13, 2022 12:07pm S:\Projects\2016\16-339\Legal Survey\Draws\Final Plats\Phase 3\Unit L\16-339 - Unit L - Plat.dwg terotoments

DEDICATION

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

KNOW ALL PERSONS BY THESE PRESENTS: THAT TOLL PRASADA LLC, AN ARIZONA LIMITED LIABILITY COMPANY, "OWNER", HAS SUBDIVIDED UNDER THE NAME TOLL AT PRASADA, UNIT L – PHASE 3, BEING A RE–PLAT OF A PORTION OF PARCEL K, A PORTION OF PARCEL L, A PORTION OF PARCEL M, A PORTION OF PARCEL O, A PORTION OF TRACT G AND A PORTION OF TRACT HOLE 4, TOLL AT PRASADA, PHASE 2 MASTER PLAT, AS RECORDED IN BOOK 1576 OF MAPS, PAGE 33, M.C.R., AND A PORTION OF TRACT K–A, TRACT K–B AND A PORTION OF TRACT K–PSI, TOLL AT PRASADA, UNIT K – PHASE 3, AS RECORDED IN BOOK 1665 OF MAPS, PAGE 36, M.C.R., M.C.R., SITUATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR THE PLAT OF TOLL AT PRASADA, UNIT L – PHASE 3 AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET AND EASEMENT CONSTITUTING THE SAME, AND THAT EACH LOT, TRACT, STREET AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR AND NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON–EXCLUSIVE EASEMENT OVER, UNDER, UPON, AND ACROSS ALL AREAS DESIGNATED ON THE PLAT AS APPLICABLE: SEWER LINES AND MANHOLES, FOR THE PURPOSE OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING, AND UTILIZING THE SEWER LINES AND MANHOLES.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS, AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR TRASH COLLECTION VEHICLES.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS, AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY VEHICLES.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON–EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING, AND UTILIZING PUBLIC UTILITIES.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON–EXCLUSIVE EASEMENT OVER, UPON, AND ACROSS THE AREAS DESIGNATED AS SIGHT VISIBILITY TRIANGLES FOR THE PURPOSE OF ENSURING THAT THESE AREAS REMAIN FREE OF SIGHT VISIBILITY OBSTRUCTIONS.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON–EXCLUSIVE PEDESTRIAN ACCESS AND SIDEWALK CONSTRUCTION AND MAINTENANCE EASEMENT OVER, UPON, AND ACROSS THE AREAS DESIGNATED AS SIDEWALK EASEMENTS AS SHOWN ON THE PLAT.

OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNERS AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS–OF–WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON–EXCLUSIVE PUBLIC UTILITY ACCESS IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREAS DESIGNATED AS PRIVATE STREET TRACTS.

TRACTS "L–A" THROUGH "L–O" ARE NOT DEDICATED TO THE PUBLIC, BUT ARE PLATTED AS COMMON PROPERTY FOR THE USE AND ENJOYMENT OF THE HOMEOWNERS ASSOCIATION, AS MORE FULLY SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS. SAID HOMEOWNERS ASSOCIATION IS RESPONSIBLE FOR MAINTAINING SAID TRACTS.

THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS, AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE OWNER.

THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS–OF–WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS, AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE ADJACENT PROPERTY.

LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT–OF–WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE THE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

IN WITNESS WHEREOF, OWNERS HAVE HEREUNTO CAUSED ITS CORPORATE NAMES TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS _____ DAY OF _____, 20____.

TOLL PRASADA LLC, AN ARIZONA LIMITED LIABILITY COMPANY

BY _____ DATE _____

ITS _____

ACKNOWLEDGMENT

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

ON THIS _____ DAY OF _____, 20____ BEFORE ME, THE UNDERSIGNED, PERSONALLY APPEARED _____, WHO ACKNOWLEDGED HIMSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC DATE _____

MY COMMISSION EXPIRES:

NOTICE OF PRASADA PRE-ANNEXATION DEVELOPMENT AGREEMENT

OWNER'S PREDECESSOR, SUBURBAN LAND RESERVE, INC., A UTAH CORPORATION, FULTON HOMES CORPORATION, AN ARIZONA CORPORATION, AND WESTCOR/SURPRISE LLC, AN ARIZONA LIMITED LIABILITY COMPANY HAVE ENTERED INTO A PRE–ANNEXATION DEVELOPMENT AGREEMENT DATED SEPTEMBER 12, 2006 ("AGREEMENT") WITH CITY OF SURPRISE, AN ARIZONA MUNICIPAL CORPORATION, FOR WHICH A MEMORANDUM OF AGREEMENT WAS RECORDED ON SEPTEMBER 19, 2066, AT THE MARICOPA COUNTY RECORDER'S OFFICE AT DOCUMENT NO. 20061238109. AGREEMENT WAS RECENTLY AMENDED AND RECORDED ON JULY 20, 2018, AT THE MARICOPA COUNTY RECORDER'S OFFICE DOCUMENT NO. 20180551464. THE PROPERTIES INVOLVED IN THIS PLAT ARE SUBJECT TO THIS AGREEMENT.

NOTICE OF INTERGOVERNMENTAL AGREEMENT

THE CITY OF SURPRISE ("CITY") AND MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE ("MWD") ENTERED INTO AN INTERGOVERNMENTAL AGREEMENT DATED APRIL 8, 1997, AND RECORDED IN THE MARICOPA COUNTY RECORDER'S OFFICE ON APRIL 9, 1997, UNDER DOCKET NO. 97–0231759 ("IGA"). CITY AND MWD HAVE FACILITIES AND PROPERTY INTERESTS DESCRIBED AND DELINEATED WITHIN CERTAIN SUBDIVISION PLATS OR, FOR LANDS NOT INCLUDED IN A SUBDIVISION PLAT, DECLARATIONS OF TURF LANDS OR DECLARATIONS OF URBANIZED AREA, THAT HAVE PRIOR AND SUPERIOR RIGHTS TO THE UTILITY SERVICE PROVIDERS, AS DEFINED IN THE IGA. THE IGA PROVIDES FOR THE CITY TO HAVE A PUBLIC UTILITY EASEMENT WITHIN CERTAIN MWD PROPERTY INTERESTS AND FOR MWD TO HAVE AN EASEMENT WITHIN CITY'S PUBLIC RIGHTS–OF–WAY. CITY AND MWD RIGHTS WITHIN THESE EASEMENTS ARE SUBJECT TO AND CONTROLLED BY THE TERMS AND CONDITIONS OF THE IGA

IN LOCATIONS WHERE APPLICABLE, INCLUDING ANY AND ALL DEDICATIONS WITHIN A SUBDIVISION PLAT, MWD'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND PROPERTY INTERESTS, SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE IGA.

CITY SHALL HAVE THE RIGHT TO AUTHORIZE AND CONTROL THE UTILITY SERVICE PROVIDER'S USE AND OCCUPANCY OF THESE EASEMENTS. CITY REQUIRES THAT UTILITY SERVICE PROVIDERS CONSENT TO BE BOUND BY THE IGA PRIOR TO THE USE OR OCCUPANCY OF THE EASEMENTS GRANTED UNDER THE IGA. SUCH USE OR OCCUPANCY OF THE EASEMENTS CONSTITUTES CONSENT OF THE UTILITY SERVICE PROVIDERS TO BE BOUND BY THE IGA.

PUBLIC NOTICE

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERFLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

RELEASE OF LIABILITY

TOLL PRASADA LLC, AN ARIZONA LIMITED LIABILITY COMPANY ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

OWNER HEREBY FURTHER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE FROM ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE IN CONNECTION WITH THE USE OF THE SIDEWALKS LOCATED WITHIN THE RIGHT–OF–WAY.

NOTES

- 1. COMMON AREAS MAY INCLUDE OPEN SPACE, LANDSCAPING, PEDESTRIAN PATHS, AND/OR AMENITIES.
- 2. SPECIFIC EASEMENTS THAT ARE BEING DEDICATED AS PART OF THIS PLAT ARE FULLY DELINEATED ON THE FOLLOWING SHEETS.
- 3. ** THE EASEMENTS LISTED ABOVE (SHOWN WITH AN ASTERIK **) ONLY AFFECT A PORTION OF THE TRACT WITH WHICH THEY ARE LISTED, AND ARE FULLY DELINEATED WITHIN THE PLAT. OTHER "USES" LISTED ABOVE ARE COMMON AREA.

FINAL RE-PLAT
Toll at Prasada, Unit L - Phase 3

BEING A RE–PLAT OF A PORTION OF PARCEL K, A PORTION OF PARCEL L, A PORTION OF PARCEL M, A PORTION OF PARCEL O, A PORTION OF TRACT G AND A PORTION OF TRACT HOLE 4, TOLL AT PRASADA, PHASE 2 MASTER PLAT, AS RECORDED IN BOOK 1576 OF MAPS, PAGE 33, M.C.R., AND A PORTION OF TRACT K–A, TRACT K–B AND A PORTION OF TRACT K–PSI, TOLL AT PRASADA, UNIT K – PHASE 3, AS RECORDED IN BOOK 1665 OF MAPS, PAGE 36, M.C.R., M.C.R., SITUATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA

GENERAL NOTES

- 1. SPRINKLERS ARE REQUIRED IN ALL ONE AND TWO FAMILY DWELLINGS BUILT IN AREAS WHICH DO NOT HAVE AN ADEQUATE WATER SUPPLY.
- 2. NO ON–SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.
- 3. THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE "ZONE X SHADED," BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ON FLOOD INSURANCE RATE MAP NO. 04013C1655L, WITH A DATE OF IDENTIFICATION OF OCTOBER 16, 2013, FOR COMMUNITY NO. 040053, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.
- 4. THE ROADS DESIGNATED AS "PRIVATE" AND ANY APPURTENANCES INCLUDING BUT NOT LIMITED TO ROAD SIGNS, STRIPING, CURB AND GUTTER, AND SIDEWALKS ARE PRIVATE; SUCH ROADS AND APPURTENANCES ARE OWNED, MAINTAINED AND REPAIRED BY OWNER OR THE HOMEOWNER'S ASSOCIATION FORMED BY OWNER. THE CITY OF SURPRISE SHALL NOT MAINTAIN OR REPAIR ANY ROAD DESIGNATED AS "PRIVATE."
- 5. IN ACCORDANCE WITH ARS § 9–461.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.
- 6. PURSUANT TO A.R.S. § 42–11102, THE CITY OF SURPRISE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA, IS EXEMPT FROM ALL TAXES AND ASSESSMENTS BASED ON ASSESSED VALUE EXCEPT FOR SPECIAL DISTRICTS #14751 AND 14710, WHEN APPLICABLE.
- 7. THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE OWNER.
- 8. THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS–OF–WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE ADJACENT PROPERTY.
- 9. ZONING OF THE PROPERTY IS PER SURPRISE ZONING CASE FS17–587 OR AS SUBSEQUENTLY AMENDED.
- 10. THIS FINAL PLAT IS IN SUBSTANTIAL CONFORMANCE WITH THE PRELIMINARY PLAT AS APPROVED UNDER CITY OF SURPRISE CASE FS22–0176.

AREA SUMMARY TABLE		
DESCRIPTION	AREA (SF)	AREA (ACRES)
LOTS 2601–2724 (124 LOTS)	922,582	21.796
TRACTS L–A – L–O	115,481	2.6511
PRIVATE STREETS (TRACT L–PSI)	243,754	5.5958
GROSS AREA	1,281,817	29.4265

100 YEAR ASSURED WATER SUPPLY

THE SUBDIVIDER HAS OBTAINED A CERTIFICATE OF 100 YEAR ASSURED WATER SUPPLY FROM THE DEPARTMENT OF WATER RESOURCES.

27–701007.0000
CERTIFICATE NUMBER

11/14/2018
DATE

BASIS OF BEARING

THE BASIS OF BEARING IS THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 3 NORTH, RANGE 2 WEST, BEARING SOUTH 00 DEGREES 24 MINUTES 11 SECONDS WEST PER GDACS 661–18 MCR.

NOTICE OF TOLL AT PRASADA DEVELOPMENT AND WATER DELIVERY AGREEMENT

LANDOWNER ENTERED INTO THE TOLL AT PRASADA DEVELOPMENT AND WATER DELIVERY AGREEMENT DATED JANUARY 2, 2019 ("AGREEMENT") WITH MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE ("MWD") FOR WHICH A MEMORANDUM OF AGREEMENT WAS RECORDED ON JANUARY 3, 2019, AT THE MARICOPA COUNTY RECORDERS' OFFICE AT 2019–0002436. THE PROPERTIES INVOLVED IN THIS PLAT ARE SUBJECT TO THIS AGREEMENT. THE AGREEMENT AND THIS PLAT, INCLUDING ANY AND ALL DEDICATIONS THEREIN, HEREBY PRESERVE MWD'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND MWD PROPERTY INTERESTS, AS SUCH TERMS ARE DEFINED IN THE AGREEMENT, TO ENABLE MWD TO ACCOMPLISH ALL OF MWD'S PURPOSES, INCLUDING, BUT NOT LIMITED TO, THE TRANSMISSION AND DISTRIBUTION OF WATER, WASTEWATER, POWER AND COMMUNICATIONS, AND TO CONSTRUCT, RECONSTRUCT, OPERATE, MAINTAIN AND REPLACE THOSE MWD FACILITIES AND MWD PROPERTY INTERESTS. THE AGREEMENT IS ON FILE AT THE OFFICES OF TOLL PRASADA LLC, AND MAY BE REVIEWED AS TO ALL DETAILS, WITH PARTICULAR REFERENCE TO SECTION 7 AND SECTION 9, UPON REASONABLE REQUEST.

DATED THIS _____ DAY OF _____, 20____.

MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA

ATTEST:

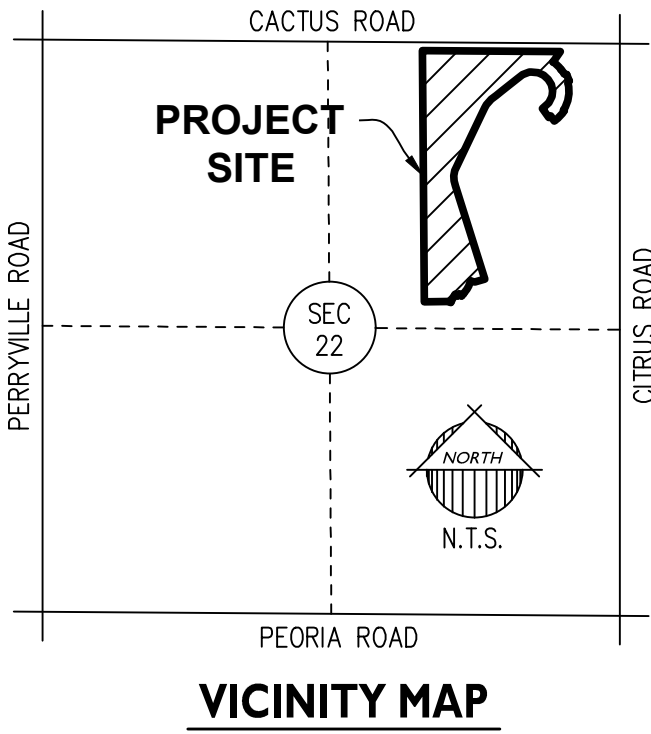
BY: _____ BY: _____
CHRISTINE CAIN GLEN VORTHERMS

ITS: PROPERTY & CONTRACTS MANAGER ITS: ASSISTANT SECRETARY

TOLL PRASADA LLC, AN ARIZONA LIMITED LIABILITY COMPANY

BY: _____

ITS: _____



ENGINEER

EPS GROUP, INC.
1130 N. ALMA SCHOOL ROAD, STE. 120
MESA, ARIZONA 85201
TEL: (480)–503–2250
FAX: (480)–503–2258
CONTACT: JAMES ROGERS, P.E.

OWNER/DEVELOPER

TOLL BROTHERS
8767 E VIA DE VENTURA, SUITE 390
SCOTTSDALE, AZ 85258
TEL: (602) 999–5684
CONTACT: AARON INNSCO

SHEET INDEX

1	COVER SHEET
2	LOT AREA TABLE, LEGAL DESCRIPTION, CURVE TABLE & LINE TABLE
3	FINAL PLAT PLAN SHEET & TRACT USE TABLE AND NOTES
4–5	FINAL PLAT PLAN SHEETS

HOMEOWNERS ASSOCIATION RATIFICATION

KNOW ALL MEN BY THESE PRESENTS: THAT STERLING GROVE COMMUNITY ASSOCIATION, INC., AN ARIZONA NONPROFIT CORPORATION, HEREBY RATIFIES, AFFIRMS AND APPROVES THIS PLAT FOR "TOLL AT PRASADA, UNIT L – PHASE 3" AND THE RESPONSIBILITIES IMPOSED UPON IT UNDER THIS PLAT.

IN WITNESS WHEREOF, STERLING GROVE COMMUNITY ASSOCIATION, INC. HAS CAUSED ITS NAME TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS _____ DAY OF _____, 20____.

STERLING GROVE COMMUNITY ASSOCIATION, INC., AN ARIZONA NON–PROFIT CORPORATION

BY: _____

ITS: _____

ACKNOWLEDGMENT

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

ON THIS _____ DAY OF _____, 20____ BEFORE ME, THE UNDERSIGNED, PERSONALLY APPEARED _____, WHO ACKNOWLEDGED HIMSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC DATE _____

MY COMMISSION EXPIRES:

CITY OF SURPRISE ENGINEER APPROVAL

DATA ON THIS PLAT REVIEWED AND APPROVED THIS _____ DAY OF _____, 20____, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED _____ DATE _____
CITY ENGINEER

CITY OF SURPRISE COUNCIL APPROVAL

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA, THIS _____ DAY OF _____, 20____.

ATTEST:

MAYOR DATE _____

CITY CLERK DATE _____

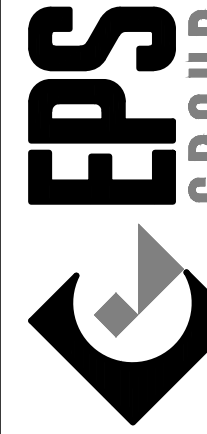
CERTIFICATION

I, ROBERT A. JOHNSTON, HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF ARIZONA; THAT THIS PLAT CORRECTLY REPRESENTS A SURVEY MADE UNDER MY DIRECTION THROUGH THE MONTH OF JULY, 2022; THAT THE SURVEY IS TRUE AND CORRECT AS SHOWN; THAT ALL MONUMENTS ACTUALLY EXIST OR WILL BE SET AS SHOWN; THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

ROBERT A. JOHNSTON, RLS 37495
EPS GROUP, INC.
1130 N. ALMA SCHOOL ROAD, STE. 120
MESA, ARIZONA 85201
PHONE: (480) 503–2250
FAX: (480) 503–2258

DATE OF PREPARATION: 07/26/22 (REVISED AUGUST 29, 2022, REVISED OCTOBER 24, 2022, REVISED NOVEMBER 01, 2022 & REVISED DECEMBER 13, 2022)

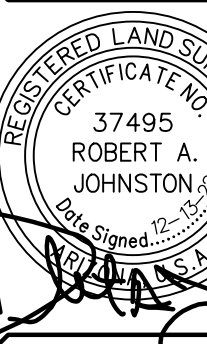
1130 N Alma School Rd., Suite 120
Mesa, AZ 85201
T:480.503.2250 | F:480.503.2258
www.epsgroupinc.com



Project: Toll at Prasada
Unit L - Phase 3
SURPRISE, ARIZONA
FINAL RE-PLAT

Revisions:

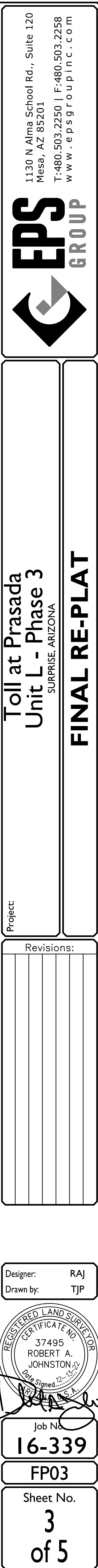
Designer: RAJ
Drawn by: TJP

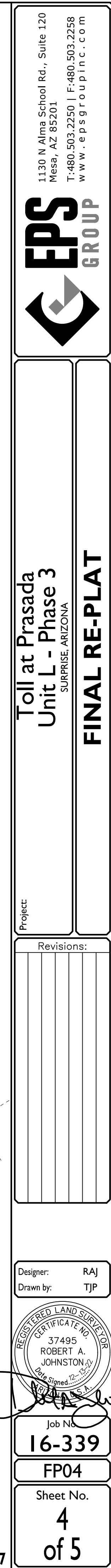


Job No.
16-339

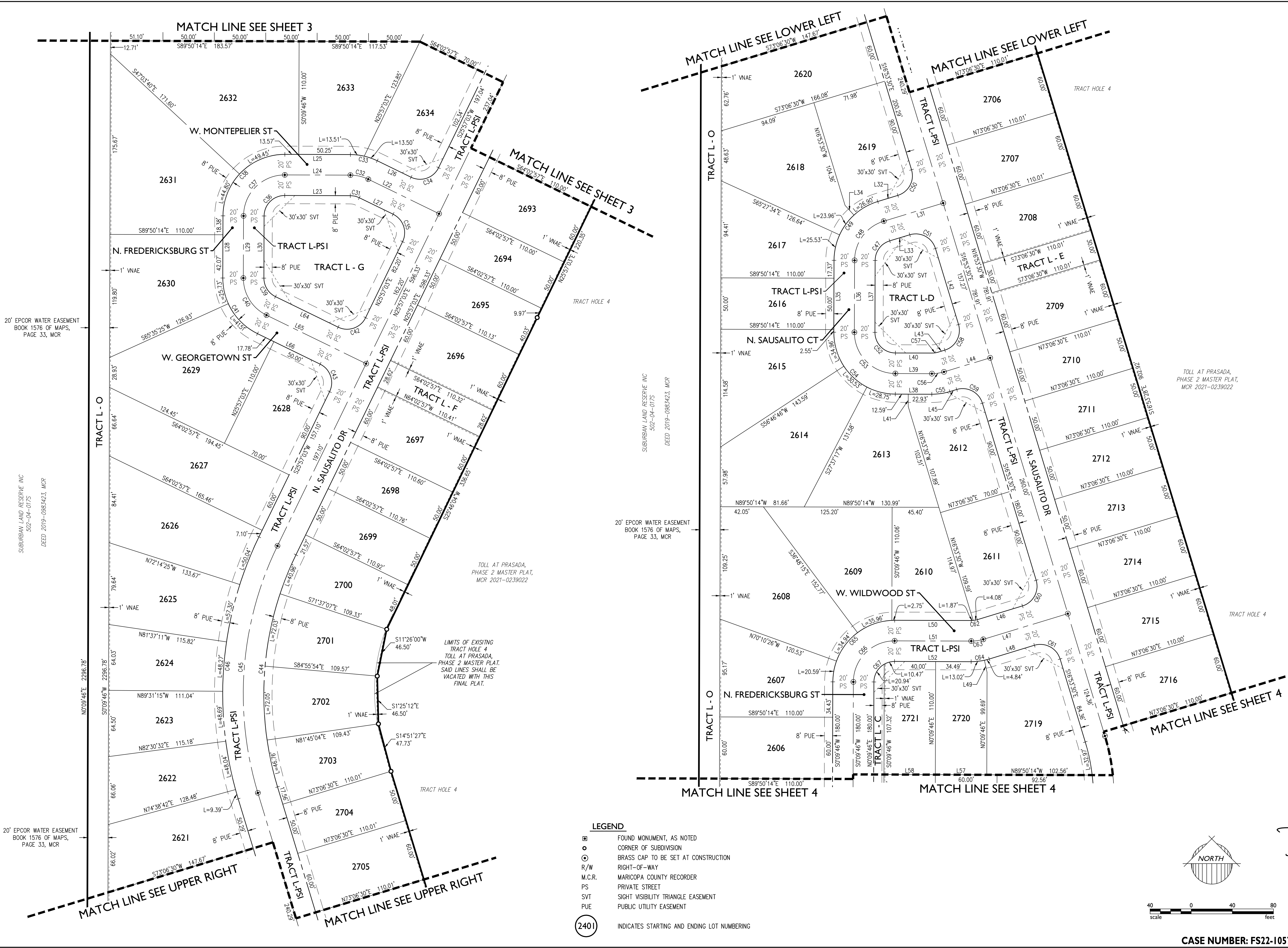
FP01

Sheet No.
1
of 5





Dec 13, 2022 12:05pm S:\Projects\2016\16-339\Legal Survey\Draws\Final Plats\Phase 3\Unit L - 16-339 - Unit L - Plat.dwg
tprotontenis



1130 N Alma School Rd., Suite 120
Mesa, AZ 85201
T:480.503.2250 | F:480.503.2258
www.epsgroupinc.com

EPS GROUP

Project: Toll at Prasada
Unit L - Phase 3
SURPRISE, ARIZONA

FINAL RE-PLAT

Revisions:

Designer: RAJ
Drawn by: TJP

REGISTERED LAND SURVEYOR
37495
ROBERT A. JOHNSTON
Dec 13, 2022

Job No:
16-339
FP05

Sheet No.
5
of 5

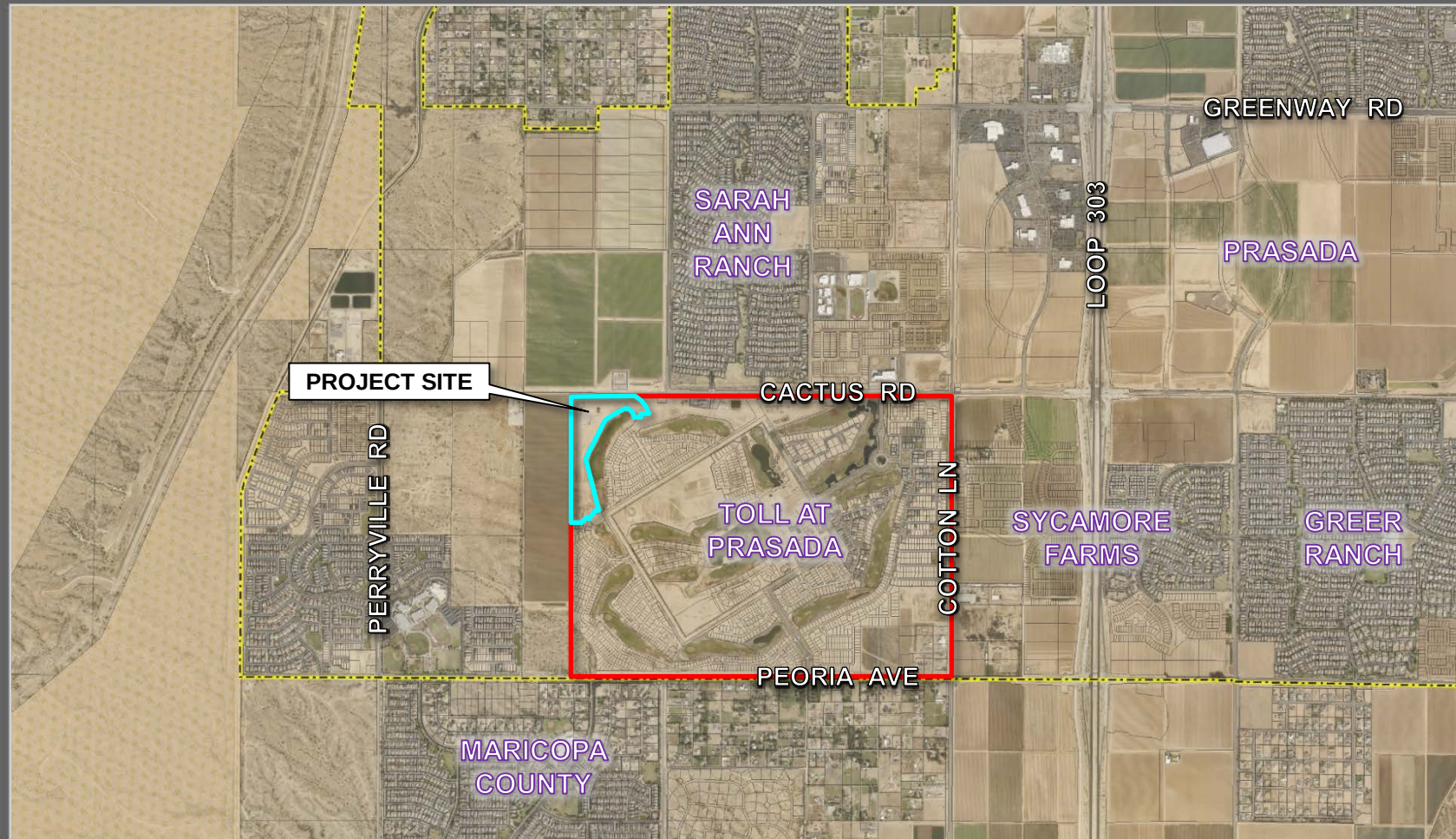
CASE NUMBER: FS22-1057



FS22-1057

Toll at Prasada Unit L – Final Plat

City Council
April 04, 2023



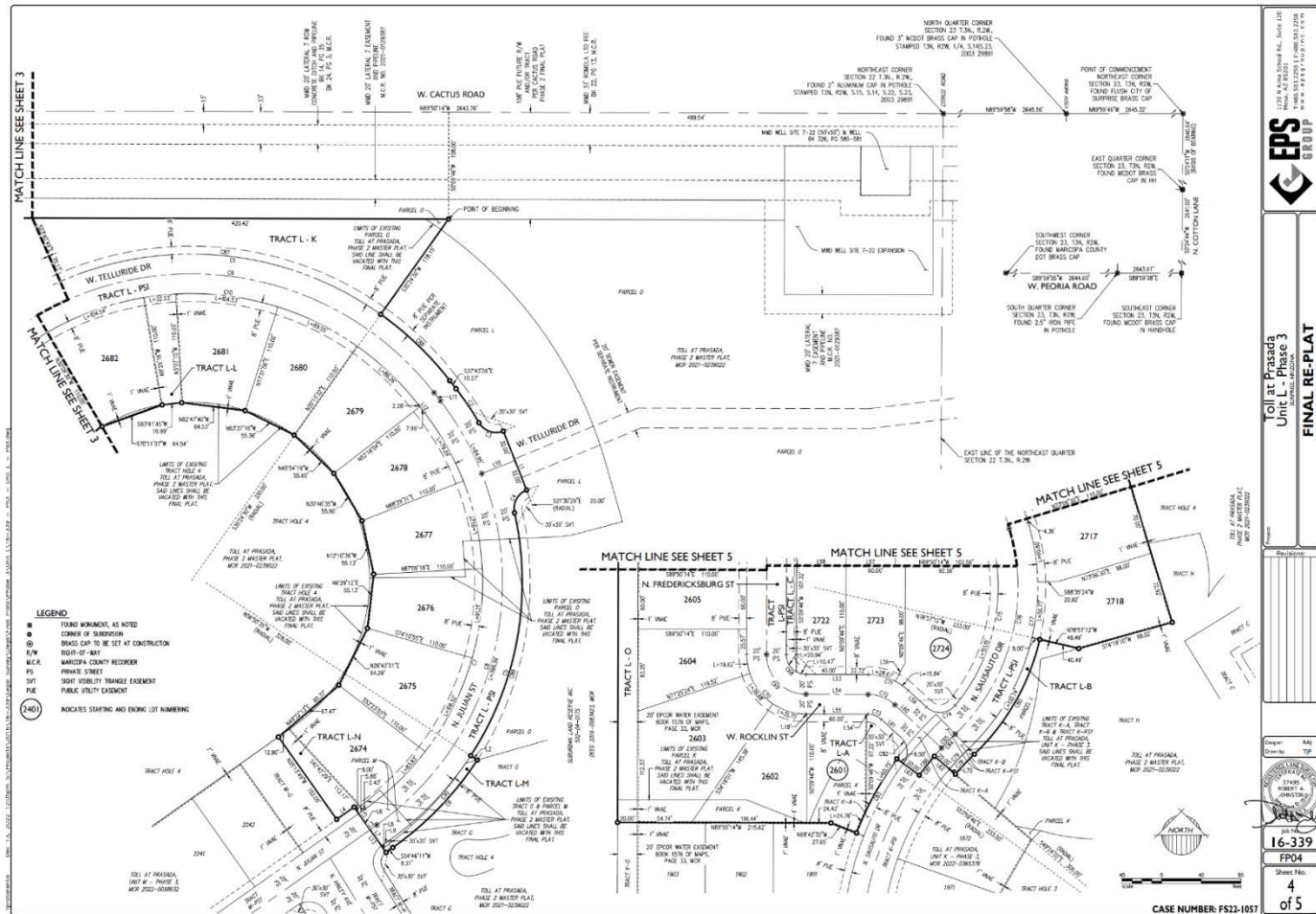


FS22-1057 CASE MAP



FS22-1057 MASTER SITE PLAN

FS22-1057 FINAL PLAT







SURPRISE
ARIZONA

QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023 Contact Person: Tanner Wessel
Submitting Department: Community Development District: District 1
Staff Recommendations:

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
--------------	-------------	--------------------	-----------------------

Agenda Wording:

Consideration and action pertaining to approval of the Final Plat entitled, “Anderson Acres” and dated January 30, 2023, a property generally located south of Jomax Road and east of 239th Avenue; Case FS22-1353.

Motion:

I move to approve the Final Plat entitled, “Anderson Acres” and dated January 30, 2023.

Background:

Dean Anderson seeks approval of a Final Plat of the subject property generally located south of Jomax Road and east of 239th Avenue. The proposed final plat splits the subject property into five parcels.

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Policy Compliant:

The proposed Final Plat is consistent with the Surprise General Plan 2035 and the City of Surprise Land Development Ordinance

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00-FS22-1353 Anderson Acres - Final Plat - Staff Report
 2. 01 - FS22-1353 Anderson Acres - Final Plat - Vicinity Map
 3. 02 - FS22-1353 Anderson Acres - Final Plat - Zoning Map
 4. 03 - FS22-1353 Anderson Acres - Final Plat - Final Plat
 5. 04 - FS22-1353 Anderson Acres - Final Plat - Final Plat Exhibit
 6. 05 - FS22-1353 Anderson Acres - Final Plat - Luke Letter
 7. FS22-1353 Anderson Acres - Final Plat - PowerPoint
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS22-1353

Project Name: Anderson Acres - Final Plat

Council District: 1 – Acacia

City Council Date: April 04, 2023

Planner: Tanner Wessel, Planner II

Owner: SBLI LLC

Applicant: Dean Anderson of SBLI LLC

Request: Final Plat to subdivide one (1) parcel approx. 10.1 acres into five (5) lots.

Site Location: Generally located at south of Jomax Road and east of 239th Avenue

Site Size: Approximately 10.1 gross acres

Findings:

- The proposed Final Plat is consistent with the Surprise General Plan 2035.
- The proposed Final Plat is consistent with the Surprise Land Development Ordinance.

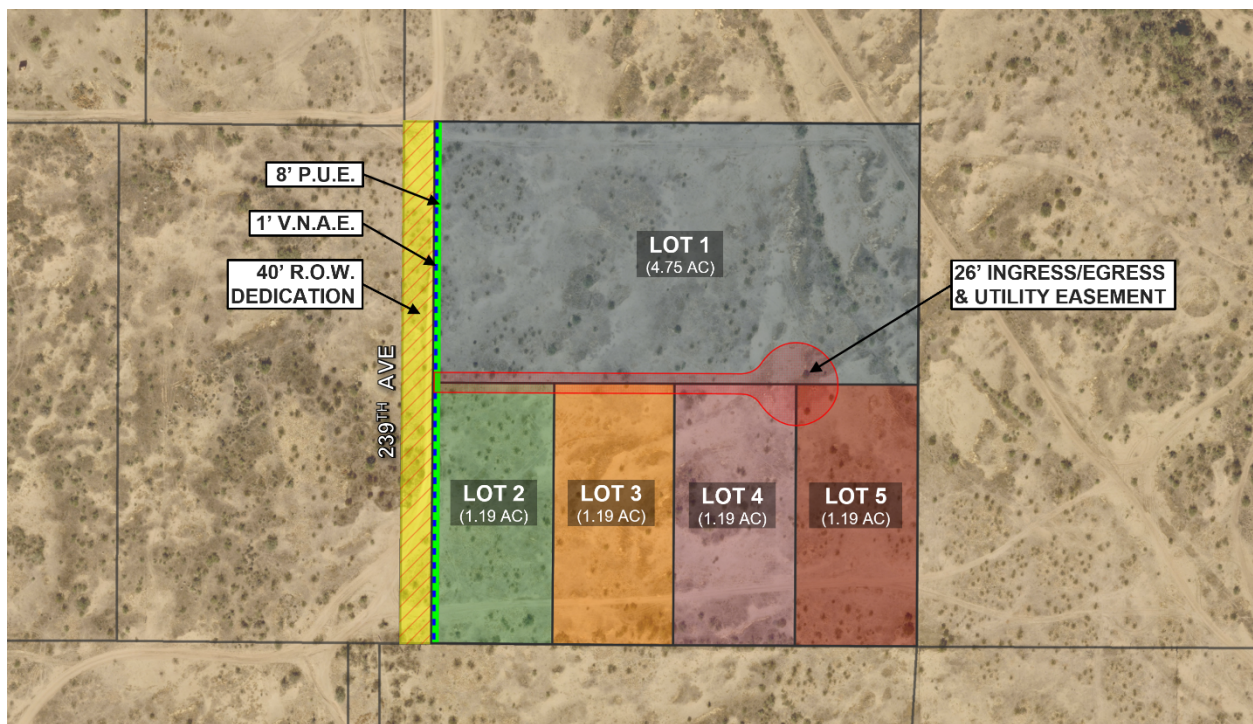
Alternative Actions: **Approve** – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

Additional Information:

Dean Anderson of SBLI LLC requests approval of a Final Plat entitled "Anderson Acres" dated January 30, 2023. The subject parcel is zoned Rural Residential (RR) and is located approximately 1,330 feet south of Jomax Road and east of 239th Avenue. The proposed Final Plat subdivides one (1) vacant parcel of approximately 10.1 gross acres into five (5) lots.

This Final Plat will establish 40-feet of right-of-way (ROW) dedication for 239th Avenue along the western portion of Lots 1 and 2. Additionally, an 8-foot public utility easement (PUE) and 1-foot Vehicular Non-Access Easement (VNAE) is established along the western boundary of Lots 1 and 2 adjacent to 239th Avenue. A 26-foot ingress/egress & utility easement is proposed along the southern portion of Lot 1 and northern portion of Lots 2, 3, 4, and 5.



Lots 1 through 5 of the proposed Final Plat meet the development standards of the Rural Residential (RR) zoning district as outline in Table 106-2b of the City of Surprise Land Development Ordinance. Lots 1 through 5 meet or exceed the minimum lot area and minimum lot width requirements.

Table 106-2b – Rural Residential (RR) Zoning District	
Min. lot area (sf)	≥ 43,560
Min. lot width	130
Min. front setback (ft)	30
Min. rear setback ¹ (ft)	30
Min. side setback ¹ (ft)	20
Min. street side setback ¹ (ft)	20
Max. bldg. height (ft)	40
Lot coverage	25%
Open space (% of gross acres of residential development) ²	10%
Notes: 1. Garage face and embellishments shall be setback a minimum of 20 feet measured from the opposing property line except rear, alley loaded garages, which shall be setback nine feet from edge of alley line. 2. The city requires open spaces on a new subdivision; if recorded as metes and bounds or by a minor land division than open space will be required on each individual lot; such as open space of trail easements.	

The area for each parcel is shown below:

- Lot 1 – approximately 4.75 acres
- Lot 2 – approximately 1.19 acres
- Lot 3 – approximately 1.19 acres
- Lot 4 – approximately 1.19 acres
- Lot 5 – approximately 1.19 acres

The proposed Final Plat dedicates the following:

- 40-foot right-of-way (ROW) dedication along the western boundary of Lots 1 and 2 for 239th Avenue.
- 8-foot public utility easement (PUE) along the western boundary of Lots 1 and 2 adjacent to 239th Avenue.
- 1-foot vehicular non-access easement (VNAE) along the western boundary of Lots 1 and 2.
- 26-foot ingress/egress & utility easement along the southern portion of Lot 1 and northern portion of Lots 2, 3, 4, and 5.

General Plan Conformance:

The proposed final plat was reviewed against the goals, policies, recommendations, and guidelines of the City of Surprise General Plan 2035. The proposed final plat is consistent with the General Plan in some of the following ways:

This project is located within the Neighborhood character area of the General Plan. The proposed lot split adheres to the design guidelines of the character area which allows for residential development

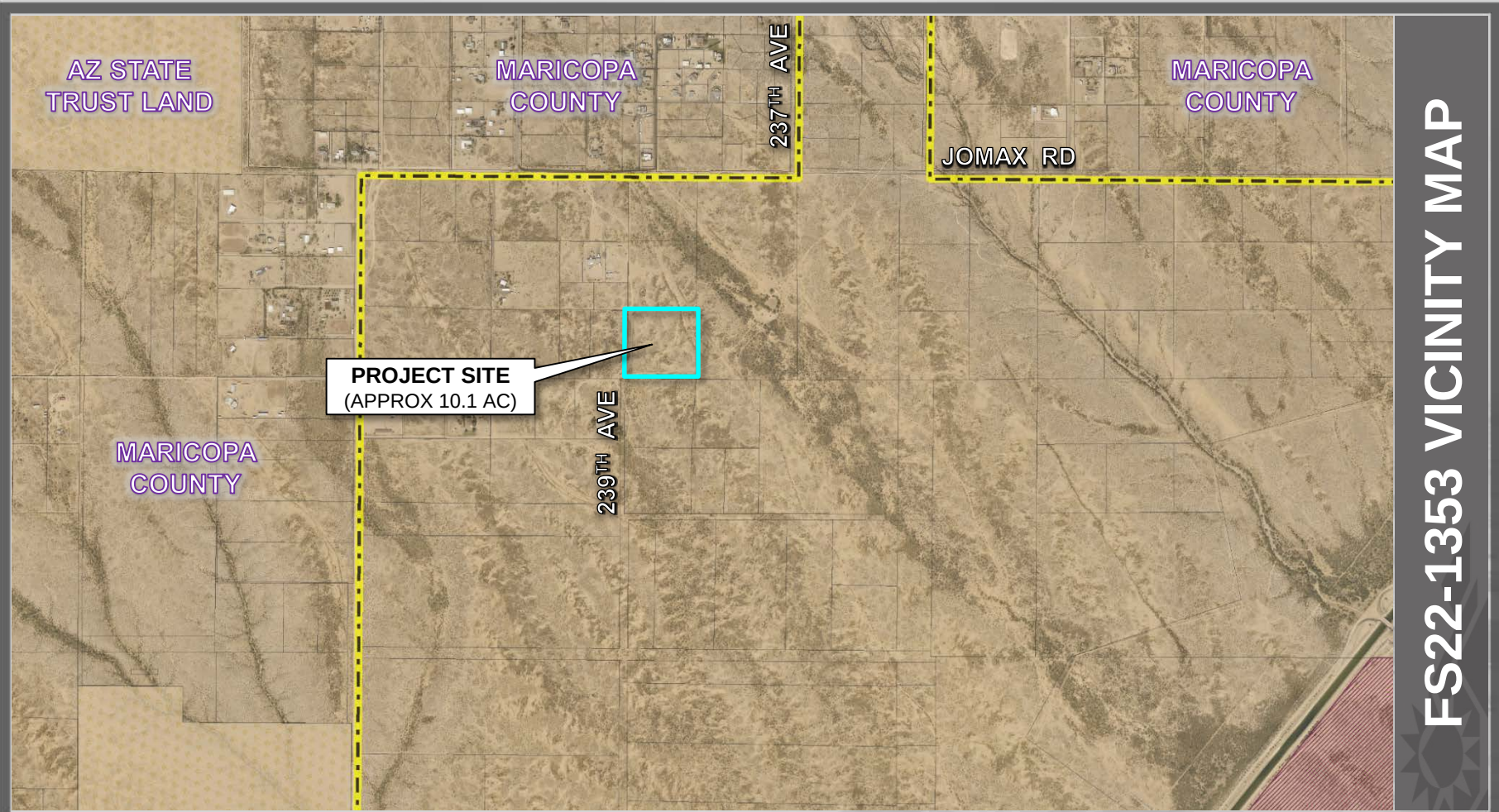
81
82 This project maintains compatibility with the quality of existing land uses in the
83 surrounding area in that it continues the Rural Residential development pattern
84 established in the vicinity of this parcel.
85

86 **Reviewing Agencies:**
87

88 This project was routed to both Luke Air Force Base and the Maricopa Water District for
89 review. Both agencies have indicated no objections.
90

91 **Attachments:**

92 01 Vicinity Map
93 02 Zoning Map
94 03 Final Plat
95 04 Plat Exhibit
96 05 Luke Letter
97 PPT



FS22-1353 VICINITY MAP

AZ STATE
TRUST LAND

JOMAX RD

237TH AVE

MARICOPA
COUNTY

RR

RR

PROJECT SITE
(RR – RURAL RESIDENTIAL)

239TH AVE

RR

MARICOPA
COUNTY

FS22-1353 ZONING MAP

FINAL PLAT
"ANDERSON ACRES"

A PORTION OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH , RANGE 3 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA

DEDICATION

STATE OF ARIZONA)
)SS
COUNTY OF MARICOPA)

KNOWN ALL PERSONS BY THESE PRESENTS:
THAT SBLI, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY, ("OWNERS") HAS SUBDIVIDED UNDER THE NAME OF "ANDERSON ACRES", A SUBDIVISION LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR THE PLAT OF "ANDERSON ACRES", AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET AND EASEMENT CONSTITUTING SAME, AND THAT EACH LOT, TRACT, STREET AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY DEDICATES TO THE CITY OF SURPRISE FEE TITLE TO ALL PUBLIC RIGHTS-OF-WAY AS SHOWN ON THE PLAT.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS, AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR TRASH COLLECTION VEHICLES.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON-EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING, AND UTILIZING PUBLIC UTILITIES.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS SIGHT VISIBILITY TRIANGLES FOR THE PURPOSE OF ENSURING THAT THESE AREAS REMAIN FREE OF SIGHT VISIBILITY OBSTRUCTIONS.

OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS-OF-WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

FIRE SPRINKLERS ARE REQUIRED IN ALL ONE AND TWO FAMILY DWELLINGS BUILT IN AREAS WHICH DO NOT HAVE AN ADEQUATE WATER SUPPLY.

IN WITNESS WHEREOF, THE OWNER HAS HEREUNTO CASED ITS CORPORATE NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS _____ DAY OF _____, 20____.

SBLI, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY

BY: _____

ITS: _____

ACKNOWLEDGMENT

STATE OF ARIZONA)
)SS
COUNTY OF MARICOPA)

ON THIS THE _____ DAY OF _____, 20____, BEFORE ME THE UNDERSIGNED APPEARED, _____, WHO ACKNOWLEDGED THEMSELF TO BE _____, OF SBLI, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY, ACKNOWLEDGED THAT HE/SHE AS SUCH OFFICER, BEING DULY AUTHORIZED, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSE THEREIN CONTAINED BY SIGNING THE NAME OF THE CORPORATION, BY HIMSELF, AS SUCH OFFICER.

IN WITNESS WHEREOF: I HEREUNTO SET MY HAD AND OFFICIAL SEAL.

BY: _____, MY COMMISSION EXPIRES: _____

PLAT NOTES

THE OWNER OR SUBSEQUENT OWNERS OF ANY EXISTING OR FUTURE WELLS ON THE LAND DESCRIBED IN THIS PLAT SHALL BE REQUIRED TO SIGN A WELL IMPACT WAIVER(S) WITH THE CITY OF SURPRISE.

THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS, AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE OWNER.

THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS, AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE ADJACENT PROPERTY.

LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

NO ON-SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.

THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE 'X' & 'AE', BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ON FLOOD INSURANCE RATE MAP NO. 04013C1180M, WITH A DATE OF IDENTIFICATION OF 11/4/2015, FOR COMMUNITY NO. 040053, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.

THE ROADS DESIGNATED AS "PRIVATE" AND ANY APPURTANCES, INCLUDING, BUT NOT LIMITED TO, ROAD SIGNS, STRIPING, CURB AND GUTTER, AND SIDEWALKS ARE PRIVATE; SUCH ROADS AND APPURTENANCES ARE OWNED, MAINTAINED, AND REPAIRED BY OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY OWNER. THE CITY OF SURPRISE SHALL NOT MAINTAIN OR REPAIR ANY ROAD DESIGNATED AS "PRIVATE".

IN ACCORDANCE WITH ARS 9-461.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.

THE PROPERTY OWNER AT THE TIME WHEN CITY OF SURPRISE WATER, AND/OR SEWER INFRASTRUCTURE IS AVAILABLE AT THE PROPERTY, SHALL BE REQUIRED TO CONNECT IN ACCORDANCE WITH SURPRISE MUNICIPAL CODE AND PAY ALL APPLICABLE FEES. ANY OWNER OF THE PROPERTY SHALL NOTIFY PROSPECTIVE BUYERS AND THE PUBLIC OF THIS NOTE, AND ANY SALES CONTRACTS OR SALES REPORTS SHALL INCLUDE SUCH NOTE.

PUBLIC NOTICE

SBLI, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE CITY OF SURPRISE, (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH THE AREAS LOCATED WITHIN THE NEWLY DEDICATED RIGHT-OF-WAY AS DEPICTED ON THIS PLAT UNTIL SUCH TIME THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND ACCEPTED BY THE CITY COUNCIL. THE MAINTENANCE OF THE AREA WITHIN ANY NEWLY DEDICATED RIGHT-OF-WAY AS SHOWN ON THIS PLAT SHALL BE THE RESPONSIBILITY OF THE ADJACENT OWNER/OR SUBSEQUENT ADJACENT OWNERS WITHIN THE BOUNDARY OF SAID PLAT UNTIL SUCH TIME THAT THE AREA WITHIN THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARD AND ACCEPTED BY THE CITY OF SURPRISE.

PUBLIC NOTICE

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERFLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

RELEASE OF LIABILITY

SBLI, L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

RELEASE OF LIABILITY

OWNER HEREBY FURTHER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE FROM ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE IN CONNECTION WITH THE USE OF THE SIDEWALKS LOCATED WITHIN THE RIGHT-OF-WAY, UNTIL SUCH TIME THE CITY OF SURPRISE HAS ACCEPTED THE SIDEWALKS.

OVERALL SITE AREA

GROSS AREA	44,182 SQ.FT. EQUAL TO 10.105 ACRES MORE OR LESS
RIGHT OF WAY DEDICATED	26,688 SQ.FT. EQUAL TO 0.613 ACRES MORE OR LESS
NET AREA	413,494 SQ.FT. EQUAL TO 9.493 ACRES MORE OR LESS
NUMBER OF LOTS: 5	

BASIS OF BEARINGS

N00°23'25"E ALONG THE WEST LINE OF THE NORTHEAST QUARTER, SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST, AS RECORDED IN BOOK 1624, PAGE 28, M.C.R.

CITY OF SURPRISE ENGINEER APPROVAL

DATA ON THIS PLAT REVIEWED AND APPROVED THIS _____ DAY OF _____, 20____,
BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED

BY: _____
CITY ENGINEER DATE

CITY OF SURPRISE COUNCIL APPROVAL

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA THIS _____ DAY OF _____, 20____.

ATTEST:

MAYOR DATE

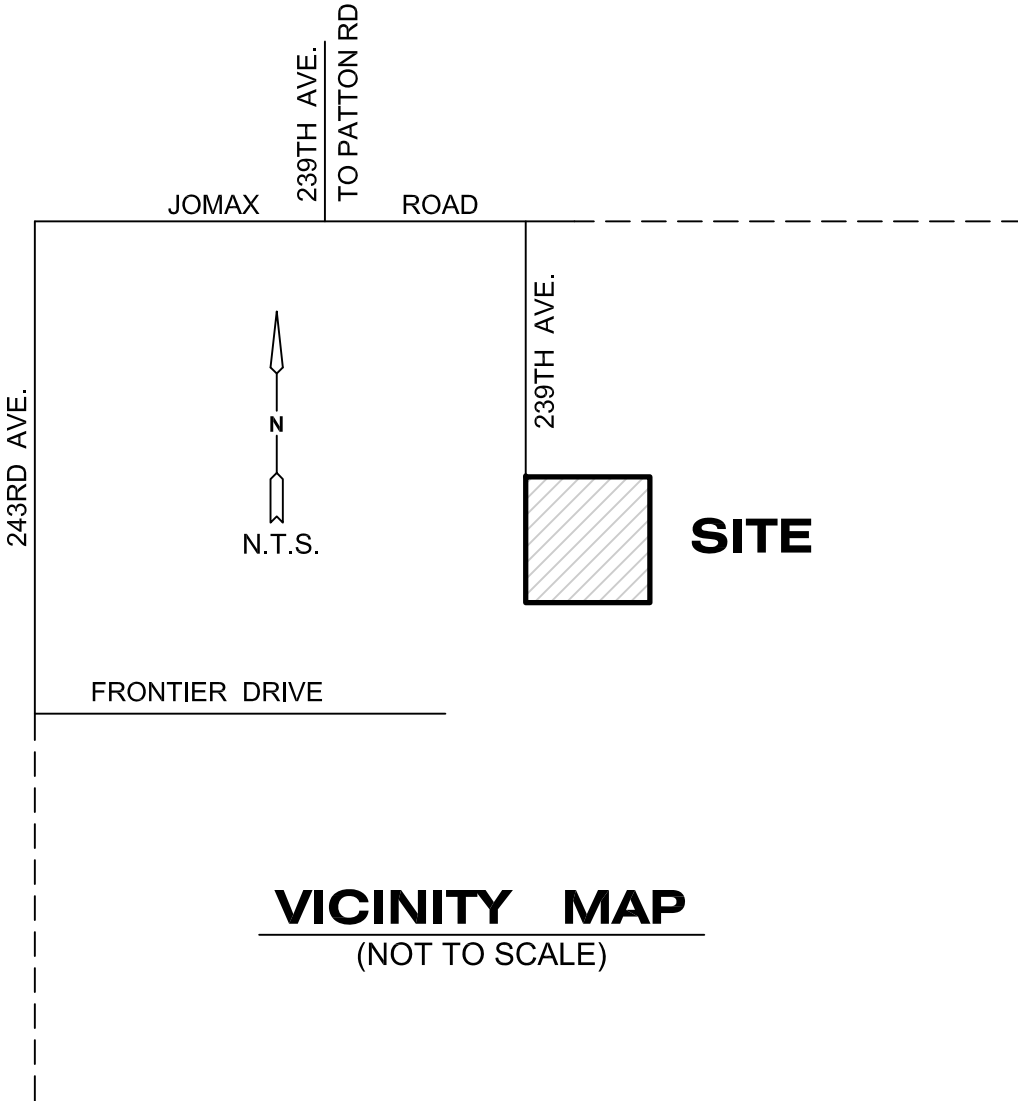
CITY CLERK DATE

DEVELOPER/OWNER

S.B.L.I., L.L.C.
4035 W. DAHLIA
PHOENIX, AZ 85029

SURVEYOR

STARLINK SURVEYING, INC.
CONTACT: STEPHEN J. SHEARROW, R.L.S.
7836 W. ADOBE DRIVE
GLENDALE, AZ 85308
PHONE: 623-322-1116
FAX: 623-322-4637
EMAIL:
STARLINK@STARLINKSURVEYING.COM



LEGAL DESCRIPTIONS

PARENT PARCEL ~ DEED NO. 2021-1158543, M.C.R.
THE SOUTH 1/3 OF THE WEST 660.00 FEET OF G.L.O. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 1
THE NORTH HALF OF THE SOUTH 1/3 OF THE WEST 660.00 FEET OF G.L.O. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;
EXCEPT THE WEST 40.00 FEET THEREOF.

PARCEL 2
THE EAST 155.00 FEET OF THE WEST 195.00 FEET OF THE SOUTH HALF OF THE SOUTH 1/3 OF THE WEST 660.00 FEET OF G.L.O. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3
THE EAST 155.00 FEET OF THE WEST 350.00 FEET OF THE SOUTH HALF OF THE SOUTH 1/3 OF THE WEST 660.00 FEET OF G.L.O. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4
THE EAST 155.00 FEET OF THE WEST 505.00 FEET OF THE SOUTH HALF OF THE SOUTH 1/3 OF THE WEST 660.00 FEET OF G.L.O. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5
THE SOUTH HALF OF THE SOUTH 1/3 OF THE WEST 660.00 FEET OF G.L.O. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;
EXCEPT THE WEST 505.00 FEET THEREOF.

CERTIFICATION

I HEREBY CERTIFY THAT THE SURVEY OF THE PREMISES DESCRIBED AND MAPPED HEREON WERE MADE UNDER MY DIRECTION DURING THE MONTH OF JULY, 2022; THAT THE SURVEY IS TRUE AND COMPLETE AS SHOWN; THAT THE MONUMENTS SHOWN ACTUALLY EXIST; THAT THEIR POSITIONS ARE CORRECTLY SHOWN; AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACTED.

STEPHEN J. SHEARROW R.L.S. # 40937



FINAL PLAT

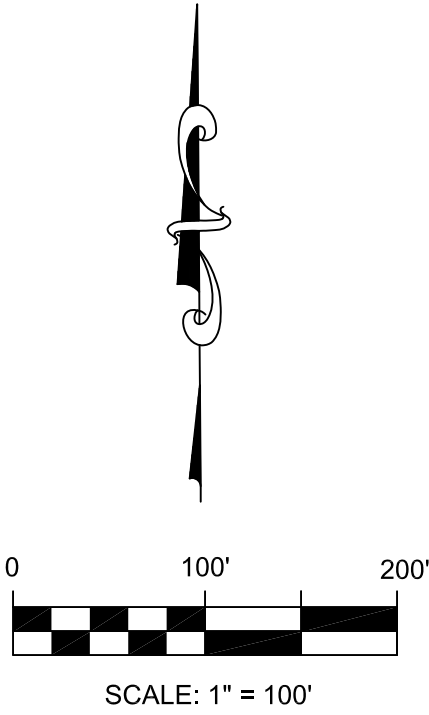
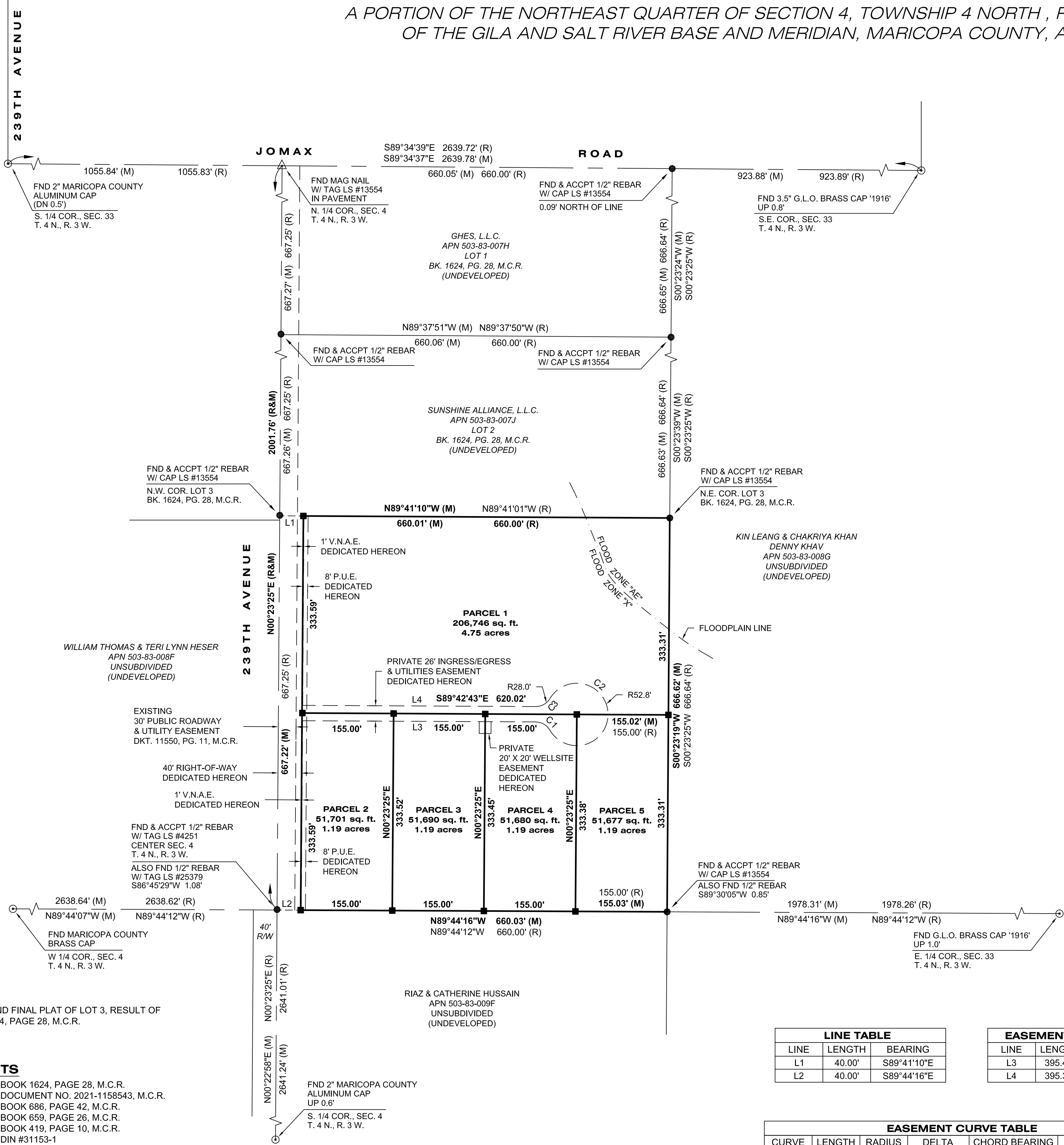
A PORTION OF THE NORTHEAST QUARTER OF SECTION 4,
TOWNSHIP 4 NORTH , RANGE 3 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA

FIELD: SJS DRAWN: CMS CHECKED: SJS	SCALE 1"= 100'	JOB NO. 22075	DATE 1/26/23	SHEET 1 OF 2
Starlink Surveying, Inc.		7836 W. Adobe Drive Glendale, AZ 85308 Ph. 623-322-1116 Fax 623-322-4637 starlink@starlinksurveying.com		

CASE NO.: FS22-1353

FINAL PLAT
"ANDERSON ACRES"

A PORTION OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH , RANGE 3 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA



LEGEND

---	MONUMENT LINE
---	PROPERTY LINE
---	ADJOINING PROPERTY LINE
---	FLOODPLAIN LINE
---	EASEMENT LINE
M.C.R.	MARICOPA COUNTY RECORDER
R/W	RIGHT-OF-WAY
FND	FOUND
ACCP	ACCEPTED
P.U.E.	PUBLIC UTILITIES EASEMENT
V.N.A.E.	VEHICULAR NON-ACCESS EASEMENT
(R)	RECORD (BK. 1624, PG. 28, M.C.R.)
(M)	MEASURED
N.	NORTH
S.	SOUTH
E.	EAST
W.	WEST
⊙	FND BRASS CAP (AS NOTED)
△	FND MAG NAIL (AS NOTED)
●	FND 1/2 REBAR (AS NOTED)
■	SET 1/2 REBAR WITH ALUMINUM CAP LS #40937



SURVEYOR NOTE

THIS IS A RETRACEMENT SURVEY AND FINAL PLAT OF LOT 3, RESULT OF SURVEY AS RECORDED IN BOOK 1624, PAGE 28, M.C.R.

REFERENCE DOCUMENTS

- (R) RESULTS OF SURVEY DEED AMENDED G.D.A.C.S. SURVEY RESULTS OF SURVEY BOUNDARY SURVEY ALTA SURVEY RESULTS OF SURVEY BOUNDARY SURVEY TITLE REPORT
- BOOK 1624, PAGE 28, M.C.R.
DOCUMENT NO. 2021-1158543, M.C.R.
BOOK 686, PAGE 42, M.C.R.
BOOK 659, PAGE 26, M.C.R.
BOOK 419, PAGE 10, M.C.R.
DIN #31153-1
BOOK 1530, PAGE 23, M.C.R.
BOOK 524, PAGE 24, M.C.R.
BOOK 402, PAGE 19, M.C.R.
FIRST NATIONAL TITLE INSURANCE COMPANY
ORDER NO. 75805393-058-MRM, DATED 10/28/21

LINE TABLE		
LINE	LENGTH	BEARING
L1	40.00'	S89°41'10"E
L2	40.00'	S89°44'16"E

EASEMENT LINE TABLE		
LINE	LENGTH	BEARING
L3	395.40'	S89°42'43"E
L4	395.34'	S89°42'43"E

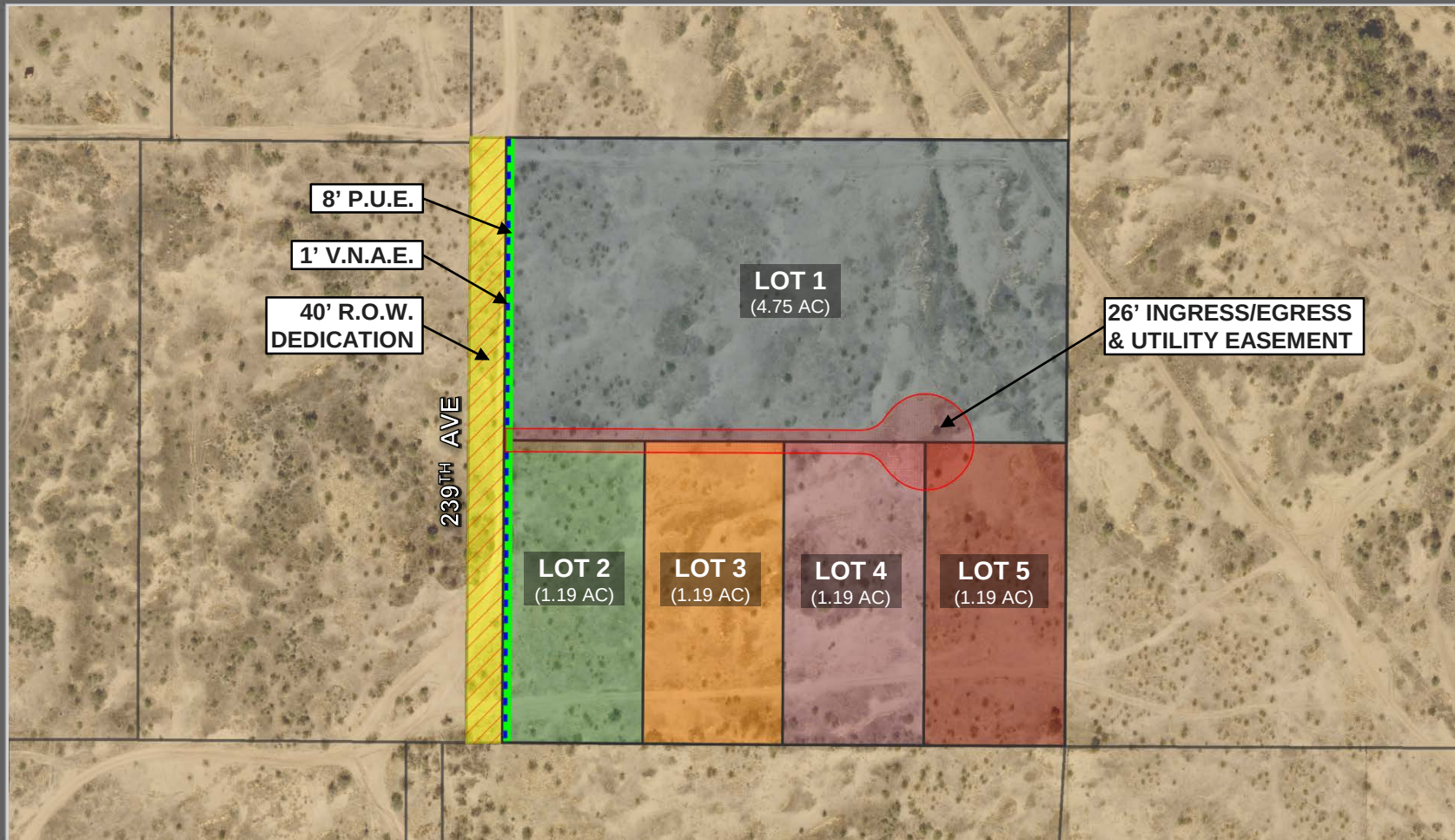
EASEMENT CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	29.08'	28.00'	59°30'27"	N59°57'30"W	27.79'
C2	275.55'	52.80'	299°00'54"	N00°17'17"E	53.58'
C3	29.08'	28.00'	59°30'27"	N60°32'03"E	27.79'

FINAL PLAT

A PORTION OF THE NORTHEAST QUARTER OF SECTION 4,
TOWNSHIP 4 NORTH , RANGE 3 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA

FIELD: SJS	SCALE: 1"= 100'	JOB NO: 22075	DATE: 1/26/23	SHEET: 2 OF 2
DRAWN: CMS				
CHECKED: SJS				
Starlink Surveying, Inc.		7836 W. Adobe Drive Glendale, AZ 85308 Ph. 623-322-1116 Fax 623-322-4637 starlink@starlinksurveying.com		

CASE NO.: FS22-1353



FS22-1353 PLAT EXHIBIT

Tanner Wessel

From: JAMES, MARK C GS-12 USAF AETC 56 FW/CVE <mark.james.14@us.af.mil>
Sent: Saturday, October 22, 2022 11:17 AM
To: Tierney Farago
Cc: 56 FW/CIT Community Initiative
Subject: RE: FS22-1353 Anderson Acres New Digital Submittal 10.10.22
Attachments: smime.p7s; ATT00001.txt; ATT00002.htm

Importance: High

Tierney,

Thank you for the opportunity to provide comments on the Anderson Acres Lot Split Project. The application is for creation of 5 new residential lots. The 10-acre site is .4 miles outside the Aux-1 2004 65 Ldn, "high noise or accident potential zone" as identified by A.R.S. § 28-8461 and is within the "territory in the vicinity of a military airport" also defined by A.R.S. § 28-8461.

In an effort to promote a more compatible co-existence, Luke AFB follows the guidelines in the Graduated Density Concept (GDC). The GDC proposes, in the absence of a more restrictive state, county or municipal general or comprehensive plan, graduating densities away from the 65 Ldn as follows: a maximum of 2 du/ac from the 65 Ldn to 1/2 mile, a maximum of 4 du/ac from 1/2 to 1 mile, and a maximum of 6 du/ac from 1 to 3 miles. The density proposal for the property as stated in the narrative meets the GDC.

As described, this project will not negatively impact the flying operations at Luke AFB. Since the site will be located within the "territory in the vicinity of a military airport," it will be subjected to approximately 170 over flights per day. We also recommend a strong notification program on the part of the applicant to inform any potential residents about Luke AFB operations.

Respectfully,

Mark James
56th Fighter Wing, Community Initiatives Team
Luke AFB AZ 85309
Office: 623-856-9981
DSN: 896-9981

-----Original Message-----

From: Tierney Farago <Tierney.Farago@surpriseaz.gov>
Sent: Monday, October 10, 2022 3:22 PM
To: 56 FW/CIT Community Initiative <56FW.CIT.CommunityInitiative@us.af.mil>; Afshin Ahouraiyan (Flood Control District of Maricopa County) <Afshin.Ahouraiyan@Maricopa.Gov>; Alex Garza (Maricopa Assoc of Governments) <AGarza@azmag.gov>; Aspasia Angelou (Nadaburg School District) <aangelou@nadaburgsd.org>; Chris Cain (Maricopa Water District) <chrisc@mwdaz.com>; Debbie Trasancos (Maricopa Water District) <debriet@mwdaz.com>; Ernest (USPS) <Ernest.L.James@usps.gov>; Eva Pierce <eva.pierce@dysart.org>; Ibeth - USPS <Ibeth.L.Roman@usps.gov>; Jerome Choy (ADOT) <jchoy@azdot.gov>; Kevin Shipman <kevin.shipman@dysart.org>; Leslie - MWD <lesliej@mwdaz.com>; Mark Frago <fragom@mail.maricopa.gov>; Mary Orta - Surprise Chamber <mary.orta@surpriseregionalchamber.com>; MCDOT <MCDOTPlanning@maricopa.gov>; Raoul Sada - Surprise Chamber

<raoul@surpriseregionalchamber.com>; Victor.Schaum <Victor.Schaum@cox.com>; Yvonne Aguirre
<yvonne.aguirre@swgas.com>
Cc: Nichole Flores <Nichole.Flores@surpriseaz.gov>
Subject: [Non-DoD Source] FS22-1353 Anderson Acres New Digital Submittal 10.10.22

Good afternoon,

Attached please find the application, narrative, and final plat for the above referenced project.

Please feel free to contact us with any questions.

Thanks,

Tierney Farago

Planning Project Coordinator

City of Surprise | Community Development

16000 N. Civic Center Plaza

Surprise, AZ 85374

623-222-3154

PLEASE NOTE: Effective August 3, 2022 we will be adding 2 business days for out-processing notices.

This e-mail and any accompanying files transmitted are intended solely for the use of the individual or entity to whom they are addressed; if you have received this e-mail in error please delete it and notify the sender. In addition, under Arizona law, e-mail communications and e-mail addresses may be public records.

0.1

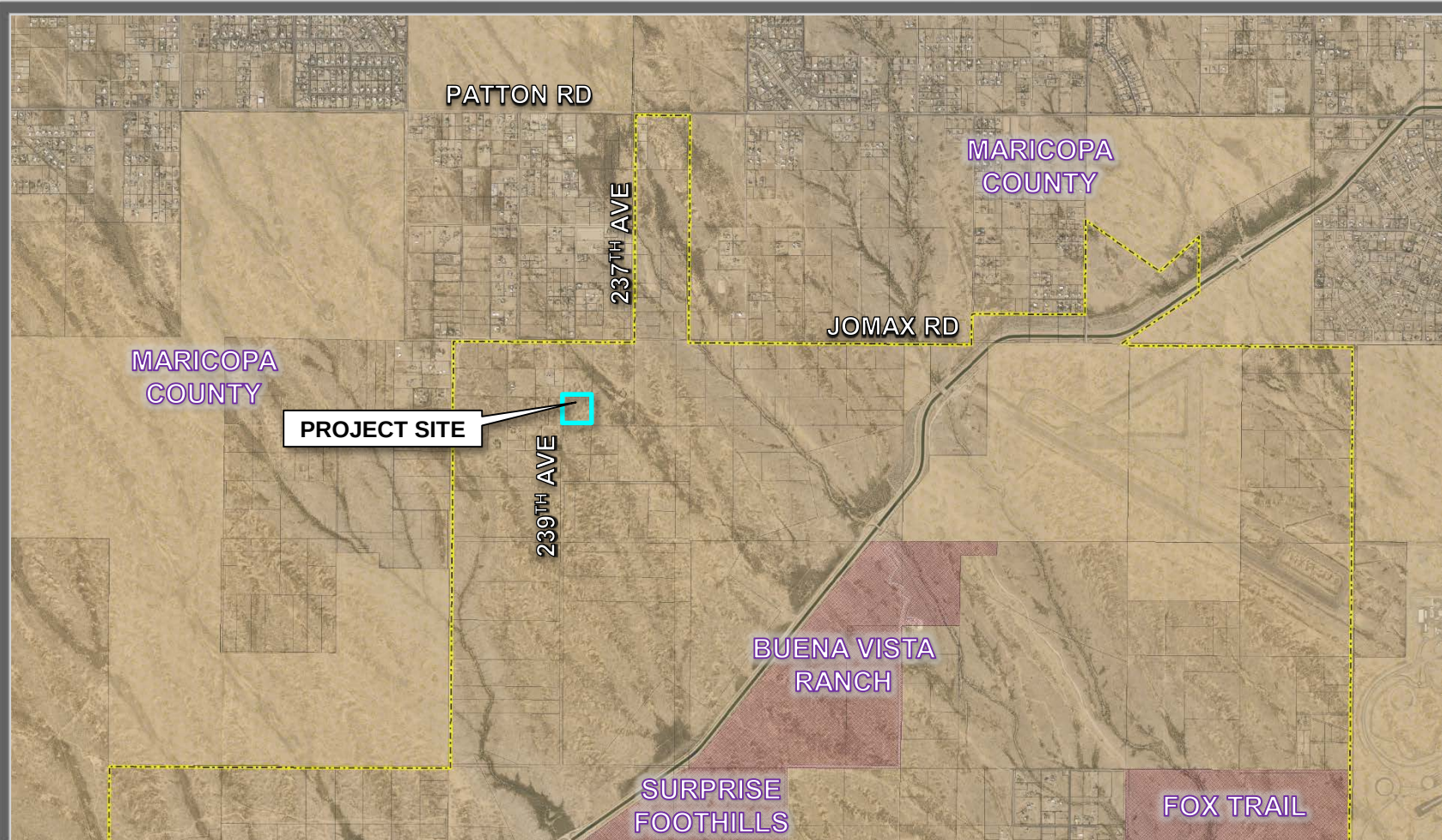


FS22-1353

Anderson Acres

Final Plat

City Council
April 04, 2023



FS22-1353 VICINITY MAP



FS22-1353 VICINITY MAP

AZ STATE
TRUST LAND

JOMAX RD

237TH AVE

MARICOPA
COUNTY

RR

RR

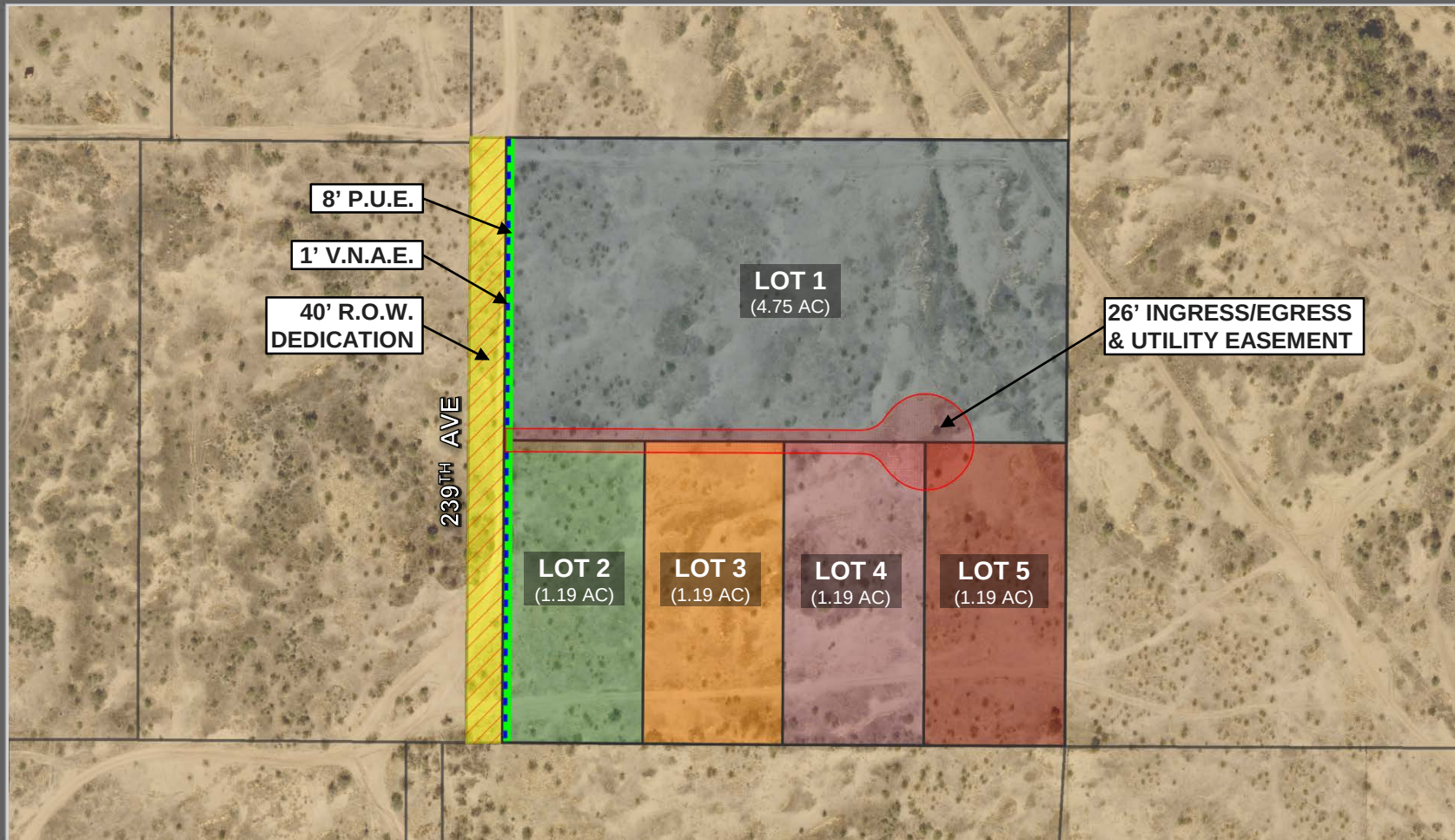
PROJECT SITE
(RR – RURAL RESIDENTIAL)

239TH AVE

RR

MARICOPA
COUNTY

FS22-1353 ZONING MAP



FS22-1353 PLAT EXHIBIT

FINAL PLAT "ANDERSON ACRES"

A PORTION OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST
OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA

DEDICATION

STATE OF ARIZONA }
COUNTY OF MARICOPA } 198

KNOW ALL PERSONS BY THESE PRESENTS:

THAT BILL L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY ("OWNER") HAS SUBDIVIDED UNDER THE NAME OF "ANDERSON ACRES" A SUBDIVISION LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATED HEREON AND DOES HEREBY PUBLISH THIS PLAT AND FOR THE PLAT OF "ANDERSON ACRES" AND DECLARES THAT THE PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET AND ADJACENT CONTRIBUTING EASE, AND THAT EACH LOT, TRACT, STREET AND ADJACENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY DEDICATES TO THE CITY OF SURPRISE FEES TITLE TO ALL PUBLIC RIGHT-OF-WAY AS SHOWN ON THE PLAT.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SEWERLINES, DRAINAGE DITCHES, AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED ROADS AND SERVICES FOR TRASH COLLECTION VEHICLES.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL EASEMENT ACROSS THE PLAT, UPON, UNDER, THROUGH AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING, AND USING PUBLIC UTILITIES, AND TRADING PUBLIC UTILITIES.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NONEXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS RIGHT VISIBILITY TRIANGLES FOR THE PURPOSE OF ENSURING THAT THESE AREAS REMAIN FREE OF OBSTACLE VISIBILITY OBSTRUCTIONS.

OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AN EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF PLANT OF AIRCRAFT OVER THE PLAT TOGETHER WITH ATTENDANT NOISE, VIBRATION, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDINGS, OR TAKING OFF FROM OR OPERATING AT OR ON LIKE AIR FORCE BASE AND ADJACENT AREAS.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHT-OF-WAY, THE EASEMENTS, OR ANY TRACT OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN RECEIVED BY OWNER TO THE CITY UPON THEIR COMPLETION HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL, FOR THE CITY OF SURPRISE, HAS ACCEPTED BY SEPARATE FORMAL COUNCIL ACTION.

FIRE SPRINKLERS ARE REQUIRED IN ALL ONE AND TWO FAMILY DWELLINGS BUT IN AREAS WHICH DO NOT HAVE AN ADEQUATE WATER SUPPLY.

IN WITNESS WHEREOF, THE OWNER HAS HERETOFORE CAUSED TO BE SIGNED AND AFFIXED ITS CORPORATE SEAL TO BE ATTACHED BY THE UNDERSIGNED, FULLY AUTHORIZED OFFICER OF THE CITY OF SURPRISE, ARIZONA.

BILL L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY

BY: _____

ITS: _____

ACKNOWLEDGMENT

STATE OF ARIZONA }
COUNTY OF MARICOPA } 198

ON THIS _____ DAY OF _____, 20____, BEFORE ME THE UNDERSIGNED APPEARED:

_____, WHO ACKNOWLEDGED TO ME THAT HE OR SHE, OF BILL L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY, ACKNOWLEDGED THAT HE OR SHE AS SUCH OFFICER, BEING FULLY AUTHORIZED, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED BY SIGNING THE NAME OF THE CORPORATION BY HIMSELF, AS SUCH OFFICER.

IN WITNESS WHEREOF, I HERETOBY SET MY HAND AND OFFICIAL SEAL.

BY: _____

MY COMMISSION EXPIRES: _____

PLAT NOTES

THE OWNER OR SUBSEQUENT OWNERS OF ANY EXISTING OR FUTURE WELLS ON THE LAND DESCRIBED IN THIS PLAT SHALL BE REQUIRED TO SIGN A WELL IMPACT STATEMENT TO THE CITY OF SURPRISE.

THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS, AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS ASSOCIATION FORMED BY THE OWNERS.

THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHT-OF-WAY, INCLUDING LANDSCAPED MEDIAN WITH COLLATIONS AND LOCAL STREETS, SHALL BE THE RESPONSIBILITY OF THE CITY OF SURPRISE. THE CITY OF SURPRISE SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS ASSOCIATION FORMED BY THE ADJACENT PROPERTY.

LANDSCAPING MAINTENANCE OF THE MEDIAN WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

NO CRUSING GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.

THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE "X" AS, BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY OR FLOOD INSURANCE RATE MAP(S) LOCATED WITHIN A DATE OF EXPIRATION OF 11/01/2015 FOR COMMUNITY NO. 50003 IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.

THE ROADS DESIGNATED AS "PRIVATE" AND ANY APPURTENANCES, INCLUDING, BUT NOT LIMITED TO, ROAD SIGNS, STRIPING, CURB AND GUTTER, AND SEWERLINES ARE PRIVATE; SUCH SIGNS AND APPURTENANCES ARE OWNED, MAINTAINED, AND REPAIRED BY OWNER OR THE HOMEOWNERS ASSOCIATION FORMED BY OWNER. THE CITY OF SURPRISE SHALL NOT INTERFERE OR REMOVE ANY ROAD DEGRADATION AS "PRIVATE".

IN ACCORDANCE WITH ARS §46-207, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.

THE PROPERTY OWNER AT THE TIME WHEN CITY OF SURPRISE WATER, ADJACENT SEWER INFRASTRUCTURE IS AVAILABLE AT THE PROPERTY, SHALL BE REQUIRED TO CONNECT IN ACCORDANCE WITH SURPRISE, MINIMUM CODE, AND PAY ALL APPLICABLE FEES. ANY OWNER OF THE PROPERTY SHALL NOTIFY PROSPECTIVE BUYERS AND THE PUBLIC OF THIS NOTE, AND ANY SALES CONTRACTS OR SALES REPORTS SHALL INCLUDE SUCH NOTE.

PUBLIC NOTICE

BILL L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE CITY OF SURPRISE, (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, (3) AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER OR IN CONNECTION WITH THE AREAS LOCATED WITHIN THE NEWLY DEDICATED RIGHT-OF-WAY AS SHOWN ON THIS PLAT, UNTIL SUCH TIME THAT THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND ACCEPTED BY THE CITY COUNCIL. THE MAINTENANCE OF THE AREA WITHIN ANY NEWLY DEDICATED RIGHT-OF-WAY AS SHOWN ON THE PLAT SHALL BE THE RESPONSIBILITY OF THE ADJACENT OWNER OR SUBSEQUENT ADJACENT OWNERS WITHIN THE BOUNDARY OF SAID PLAT, SUCH THAT THE AREA WITHIN THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND ACCEPTED BY THE CITY OF SURPRISE.

PUBLIC NOTICE

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LIKE AIR FORCE BASE AND MAY BE SUBJECT TO INTERFERENCE BY AIRCRAFT. ALL STRUCTURES WITHIN THE PLAT SHALL BE CONSTRUCTED IN CONFORMANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DESCRIBING THE MOST CURRENT ADOPTED MAP NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE AVAILABLE FOR PUBLIC OFFICIAL ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

RELEASE OF LIABILITY

BILL L.L.C., AN ARIZONA LIMITED LIABILITY COMPANY ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AND THE CITY OF SURPRISE, (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, (3) AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LIKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM: (A) AIRCRAFT, (B) FUEL, OIL, AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDINGS, OR TAKING OFF FROM OR OPERATING AT OR ON LIKE AIR FORCE BASE AND ITS ADJACENT AREAS, (C) THE INSTRUMENT SHALL BE THE SAME AS THE LAND AND THE CITY OF SURPRISE, (3) AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

RELEASE OF LIABILITY

OWNER HEREBY FURTHER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE FROM ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE IN CONNECTION WITH THE USE OF THE SEWERLINES LOCATED WITHIN THE RIGHT-OF-WAY, UNTIL SUCH TIME THAT THE CITY OF SURPRISE HAS ACCEPTED THE SEWERLINES.

OVERALL SITE AREA

GROSS AREA	44,382 SQ. FT. EQUAL TO 10.155 ACRES MORE OR LESS
FOOT OF ANY DEDICATED	26,038 SQ. FT. EQUAL TO 5.913 ACRES MORE OR LESS
NET AREA	413.49 AC. EQUAL TO 5.913 ACRES MORE OR LESS
NUMBER OF LOTS	

BASIS OF RECORDS

SECTION 22.02 OF THE WEST LINE OF THE NORTHEAST QUARTER, SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST, AS RECORDED IN BOOK 164, PAGE 28, M.C.R.

CITY OF SURPRISE ENGINEER APPROVAL

DATA ON THIS PLAT PREPARED AND APPROVED THIS _____ DAY OF _____, 20____, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED

BY: _____

DATE

CITY OF SURPRISE COUNCIL APPROVAL

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA THIS _____ DAY OF _____, 20____.

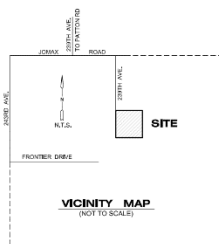
ATTEST:

MAJOR

DATE

CITY CLERK

DATE



LEGAL DESCRIPTIONS

PARCEL 1: BEING 20.01 ± 19544.4 M.C.R. THE SOUTH 15.00 FEET OF THE WEST 66.00 FEET OF S.L.L. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 2: THE NORTH HALF OF THE SOUTH 15.00 FEET OF THE WEST 66.00 FEET OF S.L.L. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 3: THE EAST 15.00 FEET OF THE WEST 150.00 FEET OF THE SOUTH HALF OF THE SOUTH 15.00 FEET OF S.L.L. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 4: THE EAST 15.00 FEET OF THE WEST 150.00 FEET OF THE SOUTH HALF OF THE SOUTH 15.00 FEET OF S.L.L. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 5: THE SOUTH HALF OF THE SOUTH 15.00 FEET OF THE WEST 66.00 FEET OF S.L.L. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 6: THE SOUTH HALF OF THE SOUTH 15.00 FEET OF THE WEST 66.00 FEET OF S.L.L. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL 7: THE SOUTH HALF OF THE SOUTH 15.00 FEET OF THE WEST 66.00 FEET OF S.L.L. LOT 2 AND THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

CERTIFICATION

I HEREBY CERTIFY THAT THE SURVEY OF THE PREMISES DESCRIBED AND MAPPED HEREON WERE MADE UNDER MY DIRECTORSHIP DURING THE MONTH OF JULY, 2022 THAT THE SURVEY IS TRUE AND COMPLETE AS SHOWN THAT THE MONUMENTS SHOWN ACTUALLY EXIST; THAT THEIR POSITIONS ARE CORRECTLY SHOWN; AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

STEPHEN L. SHEARER R.L.S., # 0037



FINAL PLAT

A PORTION OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASIN AND MERIDIAN, MARICOPA COUNTY, ARIZONA

DATE OF PLAT	SCALE	DATE	SHEET
2022-07-01	1" = 100'	2022-07-01	1 OF 2
CHUCK E. ELLIS			

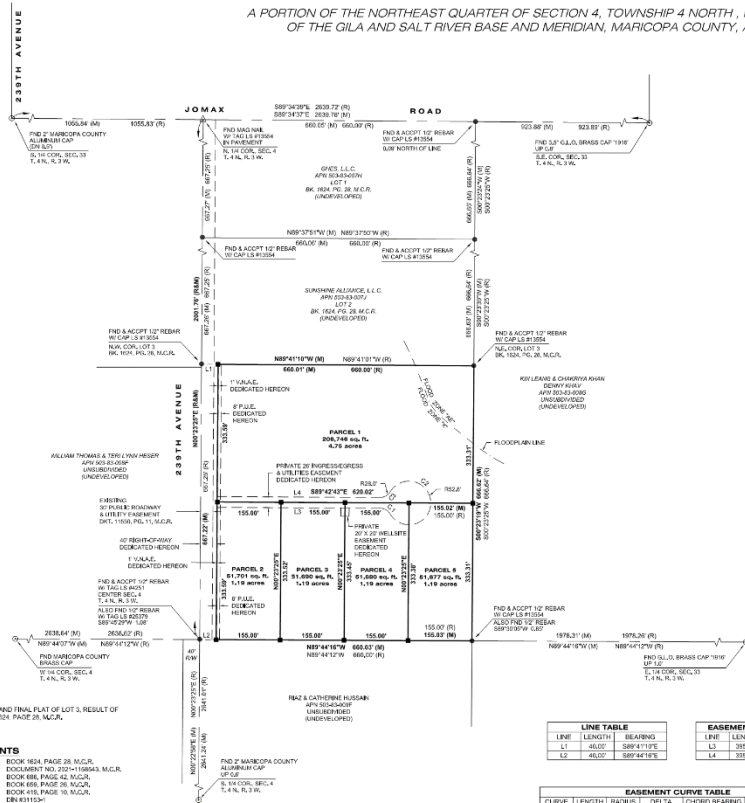
Starfish Surveying, Inc.

7836 W. Adobe Drive
Glendale, AZ 85308
Ph: 623-922-1116 Fax: 623-922-4657
starfish@starfishsurveying.com

CASE NO.: FS22-1353

FINAL PLAT "ANDERSON ACRES"

A PORTION OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 3 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA



FINAL PLAT

A PORTION OF THE NORTHEAST QUARTER OF SECTION 4,
TOWNSHIP 4 NORTH, RANGE 3 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA

SCALE	1" = 200'	SHEET	2 OF 2
DATE	2/20/15	DATE	2/20/15
BY	STARLINE SURVEYING, INC.	BY	STARLINE SURVEYING, INC.
CHECKED BY	STARLINE SURVEYING, INC.	CHECKED BY	STARLINE SURVEYING, INC.
DESIGNED BY	STARLINE SURVEYING, INC.	DESIGNED BY	STARLINE SURVEYING, INC.

Starline Surveying, Inc.
7834 W. Apache Drive
Glendale, AZ 85308
Ph: 623-322-1195 Fax: 623-322-4637
starline@starlinesurveying.com



SURPRISE
ARIZONA

QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023 Contact Person: Tanner Wessel
Submitting Department: Community Development District: District 6
Staff Recommendations: None

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval of the Final Plat entitled, "Re-Plat of Lots 1A, 1B, and 2A of Stampede Junction" and dated February 15, 2023, a property located at the southwest corner of Waddell Road and Dysart Road; Case FS22-1469.

Motion:

I move to approve the Final Plat entitled, "Re-Plat of Lots 1A, 1B, and 2A of Stampede Junction" and dated February 15, 2023.

Background:

Cheri Bomar of Hardy World LLC seeks approval of a Re-Plat of the subject property located at the southwest corner of Waddell Road and Dysart Road. The proposed Final Plat realigns existing parcel boundaries to align with future development plans of the Level Crossing development.

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Policy Compliant:

The proposed Final Plat is consistent with the Surprise General Plan 2035 and the City of Surprise Land Development Ordinance.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00-FS22-1469 Stampede Junction - Final Plat - Staff Report
 2. 01 - FS22-1469 Stampede Junction - Final Plat - Vicinity Map
 3. 02 - FS22-1469 Stampede Junction - Final Plat - Zoning Map
 4. 03 - FS22-1469 Stampede Junction - Final Plat - Final Plat
 5. 04 - FS22-1469 Stampede Junction - Final Plat - Final Plat Exhibit
 6. FS22-1469 Stampede Junction - Final Plat - PowerPoint
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS22-1469

Project Name: Stampede Junction - Final Plat

Council District: 6 – Palo Verde

City Council Date: April 04, 2023

Planner: Tanner Wessel, Planner II

Owner: Stampede Industries LLC

Applicant: Cheri Bomar, Hardy World LLC

Request: Re-plat to reconfigure parcel boundaries to align with future development plans

Site Location: Located at the southwest corner of Waddell Road and Dysart Road

Site Size: Approximately 19.01 gross acres

Findings:

- The proposed Final Plat is consistent with the Surprise General Plan 2035.
- The proposed Final Plat is consistent with the Surprise Land Development Ordinance.

Alternative Actions: **Approve** – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.
Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

34 **Additional Information:**

35
36 Cheri Bomar of Hardy World LLC requests approval of a Final Plat entitled “Replat of Lots
37 1A, 1B, and 2A of Stampede Junction” dated February 15, 2023. The subject parcel is zoned
38 Planned Area Development (PAD) – Surprise Pointe and is located at the southwest corner
39 of Waddell Road and Dysart Road. The proposed Final Plat reconfigures Lots 1A, 1B and
40 2A of the previously approved “Stampede Junction” final plat (FS19-858) to align with future
41 plans of the Level Crossing development. The Final Plat does not propose any easements
42 or right-of-way dedications.
43



44
45 The area for each parcel is shown below:

- 46 • Lot 1A – approximately 3.97 acres
 - 47 • Lot 1B – approximately 3.01 acres
 - 48 • Lot 2A – approximately 12.03 acres
- 49
50

51 **General Plan Conformance:**

52
53 The proposed final plat was reviewed against the goals, policies, recommendations, and
54 guidelines of the City of Surprise General Plan 2035. The proposed final plat is consistent
55 with the General Plan in some of the following ways:

56
57 This project is located within the Employment character area of the General Plan. The
58 proposed lot configuration adheres to the design guidelines of the character area which
59 allows for both Business Park and Industrial type developments.
60

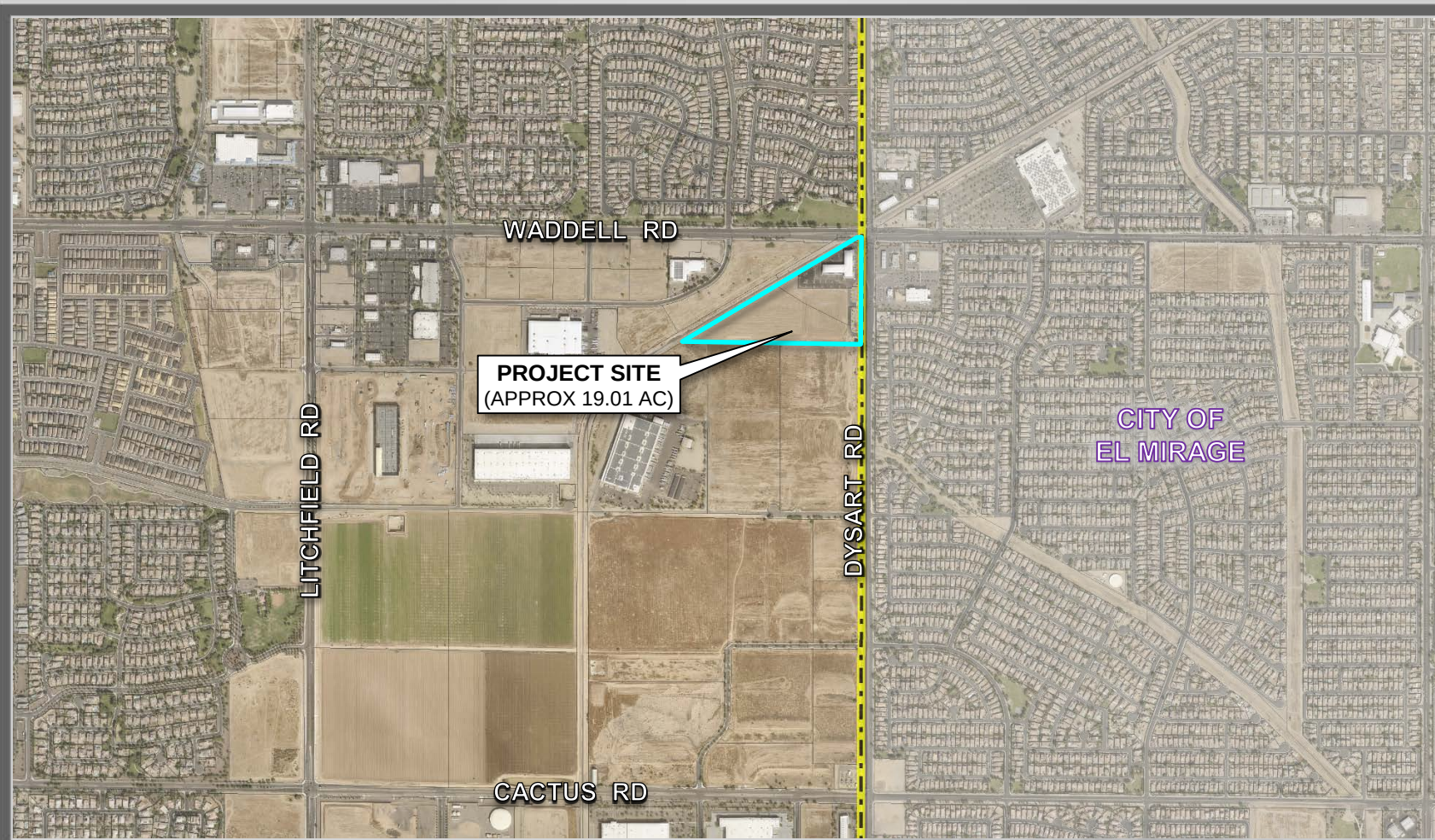
61 This project maintains compatibility with the quality of existing land uses in the
62 surrounding area in that it continues the Industrial development pattern established in the
63 vicinity of this parcel.
64

65 **Reviewing Agencies:**
66

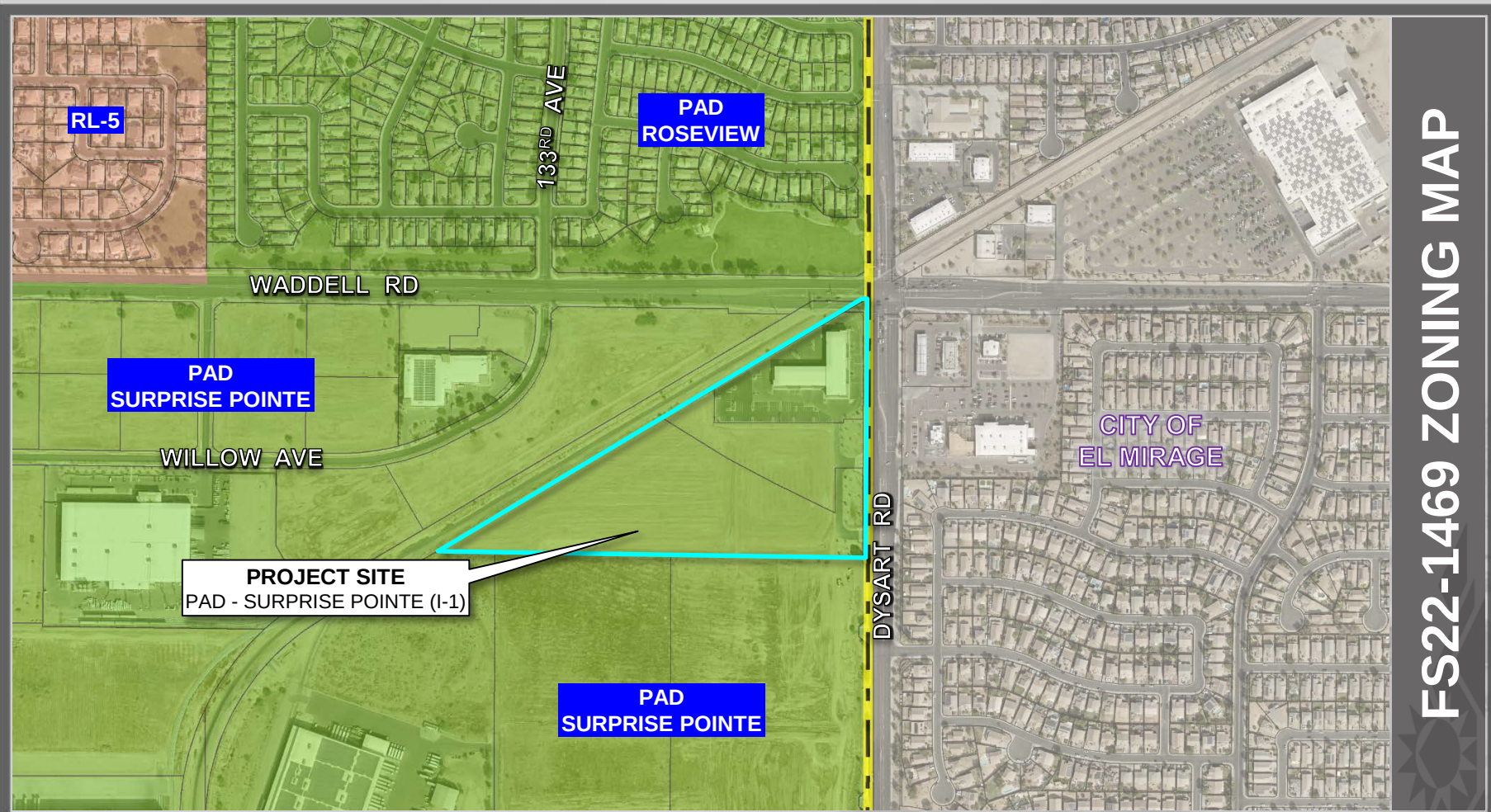
67 This project was routed to both Luke Air Force Base and the Maricopa Water District for
68 review. Both agencies have indicated no objections.
69

70 **Attachments:**

71 01 Vicinity Map
72 02 Zoning Map
73 03 Final Plat
74 04 Plat Exhibit
75 PPT



FS22-1469 VICINITY MAP



FS22-1469 ZONING MAP

DEDICATION:

STATE OF ARIZONA)
COUNTY OF MARICOPA) SS

KNOW ALL PERSONS BY THESE PRESENTS:

THAT STAMPEDE INDUSTRIES, LLC A PENNSYLVANIA LIMITED LIABILITY COMPANY, AS OWNER, HAVE PLATTED THE PROPERTY SHOWN HEREON UNDER THE NAME OF RE--PLAT OF LOTS 1B AND 2A OF STAMPEDE JUNCTION A PLAT OF PROPERTY LOCATED IN A PORTION OF SECTION 15, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN HEREON, AND HAS PLATTED HEREON AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT OF SAID RE--PLAT OF LOTS 1B AND 2A OF STAMPEDE JUNCTION AND HEREBY DECLARES THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF THE LOTS, STREET AND EASEMENTS CONSTITUTING THE SAME, AND THAT EACH LOT AND STREET SHALL BE KNOWN BY THE NUMBER OR NAME, GIVEN EACH RESPECTIVELY, ON SAID PLAT AND THAT THE OWNER, HEREBY DEDICATES TO THE PUBLIC FOR USE AS SUCH THE STREET AS SHOWN ON SAID PLAT AND INCLUDED IN THE ABOVE DESCRIBED PREMISES.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR TRASH COLLECTION VEHICLES.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON--EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC UTILITIES.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS--OF--WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE AN ODOR EASEMENT OVER, UPON AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT TO INVADE WITH ODORS, FUMES, SMELLS, AND PHYSICAL AIRBORNE PARTICULATES CAUSED BY THE OPERATION AND MAINTENANCE OF THE CITY'S WATER RECLAMATION FACILITIES,

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT FOR THE PURPOSES OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY VEHICLES.

OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

STAMPEDE INDUSTRIES, LLC A PENNSYLVANIA LIMITED LIABILITY COMPANY ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH THE AREAS LOCATED WITHIN THE NEWLY DEDICATED RIGHT--OF--WAY AS DEPICTED ON THIS PLAT UNTIL SUCH TIME THE RIGHT--OF--WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND ACCEPTED BY THE CITY COUNCIL. THE MAINTENANCE OF THE AREA WITHIN ANY NEWLY DEDICATED RIGHT--OF--WAY AS SHOWN ON THIS PLAT SHALL BE THE RESPONSIBILITY OF THE ADJACENT OWNER/OR SUBSEQUENT ADJACENT OWNERS WITHIN THE BOUNDARY OF SAID PLAT UNTIL SUCH TIME THAT THE AREA WITHIN THE RIGHT--OF--WAY IS IMPOSED TO CITY STANDARD AND ACCEPTED BY THE CITY OF SURPRISE.

THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE OWNER.

THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS--OF--WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE ADJACENT PROPERTY.

LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT--OF--WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

OWNER HEREBY DECLARES AND ESTABLISHES A VEHICULAR AND PEDESTRIAN CROSS ACCESS EASEMENT OVER AND ACROSS THE ROADS/DRIVE AISLES OF LOT 1A, LOT 1B FOR THE BENEFIT OF LOT 2A AS SUCH DRIVE AISLES MAY BE CONSTITUTED AND CONFIGURED IN THE REASONABLE DISCRETION OF THE OWNER OF LOT 1A, LOT 1B FOR THE PURPOSE OF PROVIDING ACCESS TO LOT 2A TO AND FROM DYSART ROAD

EACH FUTURE OWNER AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, INVITEES AND LICENSEES, AGREES TO BE RESPONSIBLE FOR THE MAINTENANCE, REPAIR AND REPLACEMENT OF THE EASEMENTS, PRIVATE FIRE LINE EASEMENTS, DRAINAGE EASEMENTS AND INGRESS AND EGRESS EASEMENT, DESCRIBED ON SUCH PLAT IN A PRORATE SHARE BASED UPON ACREAGE OF LOTS. PROVIDED, HOWEVER, THAT EACH FUTURE OWNER AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, INVITEES AND LICENSEES, SHALL ALSO HAVE THE RIGHT OF INGRESS AND EGRESS OVER AND ACROSS THE LOTS TO PERFORM ANY EMERGENCY OR NECESSARY MAINTENANCE, REPAIRS OR REPLACEMENT OF THE EASEMENTS WHICH THE FUTURE OWNER AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, INVITEES AND LICENSEES, OF A LOT REFUSES OR IS UNABLE TO PERFORM AFTER REASONABLE NOTICE, PROVIDED THAT THE EXERCISE OF SUCH RIGHT SHALL NOT MATERIALLY INTERFERE WITH THE USE, ENJOYMENT OR DEVELOPMENT OF, OR CAUSE DAMAGE TO, SUCH LOT. IN THE EVENT A FUTURE OWNER AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, INVITEES AND LICENSEES, PERFORMS MAINTENANCE OR REPAIRS TO THE EASEMENTS, THEN THE FUTURE OWNER OF THE OTHER LOT SHALL REIMBURSE THE OTHER FUTURE OWNER FOR EACH PRO RATA SHARE OF THE COSTS AND EXPENSES INCURRED IN PERFORMING SUCH MAINTENANCE OR REPAIRS WITHIN THIRTY (30) DAYS OF RECEIPT OF A WRITTEN INVOICE FOR THE SAME.

IN WITNESS WHEREOF, CHERI BOMAR, AS MANAGER OF STAMPEDE INDUSTRIES, LLC, A PENNSYLVANIA LIMITED LIABILITY COMPANY, HEREUNTO CAUSES ITS COMPANY NAME TO BE AFFIXED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF THE UNDERSIGNED MANAGER THEREUNTO DULY AUTHORIZED THIS ____ DAY OF _____, 2023.

BY: _____

ITS: _____

RE-PLAT
OF LOTS 1A, 1B AND 2A OF
STAMPEDE JUNCTION
RECORDED IN BOOK 1542 OF MAPS, PAGE 15, M.C.R.
A PORTION OF THE NORTHEAST QUARTER OF SECTION 15,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, CITY OF SURPRISE, ARIZONA.

PUBLIC NOTICE:

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVER FLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

IN ACCORDANCE WITH ARS 9--461.07. THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.

STAMPEDE INDUSTRIES, LLC A PENNSYLVANIA LIMITED LIABILITY COMPANY ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

ACKNOWLEDGMENT:

STATE OF PENNSYLVANIA)
COUNTY OF WASHINGTON) SS

ON THIS ____ DAY OF _____, 2023, PERSONALLY APPEARED CHERI BOMAR THE MANAGER OF STAMPEDE INDUSTRIES, LLC, A PENNSYLVANIA LIMITED LIABILITY COMPANY, AS MANAGER OF STAMPEDE INDUSTRIES, LLC, A PENNSYLVANIA LIMITED LIABILITY COMPANY, WHOSE IDENTITY WAS PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THIS DOCUMENT, AND WHO ACKNOWLEDGED THAT HE SIGNED THE ABOVE ATTACHED DOCUMENT.

WITNESS MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC

MY COMMISSION EXPIRES: _____

LEGAL DESCRIPTION:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

A PARCEL OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 15, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SECTION 15 BEING A BRASS CAP IN HANDHOLE FROM WHICH THE EAST QUARTER QUARTER A BRASS CAP IN HANDHOLE BEARS SOUTH 00 DEGREES 06 MINUTES 59 SECONDS WEST AND A DISTANCE OF 2638.82 FEET (BASIS OF BEARING);

THENCE SOUTH 00 DEGREES 06 MINUTES 59 SECONDS WEST ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 15, 75.00 FEET;

THENCE NORTH 89 DEGREES 15 MINUTES 25 SECONDS WEST PARALLEL WITH THE NORTH LINE OF NORTHWEST QUARTER, A DISTANCE 75.00 FEET TO A POINT ON A LINE PARALLEL WITH AND 75.00 FEET WEST OF THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 15 AND THE POINT OF BEGINNING;

THENCE SOUTH 00 DEGREES 06 MINUTES 59 SECONDS WEST ALONG SAID PARALLEL LINE, 952.50 FEET;

THENCE NORTH 89 DEGREES 15 MINUTES 56 SECONDS WEST, 1662.67 FEET TO A POINT ON THE SOUTHEASTERLY RIGHT OF WAY LINE OF THE SANTA FE RAILROAD SPUR;

THENCE NORTH 59 DEGREES 35 MINUTES 33 SECONDS EAST ALONG SAID SOUTHEASTERLY RIGHT OF WAY LINE, 1,841.70 FEET TO A POINT ON A LINE PARALLEL WITH AND 75.00 FEET SOUTH OF THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 15;

THENCE SOUTH 89 DEGREES 15 MINUTES 25 SECONDS EAST ALONG SAID PARALLEL LINE, 76.11 FEET TO THE POINT OF BEGINNING;

SURVEYOR'S NOTES:

1. EVERY DOCUMENT OF RECORD REVIEWED AND CONSIDERED AS A PART OF THIS SURVEY MAP IS NOTED HEREON.
2. THE WORD "CERTIFY" OR "CERTIFICATE" IS AN EXPRESSION OF PROFESSIONAL OPINION REGARDING THE FACTS OF THE SURVEY AND DOES NOT CONSTITUTE A GUARANTEE, EXPRESS OR IMPLIED.
3. CONSTRUCTION WITHIN UTILITY EASEMENTS, EXCEPT BY PUBLIC AGENCIES AND UTILITY COMPANIES SHALL BE LIMITED TO UTILITIES, AND WOOD, WIRE, OR REMOVABLE FENCING AND MUST BE IN CONFORMANCE WITH THE APPLICABLE COVENANTS, CONDITIONS AND RESTRICTIONS.
4. THIS SUBDIVISION IS LOCATED WITHIN THE CITY OF SURPRISE WATER SERVICE AREA AND HAS BEEN DESIGNATED AS HAVING A 100 YEAR ASSURED WATER SUPPLY.
5. ALL EASEMENTS CREATED BY PRIOR CONVEYANCE OR DEED AS SHOWN HEREON ARE NOT CREATED BY OR DEDICATED ON THIS PLAT, BUT ARE SHOWN FOR INFORMATION PURPOSES ONLY AND MAY BE SUBJECT TO MODIFICATION PER THE TERMS OF THE INSTRUMENT OR DEED CREATING THE SAME.
6. OWNER INFORMATION WAS OBTAINED FROM THE MARICOPA COUNTY ASSESSOR'S WEBSITE.
7. LOT ARRANGEMENT SHOWN IS PER INSTRUCTIONS GIVEN TO SURVEYOR BY OWNER. SURVEYOR MAKES NO REPRESENTATION THAT LOTS SHOWN MEET APPLICABLE REGULATIONS CONCERNING LOT SIZE, SETBACK REQUIREMENTS, ECT.
8. ALL COMMERCIAL/INDUSTRIAL BUILDINGS SHALL BE EQUIPPED WITH A FIRE SPRINKLING SYSTEM, SUBJECT TO THE REVIEW AND APPROVAL BY THE CITY OF SURPRISE FIRE CHIEF OR THE FIRE CHIEF'S DESIGNEE.
9. THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE X. ZONE X IS DEFINED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) AS AREAS DETERMINED TO BE AREAS OF 0.2% ANNUAL FLOOD; AREAS OF 1% ANNUAL FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS OF LESS THAN 1 SQUARE MILE; AND AREAS PROTECTED BY LEVEES FROM 1% ANNUAL FLOOD. BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ON FLOOD INSURANCE RATE MAP NO. 04013C1880L, WITH A DATE OF IDENTIFICATION OF OCTOBER 16, 2013, FOR COMMUNITY NO. 040053, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.
10. NO ON--SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.

RECORD OWNER:

STAMPEDE INDUSTRIES, LLC.
61 SR 2046
BENTLEYVILLE, PENNSYLVANIA 15314

DEVELOPER:

STAMPEDE/HWLLC AZ
61 SR 2040
BENTLEYVILLE, PENNSYLVANIA 15314

SERVING UTILITIES:

SEWER	CITY OF SURPRISE
WATER	CITY OF SURPRISE
ELECTRICITY	ARIZONA PUBLIC SERVICE
TELEPHONE	COX COMMUNICATIONS AND CENTURY LINK
CABLE TV	COX COMMUNICATIONS AND CENTURY LINK
INTERNET	COX COMMUNICATIONS AND CENTURY LINK
GAS	SOUTHWEST GAS COMPANY
FIRE AND EMERGENCY	CITY OF SURPRISE
POLICE	CITY OF SURPRISE

RELEASE OF LIABILITY:

STAMPEDE INDUSTRIES, LLC A PENNSYLVANIA LIMITED LIABILITY COMPANY, OWNER, DOES HEREBY (1) RELEASE AND DISCHARGE THAT UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELD. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

OWNER HEREBY FURTHER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE FROM ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE IN CONNECTION WITH THE USE OF THE SIDEWALKS LOCATED WITHIN THE RIGHT--OF--WAY, UNTIL SUCH TIME THE CITY OF SURPRISE HAS ACCEPTED THE SIDEWALKS.

CITY OF SURPRISE ENGINEERING APPROVAL:

DATA ON THIS PLAT REVIEWED AND APPROVED THE _____ DAY OF _____ 20____, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED _____ CITY ENGINEER _____ DATE _____

CITY OF SURPRISE COUNCIL APPROVAL:

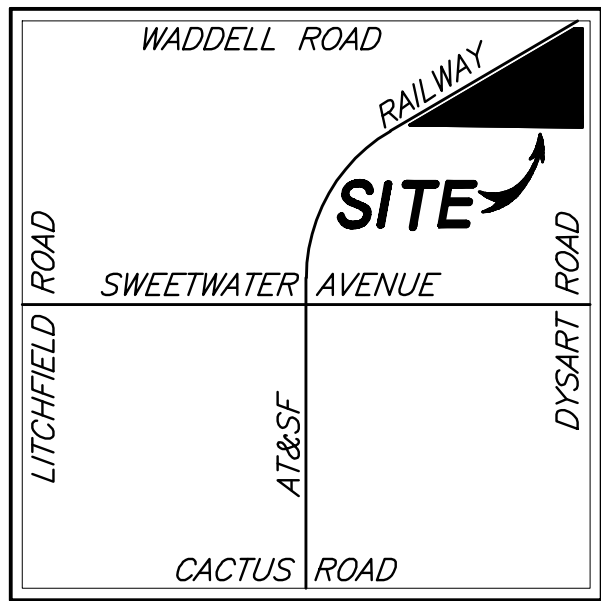
APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA THIS _____ DAY OF _____ 20____.

ATTEST: _____ MAYOR _____ DATE _____

CITY CLERK _____ DATE _____

CERTIFICATION:

I, LANCE C. DICKSON, BEING A LICENSED LAND SURVEYOR IN THE STATE OF ARIZONA, HEREBY STATE THAT THIS PLAT CONSISTING OF TWO (2) SHEETS, CORRECTLY REPRESENTS A SUBDIVISION PLAT PREPARED UNDER MY SUPERVISION DURING THE MONTH OF OCTOBER, 2022; AND THAT SAID PLAT MONUMENTS ARE SUFFICIENT TO ENABLE THE PLAT TO BE RETRACED.



VICINITY MAP

SECTION 15, T.3N.--R.1W.
NOT TO SCALE

REVISIONS

RE-PLAT OF LOTS 1A, 1B AND 2A OF
STAMPEDE JUNCTION

RECORDED IN BOOK 1542 OF MAPS, PAGE 15, M.C.R.
A PORTION OF THE NORTHEAST QUARTER OF SECTION 15,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE
GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, CITY OF SURPRISE, ARIZONA.

Arizona Surveying and Mapping

ABSOLUTE CONFIDENCE SINCE 1988

MAILING: P.O. BOX 35455, PHX. 85069
2440 W. MISSION LANE, SUITE 4
PHOENIX, ARIZONA 85021
TEL (602) 246-9919 FAX (602) 246-9944

INFO@ASAM1.COM



FIELDWORK BY : LCD
DRAWN BY : LCD
CHECKED BY : LCD
JOB # P22-319
DATE : 01/24/2023

SHEET NO.

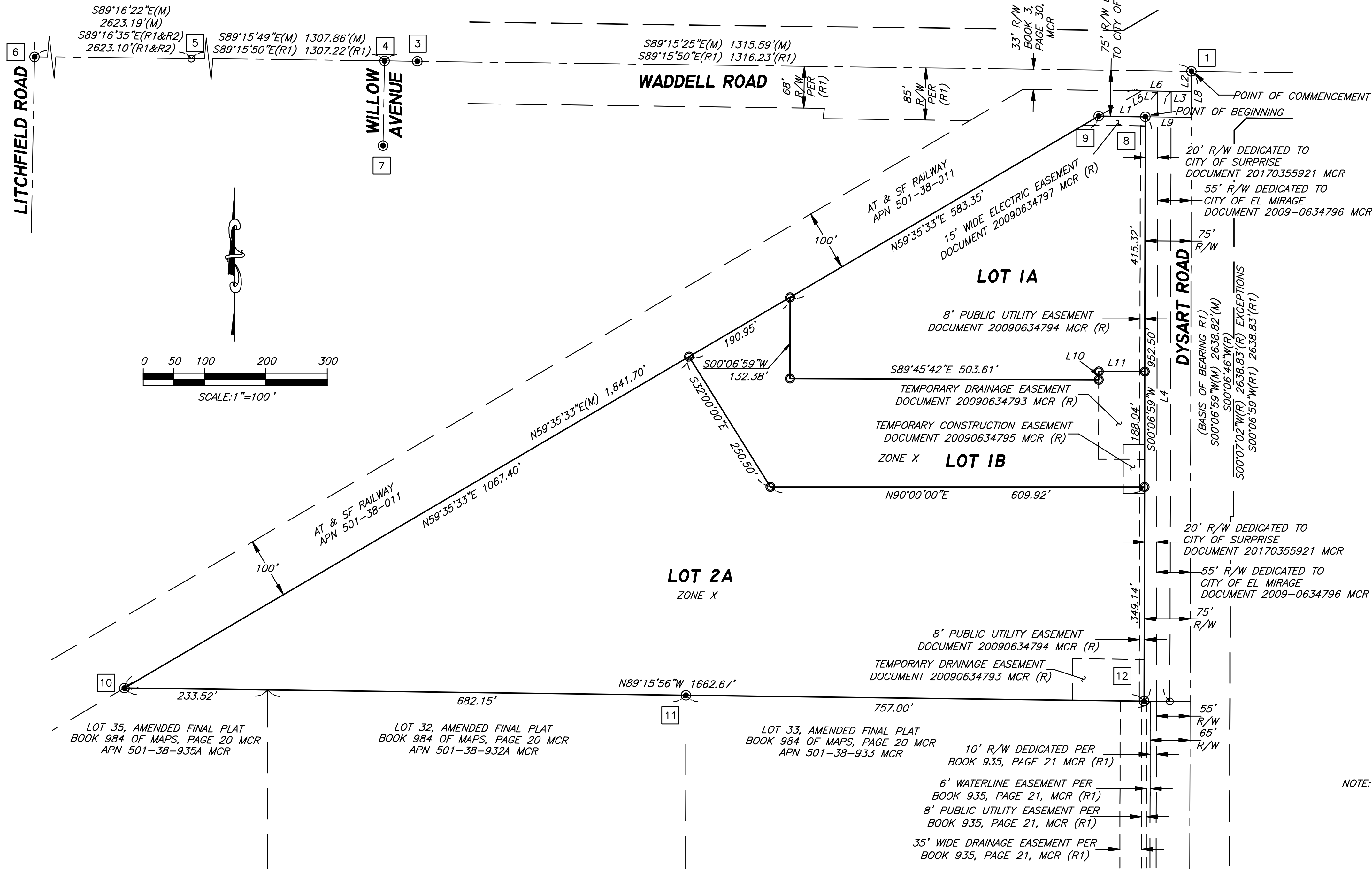
1

1 OF 2

CITY OF SURPRISE CASE NUMBER FS22-1469

RE-PLAT
OF LOTS 1A, 1B AND 2A OF
STAMPEDE JUNCTION

RECORDED IN BOOK 1542 OF MAPS, PAGE 15, M.C.R.
A PORTION OF THE NORTHEAST QUARTER OF SECTION 15,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE
AND MERIDIAN, MARICOPA COUNTY, CITY OF SURPRISE, ARIZONA.



REFERENCE DATA:

THIS SURVEY IS SUPPORTED BY THE FOLLOWING RECORD INFORMATION:

- (R) EXHIBIT A LEGAL DESCRIPTION FROM A COMMITMENT FOR TITLE INSURANCE ISSUED BY FIDELITY NATIONAL TITLE INSURANCE COMPANY LOCAL NUMBER 16000597-040-DO, DATED DECEMBER 6, 2016 AT 5:00 P.M.
- (R1) AMENDED FINAL PLAT FOR SURPRISE POINTE AS RECORDED IN BOOK 984 OF MAPS, PAGE 20, MCR.
- (R2) AMENDED FINAL PLAT SURPRISE POINTE NORTH AS RECORDED IN BOOK 1245 OF MAPS, PAGE 33, MCR.

AREAS:

LOT 1A - ±172,888 SQUARE FEET OR ±3.97 ACRES
LOT 1B - ±131,314 SQUARE FEET OR ±3.01 ACRES
LOT 2A - ±523,850 SQUARE FEET OR ±12.03 ACRES

TOTALS - ±828,052 SQUARE FEET OR ±19.01 ACRES

BASIS OF BEARING:

S00°06'59"W ALONG THE MONUMENT LINE OF DYSART ROAD AS MEASURED BETWEEN MONUMENTS NUMBERED 1 AND 2 SHOWN HEREON AND DESCRIBED UNDER MONUMENT NOTES. ALSO SHOWN ON THE AMENDED FINAL PLAT FOR SURPRISE POINTE AS RECORDED IN BOOK 984 OF MAPS, PAGE 20, MCR. (R1)

MONUMENT NOTES:

ALL MONUMENTATION SHOWN HEREON WAS
ACCEPTED UNLESS OTHERWISE NOTED

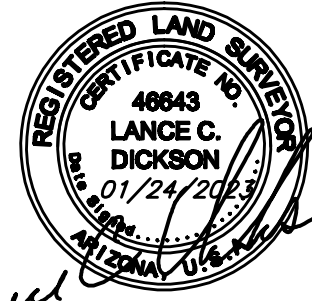
- 1 FOUND MARICOPA COUNTY BRASS CAP IN HANDHOLE 0.40' DOWN AT THE NORTHEAST CORNER OF SECTION 15, T.3N.-R.1W.
- 2 FOUND CITY OF SURPRISE BRASS CAP IN HANDHOLE 0.33' DOWN AT THE EAST QUARTER CORNER OF SECTION 15, T.3N.-R.1W.
- 3 FOUND CITY OF SURPRISE BRASS CAP FLUSH.
- 4 FOUND CITY OF SURPRISE BRASS CAP FLUSH AT THE INTERSECTION OF WADDELL ROAD AND WILLOW AVENUE.
- 5 CALCULATED POSITION OF THE NORTH QUARTER CORNER OF SECTION 15, T.3N.-R.1W. NOTHING FOUND AND NOTHING SET.
- 6 FOUND BRASS CAP IN HANDHOLE 0.40' DOWN AT THE NORTHWEST CORNER OF SECTION 15, T.3N.-R.1W.
- 7 FOUND CITY OF SURPRISE BRASS CAP FLUSH AT THE FIRST POINT OF CURVATURE OF THE MONUMENT LINE OF WILLOW AVENUE WEST OF WADDELL ROAD.
- 8 FOUND CONCRETE NAIL WITH BRASS TAG 23385 AT THE NORTHEAST BOUNDARY CORNER.
- 9 FOUND REBAR WITH YELLOW CAP RLS 23385 AT THE NORTHEAST BOUNDARY CORNER.
- 10 FOUND 1/2 INCH REBAR (NO TAG) AT THE SOUTHWEST BOUNDARY CORNER.
- 11 FOUND 1/2 INCH REBAR WITH YELLOW CAP RLS 45835.
- 12 FOUND 1/2 INCH REBAR WITH YELLOW CAP RLS 23385 AT THE SOUTHEAST BOUNDARY CORNER.

LEGEND:

- BOUNDARY LINE
- MONUMENT LINE
- EASEMENT LINE
- RIGHT-OF-WAY LINE
- ADJOINING PROPERTY
- SET 1/2" REBAR RLS #46643 UNLESS OTHERWISE NOTED
- FOUND MONUMENT AS NOTED
- CALCULATED POINT. NOTHING FOUND AND NOTHING SET
- (M) MEASURED DATA
- (R) RECORDED DATA
- MCR MARICOPA COUNTY RECORDS
- R/W RIGHT-OF-WAY
- APN ASSESSOR'S PARCEL NUMBER
- # MONUMENT NOTE

NOTE: ALL DATA IS MEASURED UNLESS OTHERWISE NOTED

LINE TABLE		
LINE	LENGTH	BEARING
L1	76.11'	S89°15'25"E
	76.06'(R)	S89°15'48"E(R)
L2	33.00'	S00°06'59"W
	32.65'(R)	S00°16'46"W(R)
L3	33.00'	N89°15'25"W
	33.00'(R)	N89°53'14"W(R)
L4	994.50'	S00°06'59"W
	994.50'(R)	S00°06'46"W(R)
L5	81.19'	S00°06'59"W(R1)
	81.20'(R)	S00°06'59"W(R1)
L6	48.16'	S89°15'25"E
	48.13'(R)	S89°16'12"W(R)
L7	48.11'(R1)	S89°15'52"W(R1)
	26.16'	S89°15'25"E
L8	26.11'(R)	S89°15'48"E(R)
	75.00'(M)	S00°06'59"W(M)
L9	75.00'(M)	S00°06'59"W(M)
	75.00'(M)	N89°15'25"W(M)
L10	13.59'	N00°06'59"E
L11	75.00'	N89°53'01"E



CITY OF SURPRISE CASE NUMBER FS22-1469

REVISIONS

RE-PLAT OF LOTS 1A, 1B AND 2A OF
STAMPEDE JUNCTION

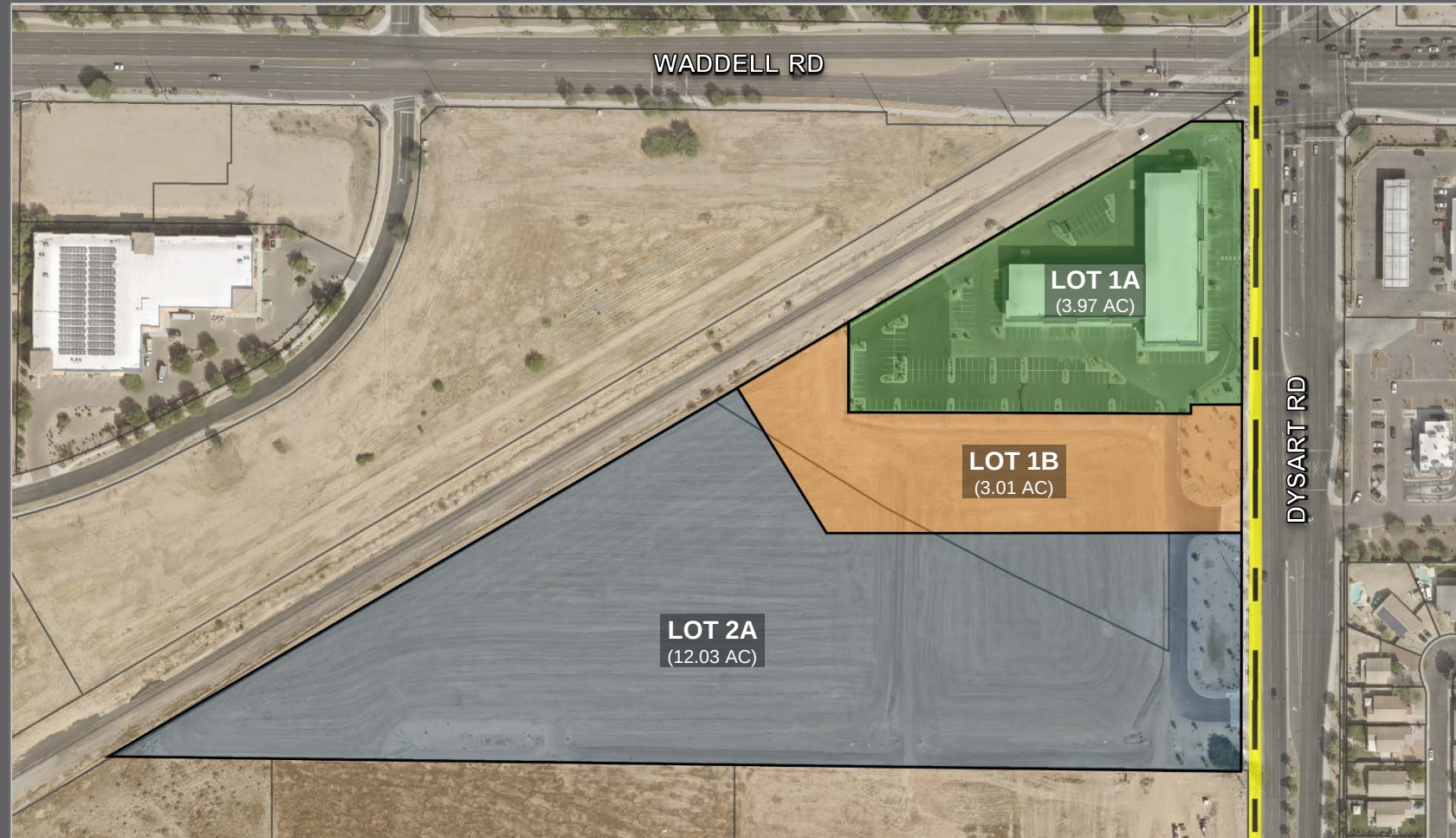
RECORDED IN BOOK 1542 OF MAPS, PAGE 15, M.C.R.
A PORTION OF THE NORTHEAST QUARTER OF SECTION 15,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE
GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, CITY OF SURPRISE, ARIZONA.

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PHOENIX, ARIZONA 85021
TEL (602) 246-9919 FAX (602) 246-9944
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FIELDWORK BY : LCD
DRAWN BY : LCD
CHECKED BY : LCD
JOB # P22-319
DATE : 01/24/2023

SHEET NO.
2
2 OF 2



FS22-1469 PLAT EXHIBIT

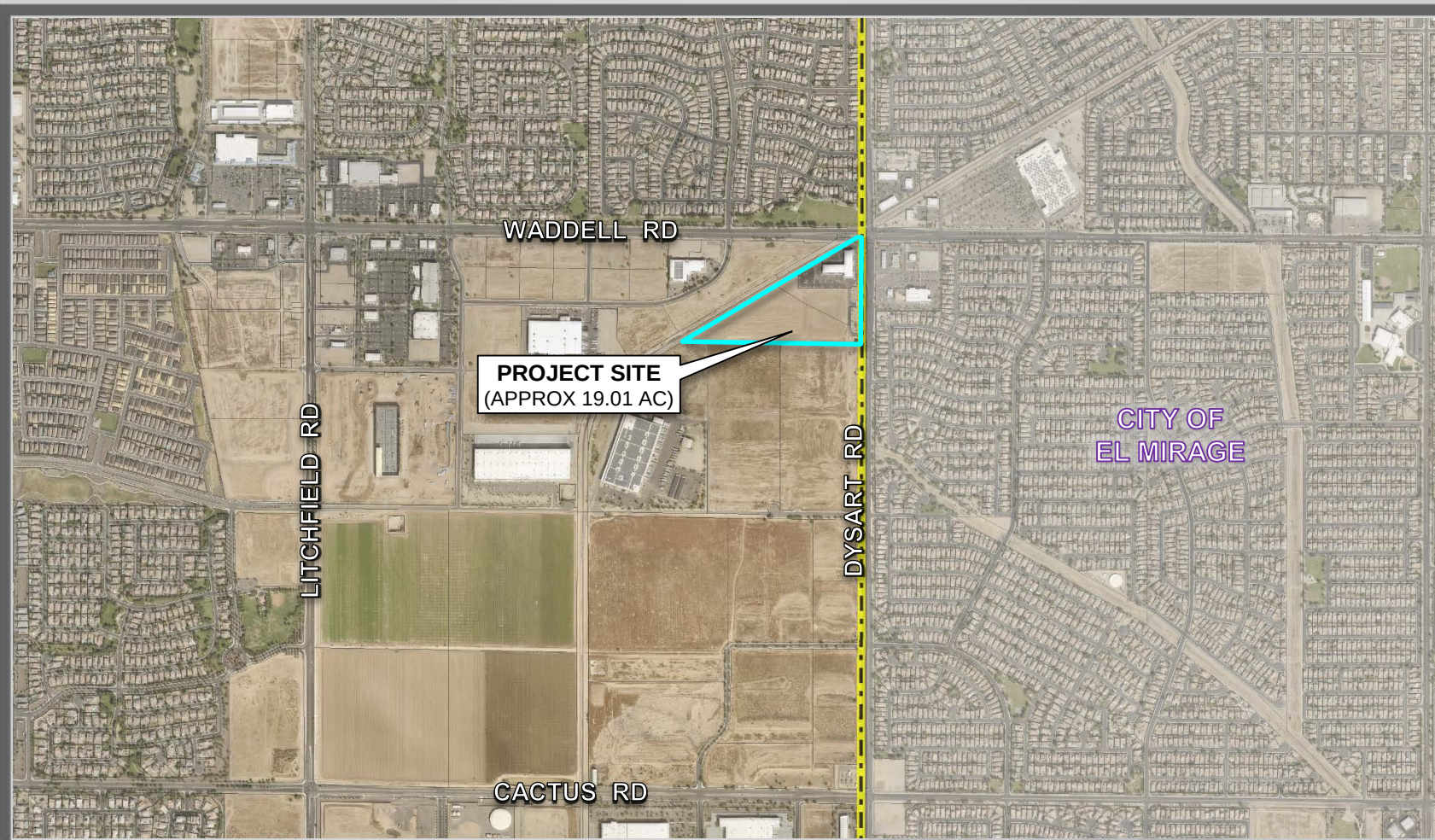


FS22-1469

Stampede Junction –

Final Plat

City Council
April 04, 2023



WADDELL RD

PROJECT SITE
(APPROX 19.01 AC)

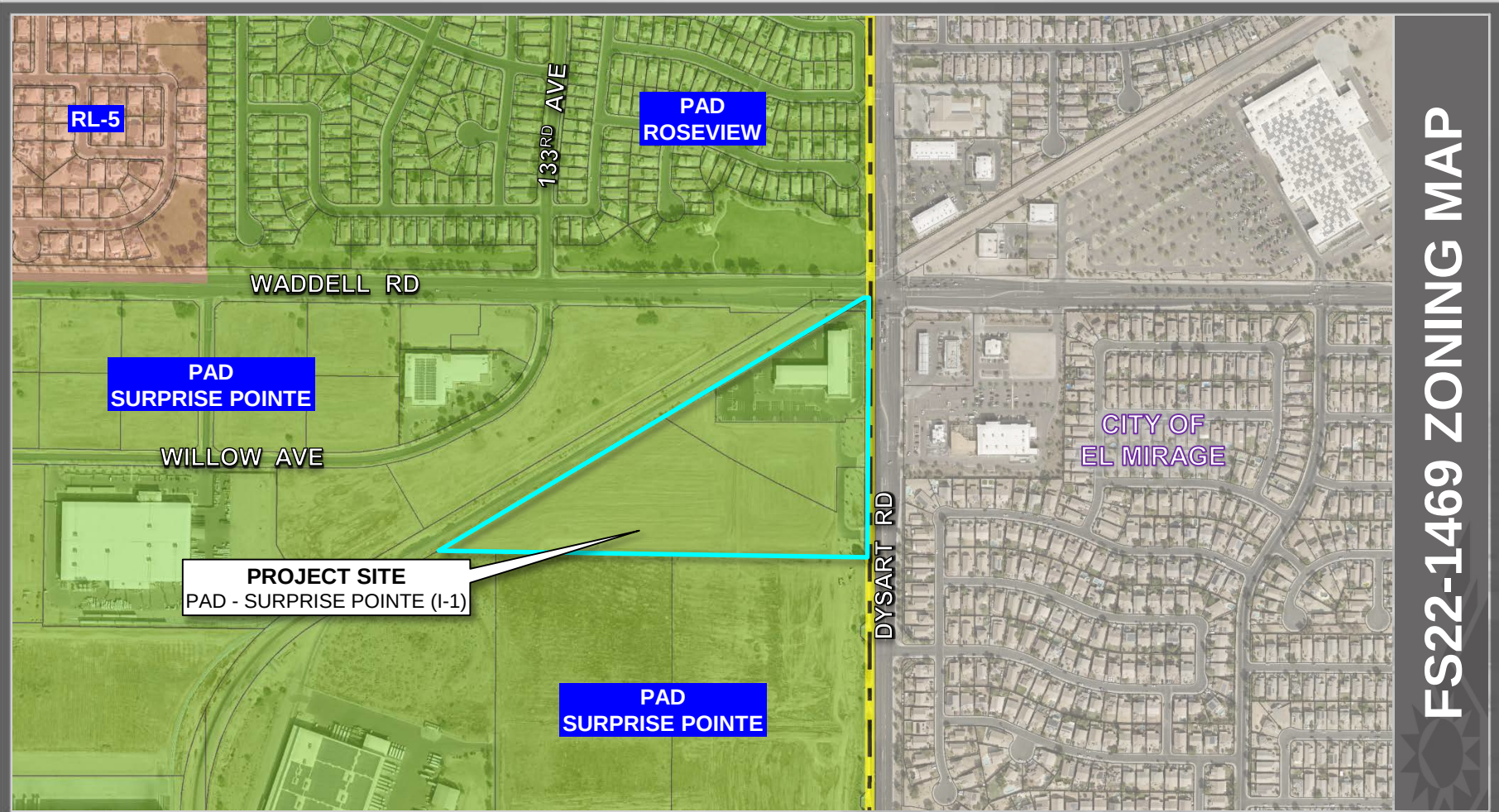
LITCHFIELD RD

DYSART RD

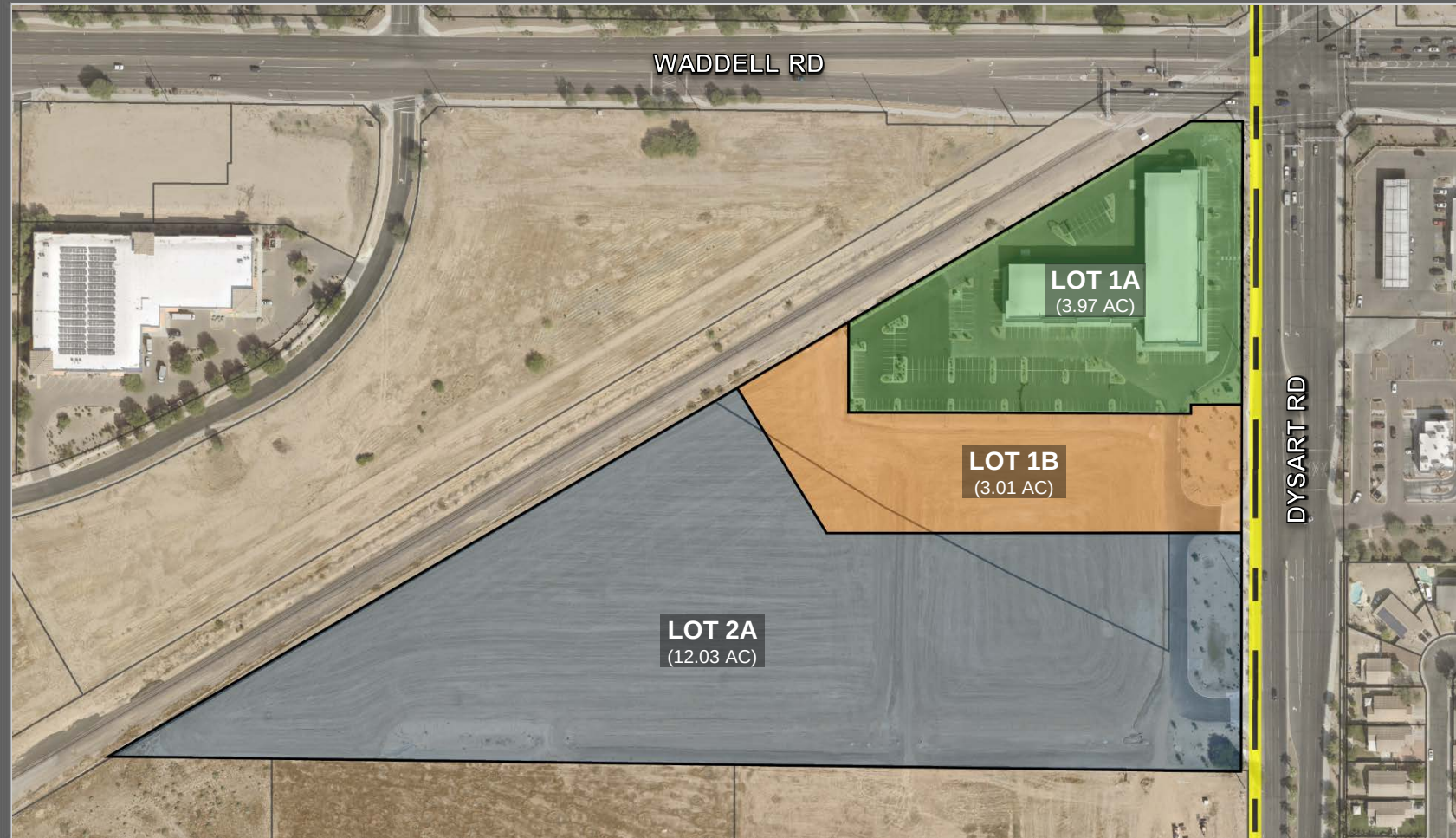
CACTUS RD

CITY OF
EL MIRAGE

FS22-1469 VICINITY MAP



FS22-1469 ZONING MAP



FS22-1469 PLAT EXHIBIT

Page 119 of 771



SURPRISE
ARIZONA

QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023 Contact Person: Tanner Wessel
Submitting Department: Community Development District: District 5
Staff Recommendations: None

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
--------------	-------------	--------------------	-----------------------

Agenda Wording:

Consideration and action pertaining to approval of the Final Plat entitled, "Hoffman Estates and the Amparo Contreras Living Trust Final Plat" and dated January 27, 2023, a property generally located south of Paradise Lane and east of Reems Road; Case FS22-1476.

Motion:

I move to approve the Final Plat entitled, "Hoffman Estates and the Amparo Contreras Living Trust Final Plat" and dated January 27, 2023.

Background:

Amparo Contreras seeks approval of a Final Plat of the subject property generally located south of Paradise Lane and east of Reems Road.

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Policy Compliant:

The proposed Final Plat is consistent with the Surprise General Plan 2035 and the City of Surprise Land Development Ordinance.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00-FS22-1476 15399 W Paradise Lane - Final Plat - Staff Report
 2. 01 - FS22-1476 15399 W Paradise Lane - Final Plat - Vicinity Map
 3. 02 - FS22-1476 15399 W Paradise Lane - Final Plat - Zoning Map
 4. 03 - FS22-1476 15399 W Paradise Lane - Final Plat - Final Plat
 5. 04 - FS22-1476 15399 W Paradise Lane - Final Plat - Final Plat Exhibit
 6. 05 - FS22-1476 15399 W Paradise Lane - Final Plat - Luke Letter
 7. FS22-1476 15399 W Paradise Lane - Final Plat - PowerPoint
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS22-1476

Project Name: 15399 W Paradise Lane - Final Plat

Council District: 5 - Palm

City Council Date: April 04, 2023

Planner: Tanner Wessel, Planner II

Owner: Amparo Contreras & Michael Hofmann

Applicant: Amparo Contreras

Request: Final Plat to reconfigure lot lines between two existing adjacent parcels

Site Location: Generally located south of Paradise Lane and east of Reems Road

Site Size: Approximately 3.60 acres

Findings:

- The proposed Final Plat is consistent with the Surprise General Plan 2035.
- The proposed Final Plat is consistent with the Surprise Land Development Ordinance.

Alternative Actions: **Approve** – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.
Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

Additional Information:

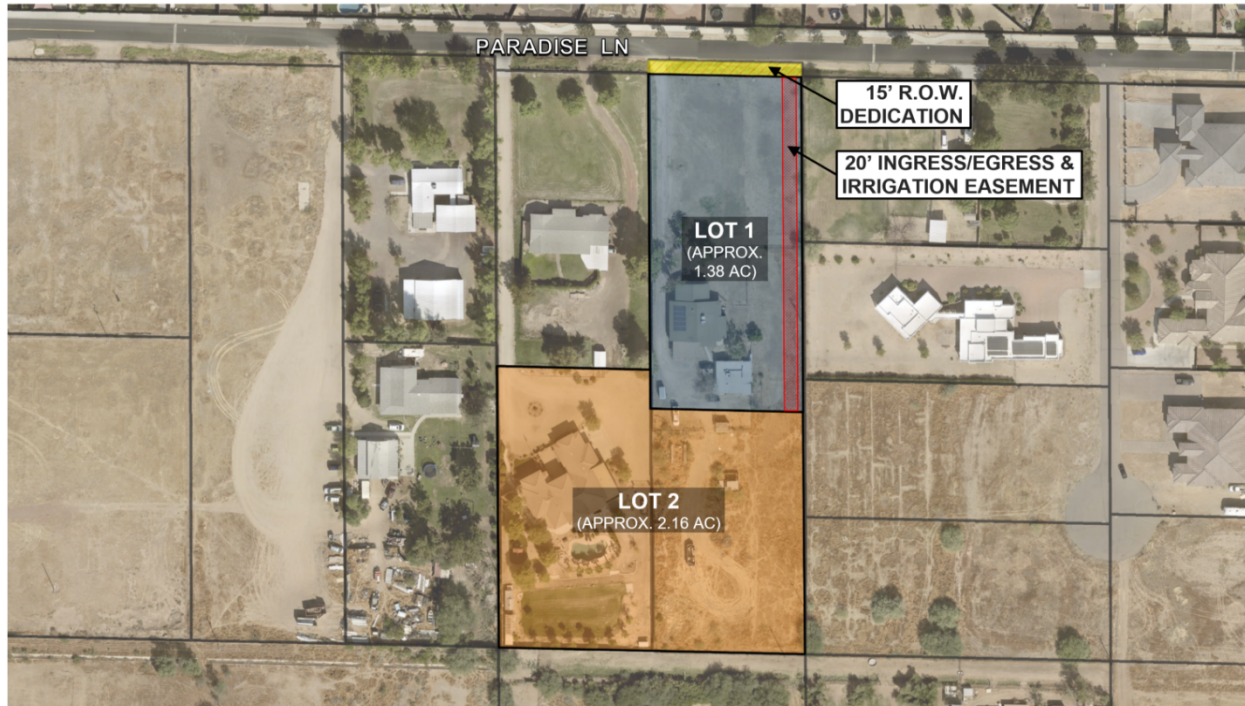
Amparo Contreras requests approval of a Final Plat entitled "Hoffman Estates and the Amparo Contreras Living Trust Final Plat" dated January 27, 2023. The subject parcel is zoned Rural Residential (RR) and is located south of Paradise Lane and approximately 600 feet east of Reems Road. The proposed Final Plat reconfigures lot lines between two existing adjacent parcels.

Currently, Lot 1 is approximately 2.44 acres and Lot 2 is approximately 1.16 acres. With the reconfiguration of the lot lines between the two parcels, the end result is that Lot 1 will be approximately 1.38 acres and Lot 2 will be approximately 2.16 acres.

This Final Plat will establish an additional 15-feet of right-of-way (ROW) dedication for Paradise Lane along the northern boundary of Lot 1. A 20-foot ingress/egress and irrigation easement is also proposed along the eastern portion of Lot 1 for the benefit of Lot 2.



EXISTING PARCELS



PROPOSED PARCELS

Lots 1 and 2 of the proposed Final Plat exceeds the minimum development standards of the Rural Residential (RR) zoning district as outline in Table 106-2b of the City of Surprise Land Development Ordinance.

Table 106-2b – Rural Residential (RR) Zoning District

Min. lot area (sf)	≥ 43,560
Min. lot width	130
Min. front setback (ft)	30
Min. rear setback ¹ (ft)	30
Min. side setback ¹ (ft)	20
Min. street side setback ¹ (ft)	20
Max. bldg. height (ft)	40
Lot coverage	25%
Open space (% of gross acres of residential development) ²	10%

Notes:

1. Garage face and embellishments shall be setback a minimum of 20 feet measured from the opposing property line except rear, alley loaded garages, which shall be setback nine feet from edge of alley line.
2. The city requires open spaces on a new subdivision; if recorded as metes and bounds or by a minor land division than open space will be required on each individual lot; such as open space of trail easements.

The proposed area for each parcel is shown below:

- Lot 1 – approximately 1.38 acres
- Lot 2 – approximately 2.16 acres

The proposed Final Plat dedicates the following:

- An additional 15-foot right-of-way (ROW) dedication (for a total of 30-foot ROW) along the northern boundary of Lot 1 for Paradise Lane.
- 20-foot ingress/egress and irrigation easement is proposed along the eastern boundary for Lot 1 for the benefit of Lot 2.

General Plan Conformance:

The proposed final plat was reviewed against the goals, policies, recommendations, and guidelines of the City of Surprise General Plan 2035. The proposed final plat is consistent with the General Plan in some of the following ways:

This project is located within the Neighborhood character area of the General Plan. The proposed lot split adheres to the design guidelines of the character area which allows for residential development

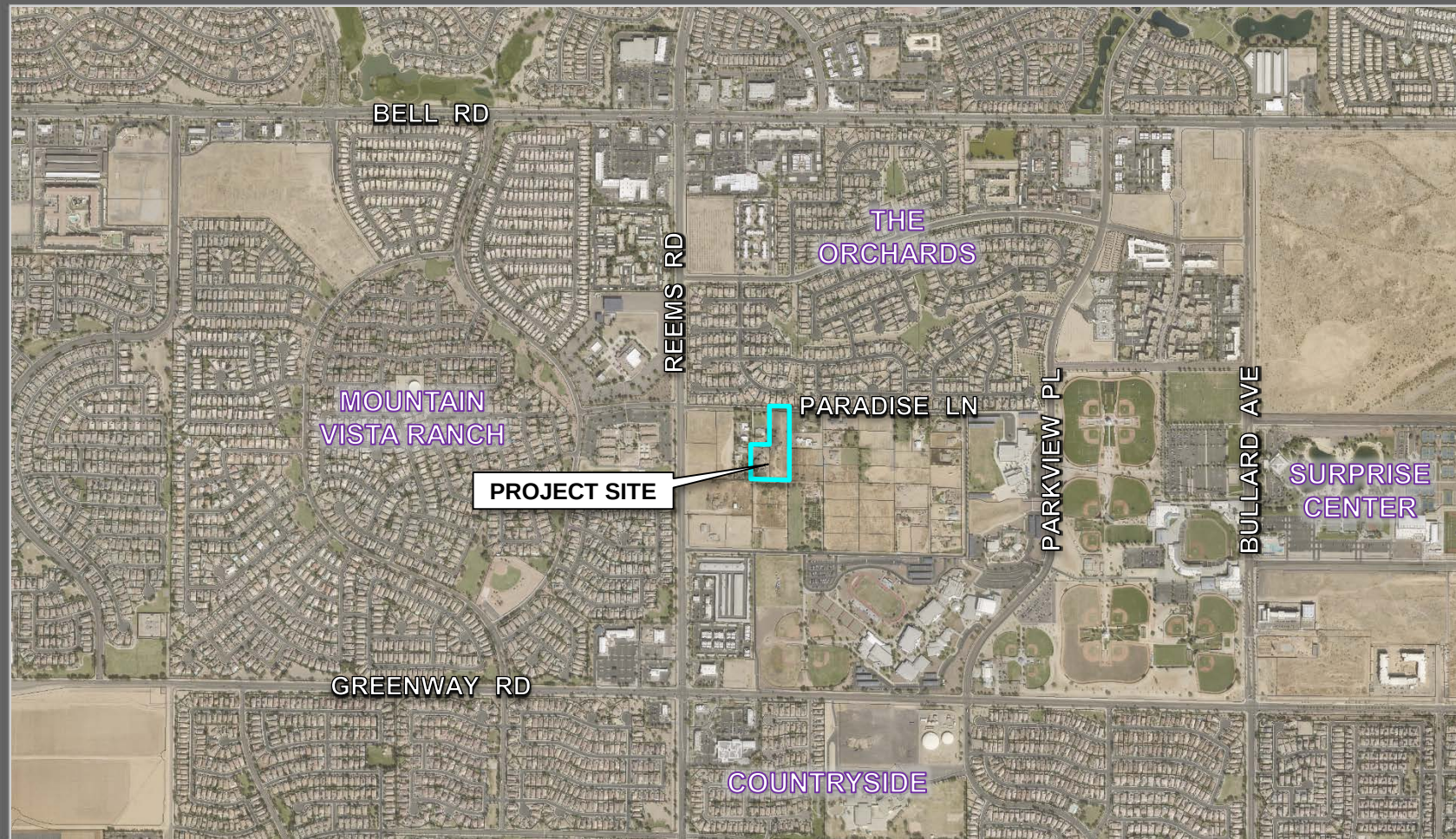
This project maintains compatibility with the quality of existing land uses in the surrounding area in that it continues the Rural Residential development pattern established in the vicinity of this parcel.

Reviewing Agencies:

This project was routed to both Luke Air Force Base and the Maricopa Water District for review. Both agencies have indicated no objections.

Attachments:

01 Vicinity Map
02 Zoning Map
03 Final Plat
04 Plat Exhibit
05 Luke Letter
PPT



FS22-1476 VICINITY MAP



HOFMANN ESTATES AND THE AMPARO CONTRERAS LIVING TRUST FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.

DEDICATION:

STATE OF ARIZONA }
COUNTY OF MARICOPA } S.S.

KNOW ALL PERSONS BY THESE PRESENTS:
THAT MICHAEL HOFMANN (LOT 2) AND THE AMPARO CONTRERAS LIVING TRUST (LOT 1) AS, ("OWNERS"), HAS SUBDIVIDED UNDER THE NAME OF "HOFMANN ESTATES AND THE AMPARO CONTRERAS LIVING TRUST FINAL PLAT", A SUBDIVISION LOCATED IN A PORTION OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT OF "HOFMANN ESTATES AND THE AMPARO CONTRERAS LIVING TRUST FINAL PLAT", AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET AND EASEMENTS CONSTITUTING SAME AND THAT EACH LOT, TRACT, STREET AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER AND/OR NAME GIVEN RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY DEDICATES TO THE CITY OF SURPRISE FEE TITLE TO ALL PUBLIC RIGHTS-OF-WAY AS SHOWN ON THIS PLAT.

OWNERS HEREBY GRANTS TO THE CITY OF SURPRISE A NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENT AS SHOWN ON THIS PLAT FOR PURPOSE OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC UTILITIES.

OWNERS HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS SIGHT VISIBILITY TRIANGLES FOR THE OF ENSURING THAT THESE AREAS REMAIN FREE OF SIGHT VISIBILITY OBSTRUCTIONS.

THE OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS-OF-WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTED BY FORMAL COUNCIL ACTION.

IN WITNESS WHEREOF, OWNER HAS HEREON CAUSED ITS NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS _____ DAY OF _____, 2023.

BY: _____

ITS: _____

IN WITNESS WHEREOF, OWNER HAS HEREON CAUSED ITS NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS _____ DAY OF _____, 2023.

BY: _____

ITS: _____

CITY OF SURPRISE COUNCIL APPROVAL:

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA, THIS _____ DAY OF _____, 20__.

ATTEST:

MAYOR DATE

CITY CLERK DATE

CITY OF SURPRISE ENGINEER APPROVAL:

DATA ON THIS PLAT REVIEWED AND APPROVED THIS _____ DAY OF _____, 20__, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED:

CITY ENGINEER DATE

RATIFICATION:

AS BENEFICIARY UNDER THAT CERTAIN DEED OF TRUST RECORDED IN THE COUNTY RECORDER'S OFFICE, MARICOPA COUNTY, ARIZONA, IN RECORDER'S NUMBER (MCR#) 20100723784, THE UNDERSIGNED HEREBY RATIFIES, APPROVES AND CONFIRMATION IS GIVEN TO SAID DEDICATIONS AS STATED IN THIS PLAT AS TO THE INTEREST OF THE UNDERSIGNED. THE PERSON SIGNING FOR BENEFICIARY WARRANTS AND REPRESENTS THEY HAVE POWER AND AUTHORITY TO DO SO.

BY: _____

TITLE OR POSITION

DATE

ACKNOWLEDGMENT:

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

THIS DOCUMENT WAS ACKNOWLEDGED BEFORE ME ON THIS _____ DAY OF _____, 2023

BY _____

NOTARY PUBLIC

MY COMMISSION EXPIRES: _____

MY COMMISSION NO. _____

RATIFICATION:

AS BENEFICIARY UNDER THAT CERTAIN DEED OF TRUST RECORDED IN THE COUNTY RECORDER'S OFFICE, MARICOPA COUNTY, ARIZONA, IN RECORDER'S NUMBER (MCR#) 20180635040, THE UNDERSIGNED HEREBY RATIFIES, APPROVES AND CONFIRMATION IS GIVEN TO SAID DEDICATIONS AS STATED IN THIS PLAT AS TO THE INTEREST OF THE UNDERSIGNED. THE PERSON SIGNING FOR BENEFICIARY WARRANTS AND REPRESENTS THEY HAVE POWER AND AUTHORITY TO DO SO.

BY: _____

XXXXXXXXXXXX

TITLE OR POSITION

DATE

ACKNOWLEDGMENT:

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

THIS DOCUMENT WAS ACKNOWLEDGED BEFORE ME ON THIS _____ DAY OF _____, 2023

BY _____

NOTARY PUBLIC

MY COMMISSION EXPIRES: _____

MY COMMISSION NO. _____

FLOOD ZONE

COMMUNITY NUMBER	PANEL NUMBER	SUFFIX	DATE OF FIRM (INDEX DATE)	FIRM ZONE	BASE FLOOD ELEVATION (IN AO ZONE, USE DEPTH)
	PANEL DATE				
04013C	1220	L	10-16-13	X	
	10-16-13				

BASIS OF BEARING:

S88°42'57"E MEASURED ALONG THE MONUMENT LINE OF PARADISE LANE AS MEASURED BETWEEN MONUMENTS NUMBERED 1 AND 2 SHOWN HEREON AND DESCRIBED UNDER MONUMENT NOTES.

REFERENCE DATA:

THIS SURVEY IS SUPPORTED BY THE FOLLOWING RECORD INFORMATION:

(R) WARRANTY DEED #2010-0723784, MCR

(R1) WARRANTY DEED #2018-0635040, MCR

(R2) FINAL PLAT FOR BINGHAM ESTATES PER BOOK 867 OF MAPS, PAGE 38, MCR.

(R3) RECORD OF SURVEY MARICOPA COUNTY PLSS PER BOOK 688 OF MAPS, PAGE 41, MCR.

(R4) RESULTS OF SURVEY PER BOOK 324 OF MAPS, PAGE 38, MCR.

(R5) FINAL PLAT FOR THE ORCHARDS PARCEL 1 PER BOOK 587 OF MAPS, PAGE 42, MCR.

(R6) AMENDED MINOR LAND DIVISION PER BOOK 957 OF MAPS, PAGE 44, MCR.

(R7) RECORD OF SURVEY PER BOOK 881 OF MAPS, PAGE 25, MCR.

(R8) PLAT FOR CHILSON'S PLACE PER BOOK 684 OF MAPS, PAGE 30, MCR.

(R9) HUNTER ESTATES SUBDIVISION PER BOOK 784 OF MAPS, PAGE 19, MCR.

(R10) RECORD OF SURVEY PER BOOK 895 OF MAPS, PAGE 35, MCR.

(R11) RECORD OF SURVEY PER BOOK 925 OF MAPS, PAGE 33, MCR.

(R12) MINOR LAND DIVISION PER BOOK 950 OF MAPS, PAGE 14, MCR.

(R13) RECORD OF SURVEY PER BOOK 1094 OF MAPS, PAGE 7, MCR.

MONUMENT NOTES:

ALL MONUMENTATION SHOWN HEREON WAS ACCEPTED UNLESS OTHERWISE NOTED

1 FOUND BRASS CAP FLUSH AT THE WEST ¼ CORNER OF SECTION 5, T.3N., R.1W.

2 CALCULATED CENTER OF SECTION PER (R2)

3 FOUND BRASS CAP IN HANDHOLE AT THE SOUTHWEST QUARTER OF SECTION 5, T.3N., R.1W.

4 FOUND BRASS CAP IN HANDHOLE AT THE SOUTHEAST QUARTER OF SECTION 5, T.3N., R.1W.

5 FOUND BRASS CAP FLUSH 1.46' EAST

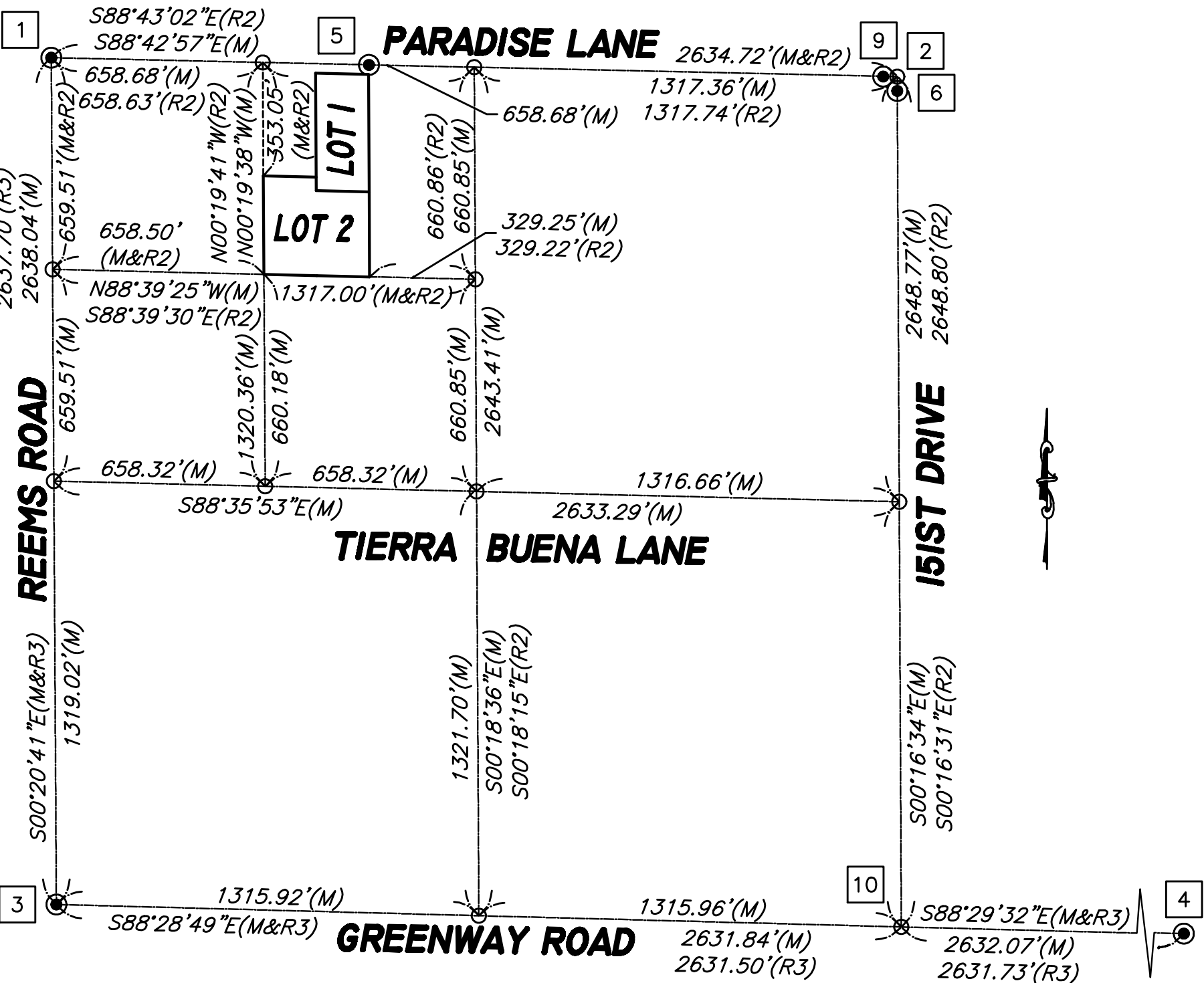
6 FOUND BRASS CAP FLUSH 44.51 FEET SOUTH OF MONUMENT #2

7 FOUND PK NAIL WITH SHINNER ON POST STAMPED "RLS 42137".

8 NOTHING FOUND NOTHING SET. CALCULATED POSITION PER

9 FOUND BRASS CAP FLUSH 0.75' SOUTH OF THE MONUMENT LINE AND 43.63 FEET WEST.

10 CALCULATED SOUTH QUARTER OF SECTION 5, T.3N., R.1W. PER (R3)



BASIS OF SURVEY CALCULATIONS & VICINITY MAP

BEARINGS AND DISTANCES ARE ALL MEASURED UNLESS OTHERWISE NOTES
SOUTHWEST QUARTER OF SECTION 5, T.3N. R.1W
NOT TO SCALE

RECORD OWNER:

APN# 501-18-530
MICHAEL HOFMANN
PROPERTY ADDRESS
15391 W. PARADISE LANE
SURPRISE, ARIZONA 85374

RECORD OWNER:

APN# 501-17-032C
THE AMPARO CONTRERAS LIVING TRUST
PROPERTY ADDRESS
15399 W. PARADISE LANE
SURPRISE, ARIZONA 85374

NOTES:

1. THIS SURVEY DOES NOT CONSTITUTE A TITLE SEARCH BY SURVEYOR. ALL INFORMATION REGARDING RECORD EASEMENTS, ADJOINERS, AND OTHER DOCUMENTS WHICH MIGHT AFFECT THE QUALITY OF TITLE TO TRACT SHOWN HEREON WAS GAINED FROM A COMMITMENT FOR TITLE INSURANCE ISSUED BY LAWYERS' TITLE OF ARIZONA, INC AND ISSUING AGENT FOR COMMONWEALTH LAND TITLE INSURANCE COMPANY ORDER NUMBER 01943416-265-MRA-LD, DATED AUGUST 19, 2020 AT 7:30 A.M.

2. NO ON-SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.

3. PROPERTIES BEING SERVED BY PRIVATE WELLS OR SEPTIC SYSTEMS SHALL BE CONNECTED TO MUNICIPAL WATER AND/OR SEWER WITHIN 90 DAYS FROM THE DATE SUCH SERVICE BECOMES AVAILABLE, AND THE PROPERTY OWNER SHALL PAY ALL THE APPLICABLE DEVELOPMENT, CONNECTION AND SERVICE FEES. S.M.C. 13.04.230, 13.08180.

4. THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS, AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE OWNER. THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS, AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE ADJACENT PROPERTY. LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

SURVEYOR'S STATEMENT:

I, LANCE C. DICKSON, BEING A LICENSED LAND SURVEYOR IN THE STATE OF ARIZONA HEREBY STATE THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT WAS BASED WAS MADE UNDER MY SUPERVISION AND IT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND THAT THE MONUMENTS SHOWN HEREON DO EXIST AS INDICATED.

LANCE C. DICKSON RLS #46643 DATE



REVISIONS	

FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER
BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

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FIELDWORK BY : DAH
DRAWN BY : CLL
CHECKED BY : LCD
JOB # P22-333
DATE : 02/15/23

SHEET NO.

/

1 OF 3

CITY OF SURPRISE CASE NUMBER FS22-1476

HOFFMAN ESTATES AND THE AMPARO CONTRERAS LIVING TRUST FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.

PARENT LEGAL DESCRIPTION:

A COMMITMENT FOR TITLE INSURANCE ORDER NUMBER 01943416-265-MRA-LD
THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN MARICOPA COUNTY, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 1:

LOT 2, BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA

PARCEL NO. 2:

AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES OVER AND ACROSS LOT 1 BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA, GRANTED IN DEED RECORDED IN DOCUMENT NUMBER 2010-002367, DESCRIBED AS FOLLOWS:

EASEMENT FOR INGRESS AND EGRESS 20 FEET WIDE, 10 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE WEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

THENCE SOUTH 88 DEGREES 43 MINUTES 02 SECONDS EAST, ALONG THE EAST WEST MID SECTION LINE, A DISTANCE OF 747.58 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 15 DEGREES 34 MINUTES 34 SECONDS EAST, A DISTANCE OF 63.62 FEET;

THENCE SOUTH 31 DEGREES 42 MINUTES 38 SECONDS EAST, A DISTANCE OF 74.20 FEET;

THENCE SOUTH 02 DEGREES 35 MINUTES 55 SECONDS WEST, A DISTANCE OF 54.87 FEET;

THENCE SOUTH 04 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 176 FEET TO ITS TERMINUS.

PARENT LEGAL DESCRIPTION:

WARRANTY DEED #2018-0635040_MCR
THE FOLLOWING REAL PROPERTY SITUATED IN MARICOPA COUNTY, ARIZONA:

PARCEL NO. 1:

THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THE NORTH 15 FEET;

PARCEL NO. 2:

A PERMANENT EASEMENT FOR INGRESS, EGRESS, IRRIGATION AND UTILITIES OVER THE NORTH 30 FEET AND THE SOUTH 20 FEET OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

PUBLIC NOTICE:

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERFLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOUR IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

RELEASE OF LIABILITY:

MICHAEL HOFMANN AND THE AMPARO CONTRERAS LIVING TRUST AS "OWNERS" DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

LOT 1 LEGAL DESCRIPTION:

THE FOLLOWING REAL PROPERTY SITUATED IN MARICOPA COUNTY, ARIZONA:

THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

EXCEPT THE NORTH 30 FEET AND;

EXCEPT THE SOUTH 264.60 FEET.

PARCEL NO. 2:

A PERMANENT EASEMENT FOR INGRESS, EGRESS, IRRIGATION AND UTILITIES OVER THE NORTH 30 FEET AND THE SOUTH 20 FEET OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

SITE DATA:

APN 501-18-530
APN 501-17-032C

ZONING: RR - RURAL RESIDENTIAL

LOT 1 - ±60,192 SQUARE FEET OR ±1.38 ACRES
LOT 2 - ±94,106 SQUARE FEET OR ±2.16 ACRES
TOTALS - ±154,298 SQUARE FEET OR ±3.54 ACRES

GENERAL PLAN CONFORMANCE:

IN ACCORDANCE WITH ARS § 9-461.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.

BASIS OF BEARING:

S88°42'57"E ALONG THE MONUMENT LINE OF PARADISE LANE AS MEASURED BETWEEN MONUMENTS NUMBERED 1 AND 5 SHOWN HEREON AND DESCRIBED UNDER MONUMENT NOTES.

LOT 2 LEGAL DESCRIPTION:

THE FOLLOWING REAL PROPERTY SITUATED IN MARICOPA COUNTY, ARIZONA:

LOT 2, BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA

TOGETHER WITH THE SOUTH 264.60 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

PARCEL NO. 2:

AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES OVER AND ACROSS LOT 1 BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 38, RECORDS OF MARICOPA COUNTY, ARIZONA, GRANTED IN DEED RECORDED IN DOCUMENT NUMBER 2010-002367, DESCRIBED AS FOLLOWS:

EASEMENT FOR INGRESS AND EGRESS 20 FEET WIDE, 10 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE WEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA;

THENCE SOUTH 88 DEGREES 43 MINUTES 02 SECONDS EAST, ALONG THE EAST WEST MID SECTION LINE, A DISTANCE OF 747.58 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 15 DEGREES 34 MINUTES 34 SECONDS EAST, A DISTANCE OF 63.62 FEET;

THENCE SOUTH 31 DEGREES 42 MINUTES 38 SECONDS EAST, A DISTANCE OF 74.20 FEET;

THENCE SOUTH 02 DEGREES 35 MINUTES 55 SECONDS WEST, A DISTANCE OF 54.87 FEET;

THENCE SOUTH 04 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 176 FEET TO ITS TERMINUS.



REVISIONS

FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER
BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

Arizona Surveying and Mapping
Absolute Confidence Since 1988
2440 W. MISSION LANE, SUITE 4
PHOENIX, ARIZONA 85021
TEL (602) 246-9919 FAX (602) 246-9944 info@asam1.com

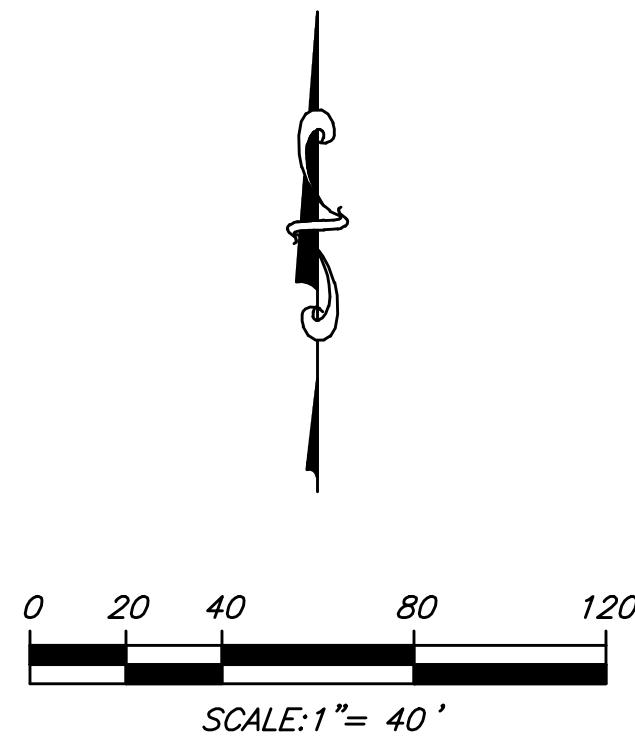
ASAM
Arizona Surveying & Mapping

FIELDWORK BY : DAH
DRAWN BY : CLL
CHECKED BY : LCD
JOB # P22-333
DATE : 02/15/23

SHEET NO.
2
2 OF 3

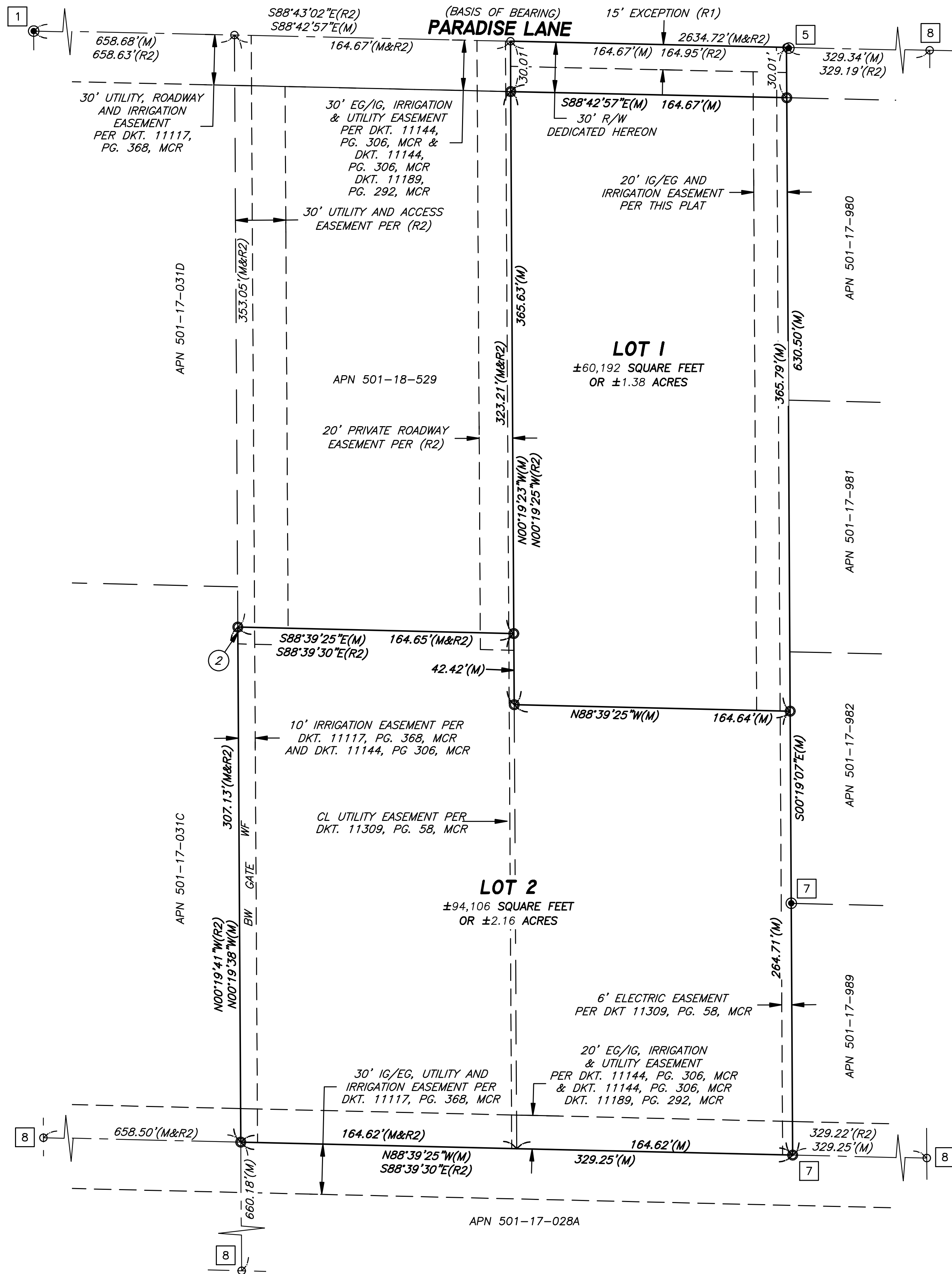
HOFFMAN ESTATES AND THE AMPARO
CONTRERAS LIVING TRUST FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.



LEGEND:

- BOUNDARY LINE
--- MONUMENT LINE
--- EASEMENT LINE
--- ADJOINING PROPERTY
- SET 1/2" REBAR RLS #46643 UNLESS OTHERWISE NOTED
● FOUND MONUMENT AS NOTED
○ CALCULATED POINT. NOTHING FOUND AND NOTHING SET
- (M) MEASURED DATA
(R) RECORDED DATA
MCR MARICOPA COUNTY RECORDS
R/W RIGHT-OF-WAY
APN ASSESSOR'S PARCEL NUMBER
IG/EG INGRESS/EGRESS
P.U.E. PUBLIC UTILITY EASEMENT
B.S.L. BUILDING SET BACK LINE
MONUMENT NOTE



MONUMENT NOTES:

- ALL MONUMENTATION SHOWN HEREON WAS
ACCEPTED UNLESS OTHERWISE NOTED
- 1 FOUND BRASS CAP FLUSH AT THE WEST 1/4
CORNER OF SECTION 5, T.3N., R.1W.
2 CALCULATED CENTER OF SECTION PER (R2)
3 FOUND BRASS CAP IN HANDHOLE AT THE
SOUTHWEST QUARTER OF SECTION 5, T.3N., R.1W.
4 FOUND BRASS CAP IN HANDHOLE AT THE
SOUTHEAST QUARTER OF SECTION 5, T.3N., R.1W.
5 FOUND BRASS CAP FLUSH 1.46' EAST
6 FOUND BRASS CAP FLUSH 44.51 FEET SOUTH OF
MONUMENT #2
7 FOUND PK NAIL WITH SHINNER ON POST STAMPED
"RLS 42137".
8 NOTHING FOUND NOTHING SET. CALCULATED
POSITION PER
9 FOUND BRASS CAP FLUSH 0.75' SOUTH OF THE
MONUMENT LINE AND 43.63 FEET WEST.
10 CALCULATED SOUTH QUARTER OF SECTION 5, T.3N.,
R.1W. PER (R3)

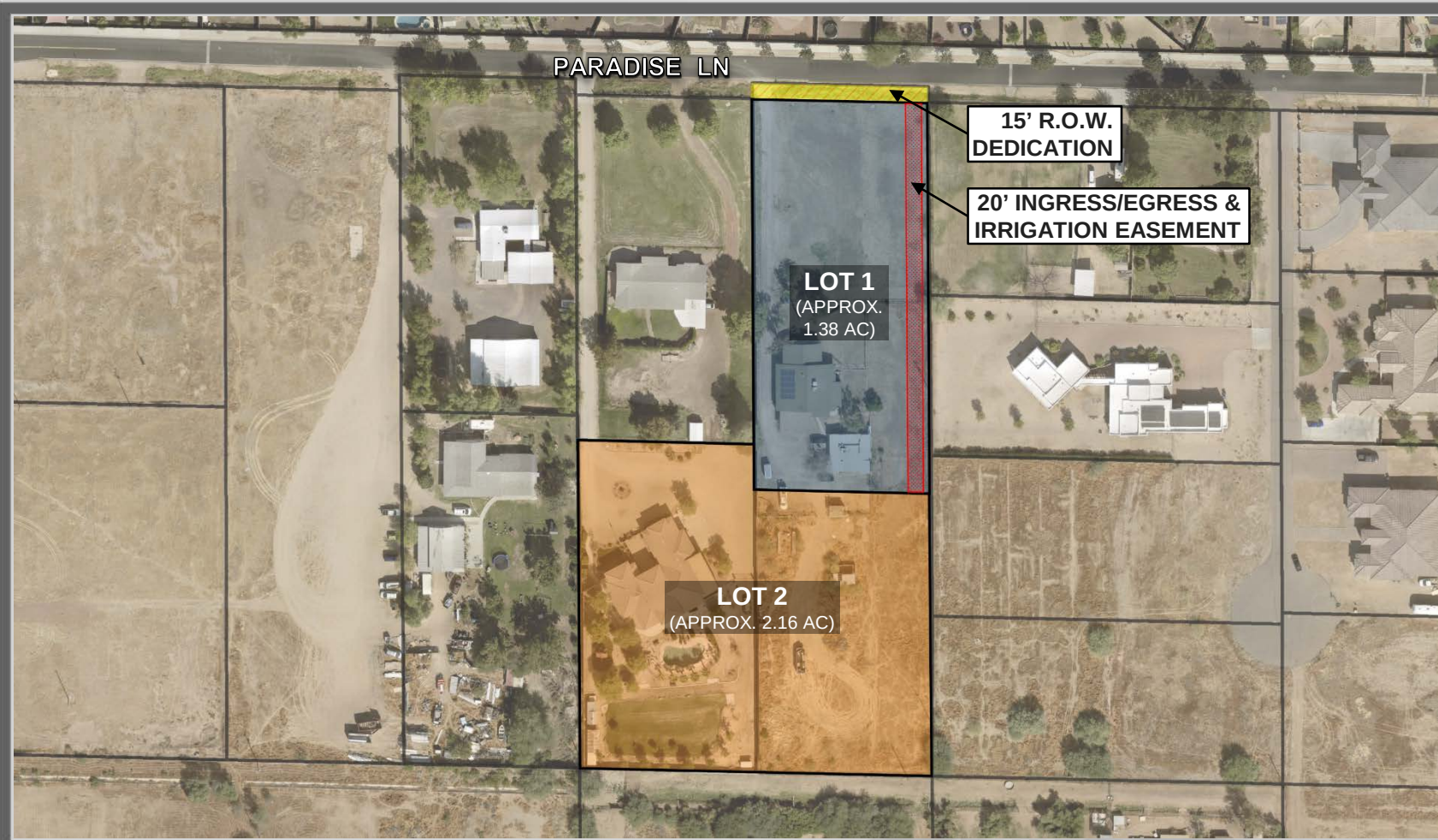


CITY OF SURPRISE CASE NUMBER FS22-1476

REVISIONS	

FINAL PLAT	A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

Arizona Surveying and Mapping Absolute Confidence Since 1988 2440 W. MISSION LANE, SUITE 4 PHOENIX, ARIZONA 85021 TEL (602) 246-9919 FAX (602) 246-9944 info@asam1.com	FIELDWORK BY : DAH
	DRAWN BY : CLL
	CHECKED BY : LCD
	JOB # P22-333
DATE : 02/15/23	
SHEET NO. 3	3 OF 3



FS22-1476 PLAT EXHIBIT

Tanner Wessel

From: JAMES, MARK C CIV USAF AETC 56 FW/CVE <mark.james.14@us.af.mil>
Sent: Monday, December 5, 2022 2:11 PM
To: Tierney Farago
Cc: 56 FW/CIT Community Initiative
Subject: RE: FS22-1476 15399 W Paradise Ln Lot Split New Digital Submittal 11.14.22
Attachments: smime.p7s; ATT00001.txt; ATT00002.htm

Importance: High

Hi Tierney,

Thank you for allowing Luke AFB to make comments on the 15399 W Paradise Ln Lot Split application.

As described in the application, this request will not have a negative impact on Luke AFB Flight Operations. Since the site will be located inside the "territory in the vicinity of a military airport," it will be subjected to approximately 165 over flights per day. A strong notification program on the part of the applicant is essential to inform about Luke AFB operations.

Respectfully,

Mark James
Deputy Director, Community Initiatives Team 56th Fighter Wing Luke AFB AZ 85309
Office: 623-856-6175
DSN: 896-6175

-----Original Message-----

From: Tierney Farago <Tierney.Farago@surpriseaz.gov>
Sent: Monday, November 14, 2022 2:13 PM
To: 56 FW/CIT Community Initiative <56FW.CIT.CommunityInitiative@us.af.mil>; Afshin Ahouraiyan (Flood Control District of Maricopa County) <Afshin.Ahouraiyan@Maricopa.Gov>; Alex Garza (Maricopa Assoc of Governments) <AGarza@azmag.gov>; Chris Cain (Maricopa Water District) <chrisc@mwdaz.com>; Debbie Trasancos (Maricopa Water District) <debbiet@mwdaz.com>; Ernest (USPS) <Ernest.L.James@usps.gov>; Eva Pierce <eva.pierce@dysart.org>; Ibeth - USPS <Ibeth.L.Roman@usps.gov>; Jerome Choy (ADOT) <jchoy@azdot.gov>; Kevin Shipman <kevin.shipman@dysart.org>; Leslie - MWD <lesliej@mwdaz.com>; Mark Frago <fragom@mail.maricopa.gov>; Mary Orta - Surprise Chamber <mary.orta@surpriseregionalchamber.com>; MCDOT <MCDOTPlanning@maricopa.gov>; Raoul Sada - Surprise Chamber <raoul@surpriseregionalchamber.com>; Victor.Schaum <Victor.Schaum@cox.com>; Yvonne Aguirre <yvonne.aguirre@swgas.com>
Cc: Nichole Flores <Nichole.Flores@surpriseaz.gov>
Subject: [Non-DoD Source] FS22-1476 15399 W Paradise Ln Lot Split New Digital Submittal 11.14.22

Good afternoon,

Attached please find the application, narrative, final plat for the above referenced project.

Please feel free to contact us with any questions.

Thanks,

Tierney Farago

Planning Project Coordinator

City of Surprise | Community Development

16000 N. Civic Center Plaza

Surprise, AZ 85374

623-222-3154

PLEASE NOTE: Effective August 3, 2022 we will be adding 2 business days for out-processing notices.

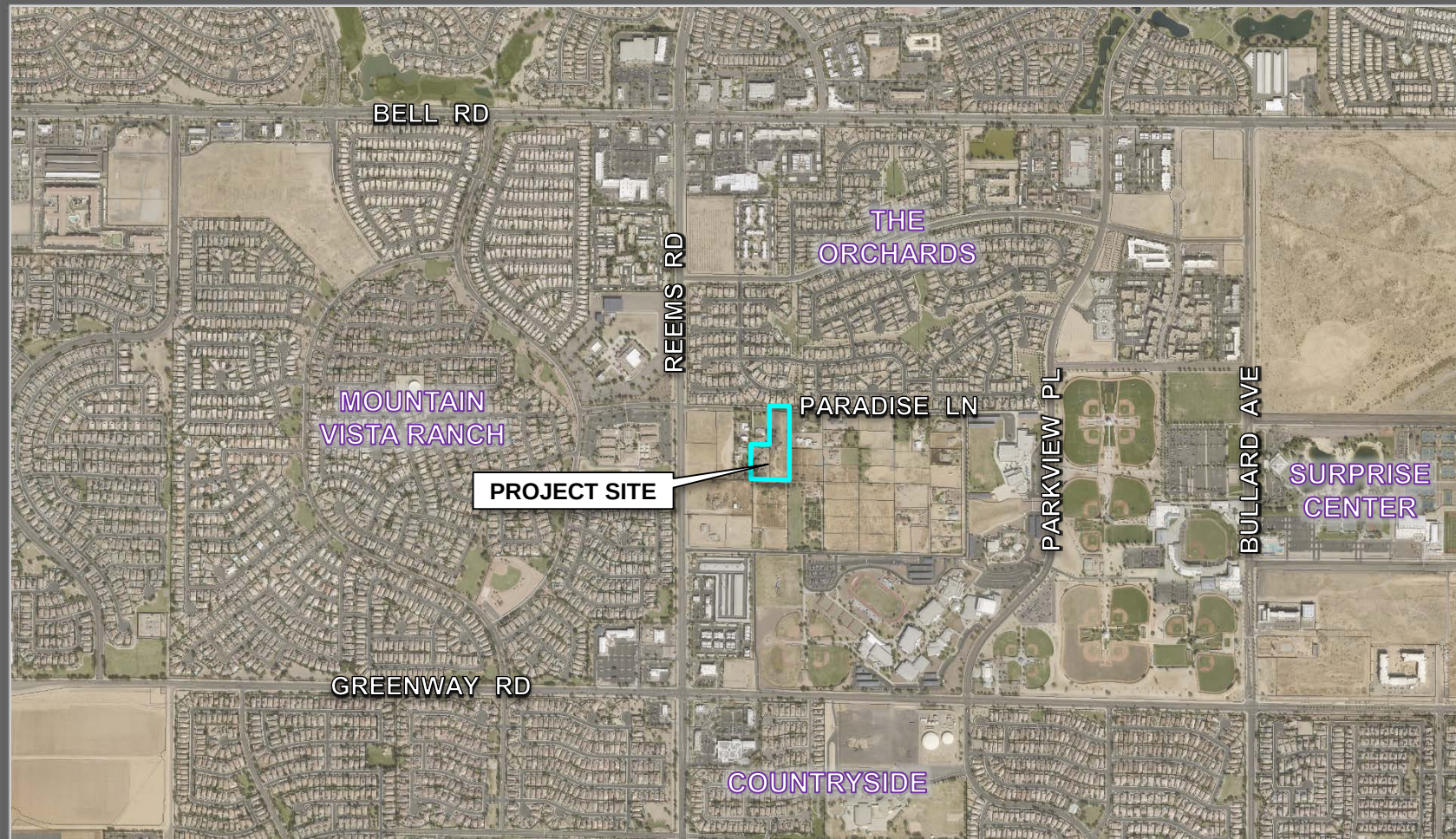
This e-mail and any accompanying files transmitted are intended solely for the use of the individual or entity to whom they are addressed; if you have received this e-mail in error please delete it and notify the sender. In addition, under Arizona law, e-mail communications and e-mail addresses may be public records.

0.1



FS22-1476
15399 W Paradise Lane –
Final Plat

City Council
April 4, 2023



FS22-1476 VICINITY MAP

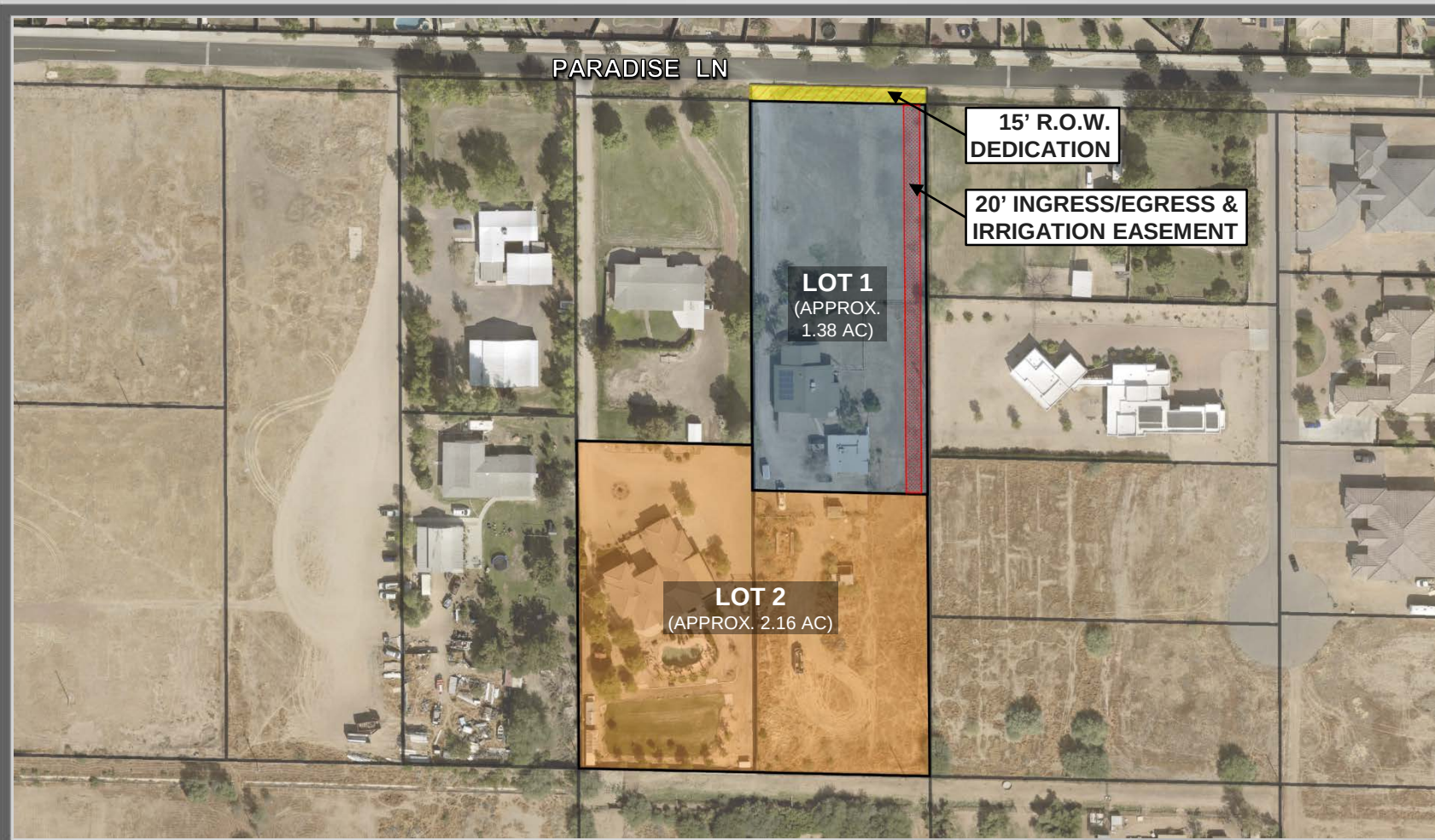


PARADISE LN

LOT 2
(APPROX. 1.16 AC)

LOT 1
(APPROX. 2.44 AC)

FS22-1476 EXISTING PARCELS



FS22-1476 PLAT EXHIBIT

HOFMANN ESTATES AND THE AMPARO CONTRERAS LIVING TRUST FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.

DEDICATION:

STATE OF ARIZONA } S.S.
COUNTY OF MARICOPA }

KNOW ALL PERSONS BY THESE PRESENTS:
THAT MICHAEL HOFMANN (LOT 2) AND THE AMPARO CONTRERAS LIVING TRUST (LOT 1) AS "OWNERS" OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND HEREBY PUBLISH THIS FINAL PLAT OF "HOFMANN ESTATES AND THE AMPARO CONTRERAS LIVING TRUST FINAL PLAT," AND DECLARES THAT THIS PLAT CARRIES THE LOCATION, PLATS, THE DIMENSIONS OF EACH LOT, TRACT, STREET AND EASEMENTS CONSTITUTING SAME AND THAT EACH LOT, TRACT, STREET AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER AND/OR NAME GIVEN RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY DEDICATES TO THE CITY OF SURPRISE FREE TITLE TO ALL PUBLIC RIGHTS-OF-WAY AS SHOWN ON THIS PLAT.

OWNERS HEREBY GRANTS TO THE CITY OF SURPRISE A NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENT AS SHOWN ON THIS PLAT FOR PURPOSE OF RESIDENTIAL, COMMERCIAL, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC UTILITIES.

OWNERS HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS RIGHT VISIBILITY TRAMPLES FOR THE CITY OF SURPRISE THESE AREAS BEING FREE OF SIGHT VISIBILITY OBSTRUCTIONS.

THE OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE ARMY, (FWSM), AN EASEMENT EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREIN, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LAND AIR FORCE BASE AND ADJACENT FIELDS.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHT-OF-WAY, THE EASEMENTS OR ANY TRACTS OR PARCELS HEREON DEDICATED TO OR TO THE CITY, UPON THEIR COMPLETION, HOWEVER, SUCH TRACTS SHALL NOT OCCUR UNTIL THE CITY, COUNTY, FROM THE CITY OF SURPRISE MANIFESTS ITS INTEREST BY FORMAL, COUNCIL ACTION.

IN WITNESS WHEREOF, OWNER HAS HEREON CAUSED ITS NAME TO BE SIGNED AND ITS CONSENTED SEAL TO BE AFFIXED BY THE UNDERSIGNED, A JUST AUTHORIZED OFFICER THIS _____ DAY OF _____, 2023.

BY: _____
ITS: _____

IN WITNESS WHEREOF, OWNER HAS HEREON CAUSED ITS NAME TO BE SIGNED AND ITS CONSENTED SEAL TO BE AFFIXED BY THE UNDERSIGNED, A JUST AUTHORIZED OFFICER THIS _____ DAY OF _____, 2023.

BY: _____
ITS: _____

CITY OF SURPRISE COUNCIL APPROVAL:

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA, THIS _____ DAY OF _____, 2023.

ATTEST:
MAYOR DATE _____

CITY CLERK DATE _____

CITY OF SURPRISE ENGINEER APPROVAL:

DATA ON THIS PLAT REVIEWED AND APPROVED THIS _____ DAY OF _____, 2023, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED: _____

CITY ENGINEER DATE _____

RATIFICATION:

AS BENEFICIARY UNDER THAT CERTAIN DEED OF TRUST RECORDED IN THE COUNTY RECORDER'S OFFICE, MARICOPA COUNTY, ARIZONA, IN RECORDER'S NUMBER (MCMR) 2010023784, THE UNDERSIGNED HEREBY RATIFIES, APPROVES AND CONFIRMATION IS GIVEN TO SAID DEDICATIONS AS STATED IN THIS PLAT AS TO THE INTEREST OF THE UNDERSIGNED, THE PERSON SIGNING FOR BENEFICIARY WARRANTS AND REPRESENTS THEY HAVE POWER AND AUTHORITY TO DO SO.

BY: _____

TITLE OR POSITION _____

DATE _____

ACKNOWLEDGMENT:

STATE OF ARIZONA } SS
COUNTY OF MARICOPA }

THIS DOCUMENT WAS ACKNOWLEDGED BEFORE ME ON THIS _____ DAY OF _____, 2023.

BY: _____

NOTARY PUBLIC _____
MY COMMISSION EXPIRES: _____
MY COMMISSION NO. _____

RATIFICATION:

AS BENEFICIARY UNDER THAT CERTAIN DEED OF TRUST RECORDED IN THE COUNTY RECORDER'S OFFICE, MARICOPA COUNTY, ARIZONA, IN RECORDER'S NUMBER (MCMR) 2010023784, THE UNDERSIGNED HEREBY RATIFIES, APPROVES AND CONFIRMATION IS GIVEN TO SAID DEDICATIONS AS STATED IN THIS PLAT AS TO THE INTEREST OF THE UNDERSIGNED, THE PERSON SIGNING FOR BENEFICIARY WARRANTS AND REPRESENTS THEY HAVE POWER AND AUTHORITY TO DO SO.

BY: _____

TITLE OR POSITION _____

DATE _____

ACKNOWLEDGMENT:

STATE OF ARIZONA } SS
COUNTY OF MARICOPA }

THIS DOCUMENT WAS ACKNOWLEDGED BEFORE ME ON THIS _____ DAY OF _____, 2023.

BY: _____

NOTARY PUBLIC _____
MY COMMISSION EXPIRES: _____
MY COMMISSION NO. _____

FLOOD ZONE

COUNTY NUMBER	PANEL NUMBER	SUFFIX	DATE OF FIRM/FIRM DATE	BASE FLOOD ELEVATION (IN AC. ZONE, USE DETAIL)
040130	1220	L	10-16-13	X

BASE OF MEASUREMENT:

588'42.0" (17'10") BEARING ALONG THE MONUMENT LINE OF PARADISE LANE AS MEASURED BETWEEN MONUMENTS NUMBERED 1 AND 2, SHOWN HEREON AND DESCRIBED UNDER MONUMENT NOTES.

REFERENCE DATA:

THIS SURVEY IS SUPPORTED BY THE FOLLOWING RECORD INFORMATION:

- (R1) WARRANTY DEED #2010-0722784, MCR
- (R2) FINAL PLAT FOR BINGHAM ESTATES BOOK 867 OF MAPS, PAGE 38, MCR
- (R3) RECORD OF SURVEY MARICOPA COUNTY PLSS PER BOOK 408 OF MAPS, PAGE 41, MCR
- (R4) RESULTS OF SURVEY PER BOOK 324 OF MAPS, PAGE 38, MCR
- (R5) FINAL PLAT FOR THE OCHARDOS PARCEL 1 PER BOOK 587 OF MAPS, PAGE 42, MCR
- (R6) AMENDED MINOR LAND DIVISION PER BOOK 957 OF MAPS, PAGE 44, MCR
- (R7) RECORD OF SURVEY PER BOOK 891 OF MAPS, PAGE 29, MCR
- (R8) PLAT FOR CHESON'S PLACE PER BOOK 694 OF MAPS, PAGE 30, MCR
- (R9) HUNTER ESTATES SUBDIVISION PER BOOK 784 OF MAPS, PAGE 79, MCR
- (R10) RECORD OF SURVEY PER BOOK 895 OF MAPS, PAGE 35, MCR
- (R11) RECORD OF SURVEY PER BOOK 925 OF MAPS, PAGE 33, MCR
- (R12) MINOR LAND DIVISION PER BOOK 950 OF MAPS, PAGE 44, MCR
- (R13) RECORD OF SURVEY PER BOOK 1094 OF MAPS, PAGE 7, MCR

MONUMENT NOTES:

ALL MONUMENTATION SHOWN HEREON WAS CALCULATED UNLESS OTHERWISE NOTED

- 1 FOUND BRASS CAP FLUSH AT THE WEST 1/4 CORNER OF SECTION 5, T.3N, R.1W.
- 2 CALCULATED CENTER OF SECTION PER (R2)
- 3 FOUND BRASS CAP IN HANDHOLE AT THE SOUTHWEST QUARTER OF SECTION 5, T.3N, R.1W.
- 4 FOUND BRASS CAP IN HANDHOLE AT THE SOUTHWEST QUARTER OF SECTION 5, T.3N, R.1W.
- 5 FOUND BRASS CAP FLUSH 1.46' EAST
- 6 FOUND BRASS CAP FLUSH 44.51' FEET SOUTH OF MONUMENT #2
- 7 FOUND PW NAIL WITH SHIMMER ON POST STAMPED "T.E.S. 4213.7"
- 8 NOTHING FOUND NOTHING SET, CALCULATED POSITION PER
- 9 FOUND BRASS CAP FLUSH 0.75' SOUTH OF THE MONUMENT LINE AND 43.63' FEET WEST
- 10 CALCULATED SOUTH QUARTER OF SECTION 5, T.3N, R.1W, PER (R3)



BASIS OF SURVEY CALCULATIONS & VICINITY MAP

BEARINGS AND DISTANCES ARE ALL MEASURED UNLESS OTHERWISE NOTED
SOUTHWEST QUARTER OF SECTION 5, T.3N, R.1W
NOT TO SCALE

RECORD OWNER:

APR 201-17-0320
MICHAEL HOFMANN
PROPERTY ADDRESS
1530 W. PARADISE LANE
SURPRISE, ARIZONA 85374

RECORD OWNER:

APR 201-17-0320
THE AMPARO CONTRERAS LIVING TRUST
PROPERTY ADDRESS
1530 W. PARADISE LANE
SURPRISE, ARIZONA 85374

NOTES:

1. THIS SURVEY DOES NOT CONSTITUTE A TITLE SEARCH BY SURVEYOR. ALL INFORMATION REGARDING RECORD EASEMENTS, ADJOINERS, AND OTHER DOCUMENTS WHICH MIGHT AFFECT THE QUALITY OF TITLE TO TRACT SHOWN HEREON WAS OBTAINED FROM A COMMITMENT FOR TITLE INSURANCE ISSUED BY LAWRENCE TITLE OF ARIZONA, INC. AND ISSUED AGAIN FOR COMMERCIAL IN LAND TITLE INSURANCE COMPANY ORDER NUMBER 01842416-255-AMH-LO, DATED AUGUST 19, 2020 AT 7:50 A.M.
2. NO ON-SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.
3. PROPERTIES BEING SERVED BY PRIVATE WELLS OR SEPTIC SYSTEMS SHALL BE CONNECTED TO MUNICIPAL WATER AND/OR SEWER WITHIN 90 DAYS FROM THE DATE SUCH SERVICE BECOMES AVAILABLE, AND THE PROPERTY OWNER SHALL PAY ALL APPLICABLE DEVELOPMENT CONNECTION AND SERVICE FEES. S.M.C. 13.04.020, 13.09.060
4. THE CITY ENGINEER OF LANDSCAPING WITHIN THE OPEN AREAS, LANDSCAPED TRACTS, RETAINING BASINS, AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS ASSOCIATION FORMED BY THE OWNER. THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING THE COLLECTION OF TRASH AND DEBRIS, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS ASSOCIATION FORMED BY THE ADJACENT PROPERTY. LANDSCAPING MAINTENANCE OF THE RETAINING WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

SURVEYOR'S STATEMENT:

I, LANCE C. DICKSON, BEING A LICENSED LAND SURVEYOR IN THE STATE OF ARIZONA, HEREBY STATE THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH THIS MAP OR PLAT IS BASED WERE MADE UNDER MY SUPERVISION AND IT IS CORRECT TO THE BEST OF MY KNOWLEDGE AND THAT THE MONUMENTS SHOWN HEREON DO EXIST AS INDICATED.

LANCE C. DICKSON, RLS #46643 DATE _____



REVISIONS

NO.	DATE	DESCRIPTION

FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

Arizona Surveying and Mapping

Absolute Confidence Since 1988

2400 N. MISSOIN AVE. SUITE 4
PHOENIX, ARIZONA 85021
TEL: (602) 246-9819 FAX: (602) 246-9844 info@asav.com

ASAV

Arizona Surveying and Mapping

FIELDWORK BY: DAN

DRAWN BY: CUL

CHECKED BY: LCO

JOB # 122-333

DATE: 02/15/23

SHEET NO. 1

OF 3

HOFFMAN ESTATES AND THE AMPARO CONTRERAS LIVING TRUST FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA.

PARENT LEGAL DESCRIPTION:

**A COMMENT FOR TITLE INSURANCE ORDER NUMBER
1758515-205-HS-10**
THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN MARICOPA COUNTY, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 1:

LOT 2, BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 36, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2:

AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES OVER AND ACROSS LOT 1 BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 36, RECORDS OF MARICOPA COUNTY, ARIZONA, SHOWN IN DEED RECORDED IN DOCUMENT NUMBER 2010-003467, DESCRIBED AS FOLLOWS:

EASEMENT FOR INGRESS AND EGRESS 20 FEET WIDE, 10 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE WEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THENCE SOUTH 88 DEGREES 43 MINUTES 02 SECONDS EAST, ALONG THE EAST WEST AND SECTION LINE, A DISTANCE OF 747.58 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 15 DEGREES 34 MINUTES 34 SECONDS EAST, A DISTANCE OF 63.62 FEET;

THENCE SOUTH 31 DEGREES 42 MINUTES 38 SECONDS EAST, A DISTANCE OF 74.20 FEET;

THENCE SOUTH 02 DEGREES 30 MINUTES 50 SECONDS WEST, A DISTANCE OF 34.87 FEET;

THENCE SOUTH 04 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 176 FEET TO ITS TERMINUS;

PARENT LEGAL DESCRIPTION:

**A COMMENT FOR TITLE INSURANCE ORDER NUMBER
1758515-205-HS-10**
THE FOLLOWING REAL PROPERTY SITUATED IN MARICOPA COUNTY, ARIZONA:

PARCEL NO. 1:

THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT THE NORTH 15 FEET;

PARCEL NO. 2:

A PERMANENT EASEMENT FOR INGRESS, EGRESS, IRRIGATION AND UTILITIES OVER THE NORTH 30 FEET AND THE SOUTH 20 FEET OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PUBLIC NOTICE:

THE LOTS DESCRIBED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LURE AIR FORCE BASE AND WILL BE SUBJECT TO UNLAPSEABLE OF SET BACKS. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAP NOISE CONTOUR IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

RELEASE OF LIABILITY:

MICHAEL HOFFMAN AND THE AMPARO CONTRERAS LIVING TRUST AS "OWNERS" DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) HEREBY, DENYING AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LURE AIR FORCE BASE, WHETHER SUCH CLAIMS SHALL ORIGINATE FROM NOISE, VIBRATION, Fumes, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EMISSIONS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LURE AIR FORCE BASE AND ITS SURROUNDING FIELDS. THIS INSTRUMENT SHALL BEIN WITH THE LAND AND THE BOUNDING UPON OWNER AND HIS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THE CITY OF SURPRISE. NO LOSS THEREOF, THIS INSTRUMENT DOES NOT RELEASE, OR LIMIT LIABILITY FOR DAMAGES TO PERSONS OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, Fumes, DUST, FUEL, AND LUBRICANT PARTICLES.

LOT 1 LEGAL DESCRIPTION:

THE FOLLOWING REAL PROPERTY SITUATED IN MARICOPA COUNTY, ARIZONA:

THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT THE NORTH 30 FEET AND;

EXCEPT THE SOUTH 264.60 FEET

PARCEL NO. 2:

A PERMANENT EASEMENT FOR INGRESS, EGRESS, IRRIGATION AND UTILITIES OVER THE NORTH 30 FEET AND THE SOUTH 20 FEET OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

SITE DATA:

APN 501-19-533
APN 501-17-0202
ZONING: RR - RURAL RESIDENTIAL
LOT 1 - 460,100 SQUARE FEET OR 1.38 ACRES
LOT 2 - 494,108 SQUARE FEET OR 12.18 ACRES
TOTALS - 954,208 SQUARE FEET OR 21.56 ACRES

GENERAL PLAN CONFORMANCE:

IN ACCORDANCE WITH ARS 8-841.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DESIGNATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.

BASIS OF BEARING:

S88°42'37" ALONG THE MONUMENT LINE OF FINANCIAL LANE AS MEASURED BETWEEN MONUMENTS NUMBERED 1 AND 2, SHOWN HEREON AND DESCRIBED UNDER MONUMENT NOTES.

LOT 2 LEGAL DESCRIPTION:

THE FOLLOWING REAL PROPERTY SITUATED IN MARICOPA COUNTY, ARIZONA:

LOT 2, BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 36, RECORDS OF MARICOPA COUNTY, ARIZONA.

TOGETHER WITH THE SOUTH 264.60 FEET OF THE EAST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2:

AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES OVER AND ACROSS LOT 1 BINGHAM ESTATES, ACCORDING TO BOOK 867 OF MAPS, PAGE 36, RECORDS OF MARICOPA COUNTY, ARIZONA, SHOWN IN DEED RECORDED IN DOCUMENT NUMBER 2010-003467, DESCRIBED AS FOLLOWS:

EASEMENT FOR INGRESS AND EGRESS 20 FEET WIDE, 10 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

COMMENCING AT THE WEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

THENCE SOUTH 88 DEGREES 43 MINUTES 02 SECONDS EAST, ALONG THE EAST WEST AND SECTION LINE, A DISTANCE OF 747.58 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 15 DEGREES 34 MINUTES 34 SECONDS EAST, A DISTANCE OF 63.62 FEET;

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THENCE SOUTH 02 DEGREES 30 MINUTES 50 SECONDS WEST, A DISTANCE OF 34.87 FEET;

THENCE SOUTH 04 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 176 FEET TO ITS TERMINUS;

REVISIONS

FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5,
TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER
BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

Arizona Surveying and Mapping
Absolute Confidence Since 1988

2440 W. MISSISSIPPI LANE SUITE 4
PHOENIX, ARIZONA 85021

TEL (602) 246-2819 FAX (602) 246-2844 info@asam1.com



FIELDWORK BY: DAV
DRAWN BY: CUL
CHECKED BY: CUL
JOB # P22-333
DATE 02/15/23

SHEET NO.

2

2 OF 3

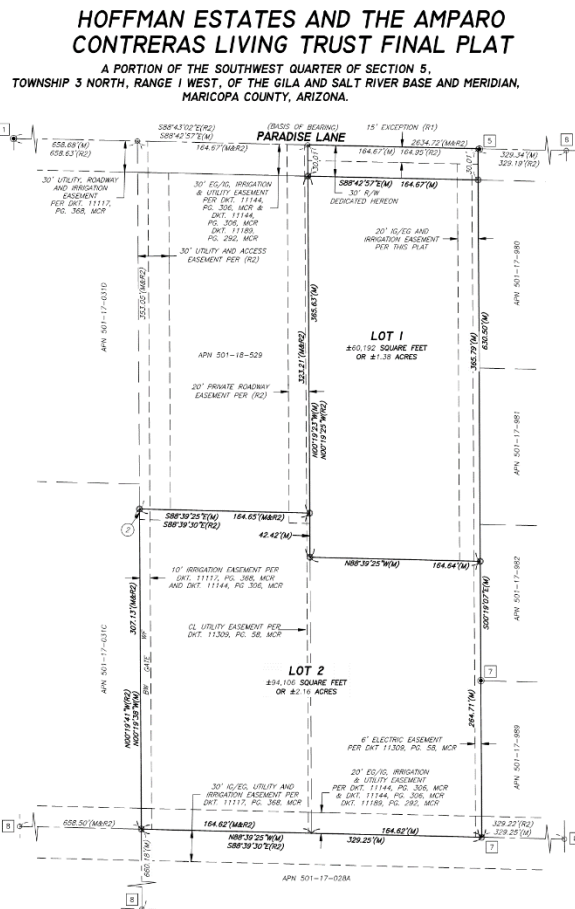
CITY OF SURPRISE CASE NUMBER FS22-1476

FS22-1476 FINAL PLAT



LEGEND:

- BOUNDARY LINE
- MONUMENT LINE
- EASEMENT LINE
- ADJOINING PROPERTY
- SET 1/2" IRON NAIL #16841 (UNLESS OTHERWISE NOTED)
- FOUND MONUMENT AS NOTED
- CALCULATED POINT, NOTHING FOUND AND NOTHING SET
- (M) MEASURED DATA
- (R) RECORDED DATA
- MOR MARICOPA COUNTY RECORDS
- R/W RIGHT-OF-WAY
- APN ASSESSOR'S PARCEL NUMBER
- R/G/RG INGRESS/EGRESS
- P.U.E. PUBLIC UTILITY EASEMENT
- B.S.L. BUILDING SET BACK LINE
- [] MONUMENT NOTE



MONUMENT NOTES:

- ALL MONUMENTATION SHOWN HEREON WAS ACCEPTED UNLESS OTHERWISE NOTED
- 1 FOUND BRASS CAP FLUSH AT THE WEST 1/4 CORNER OF SECTION 5, T.3N., R.1W.
- 2 CALCULATED CENTER OF SECTION PER (R2)
- 3 FOUND BRASS CAP IN HANDHOLE AT THE SOUTHWEST QUARTER OF SECTION 5, T.3N., R.1W.
- 4 FOUND BRASS CAP IN HANDHOLE AT THE SOUTHEAST QUARTER OF SECTION 5, T.3N., R.1W.
- 5 FOUND BRASS CAP FLUSH 1.46' EAST
- 6 FOUND BRASS CAP FLUSH 44.51 FEET SOUTH OF MONUMENT (R2)
- 7 FOUND PK NAIL WITH SHIMMER ON POST STAMPED 'T&L 42137'
- 8 NOTHING FOUND NOTHING SET, CALCULATED POSITION PER
- 9 FOUND BRASS CAP FLUSH 0.75' SOUTH OF THE MONUMENT LINE AND 43.63 FEET WEST
- 10 CALCULATED SOUTH QUARTER OF SECTION 5, T.3N., R.1W. PER (R3)



CITY OF SURPRISE CASE NUMBER FS22-1476

REVISIONS	

FINAL PLAT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

Arizona Surveying and Mapping

Absolute Confidence Since 1988

2400 W. MISSISSIPPI AVE. SUITE 4
PHOENIX, ARIZONA 85027
TEL: (602) 246-8819 FAX: (602) 246-8844 info@asamll.com

FIELDWORK BY: DAN	
DRAWN BY: CCL	CHECKED BY: LCO
JOB # 222-133	DATE 02/15/23
SHEET NO. 3	
3 OF 3	

FS22-1476 FINAL PLAT



SURPRISE
ARIZONA

**QUESTIONS OR
COMMENTS?**

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023 Contact Person: Tanner Wessel
Submitting Department: Community Development District: District 3
Staff Recommendations: None

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval of the Final Plat entitled, "Replat of Lots 4 and 5 of Replat of Lot 4 of Village at Prasada" and dated January 27, 2023, a property located at the northwest corner of Sweetwater Avenue and Prasada Parkway; Case FS22-1486.

Motion:

I move to approve the Final Plat entitled, "Replat of Lots 4 and 5 of Replat of Lot 4 of Village at Prasada" and dated January 27, 2023.

Background:

Dominic Ghabby of Simon CRE seeks approval of a Final Plat of the subject property located at the northwest corner of Sweetwater Avenue and Prasada Parkway. The proposed Final Plat splits the subject property into 3 parcels to align with future development plans of the Village at Prasada development.

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Policy Compliant:

The proposed Final Plat is consistent with the Surprise General Plan 2035 and the City of Surprise Land Development Ordinance.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00-FS22-1486 Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4 - Staff Report
 2. 01 - FS22-1486 Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4 - Vicinity Map
 3. 02 - FS22-1486 Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4 - Zoning Map
 4. 03 - FS22-1486 Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4 - Final Plat
 5. 04 - FS22-1486 Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4 - Final Plat Exhibit
 6. FS22-1486 Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4 - PowerPoint
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS22-1486

Project Name: Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4

Council District: 3 – Mesquite

City Council Date: April 04, 2023

Planner: Tanner Wessel, Planner II

Owner: Simon CRE

Applicant: Dominic Ghaby of Simon CRE

Request: Final Plat to subdivide two (2) parcels approx. 8.64 acres into three (3) parcels.

Site Location: Located at the northwest corner of Sweetwater Avenue and Prasada Parkway

Site Size: Approximately 8.64 gross acres

Findings:

- The proposed Final Plat is consistent with the Surprise General Plan 2035.
- The proposed Final Plat is consistent with the Surprise Land Development Ordinance.

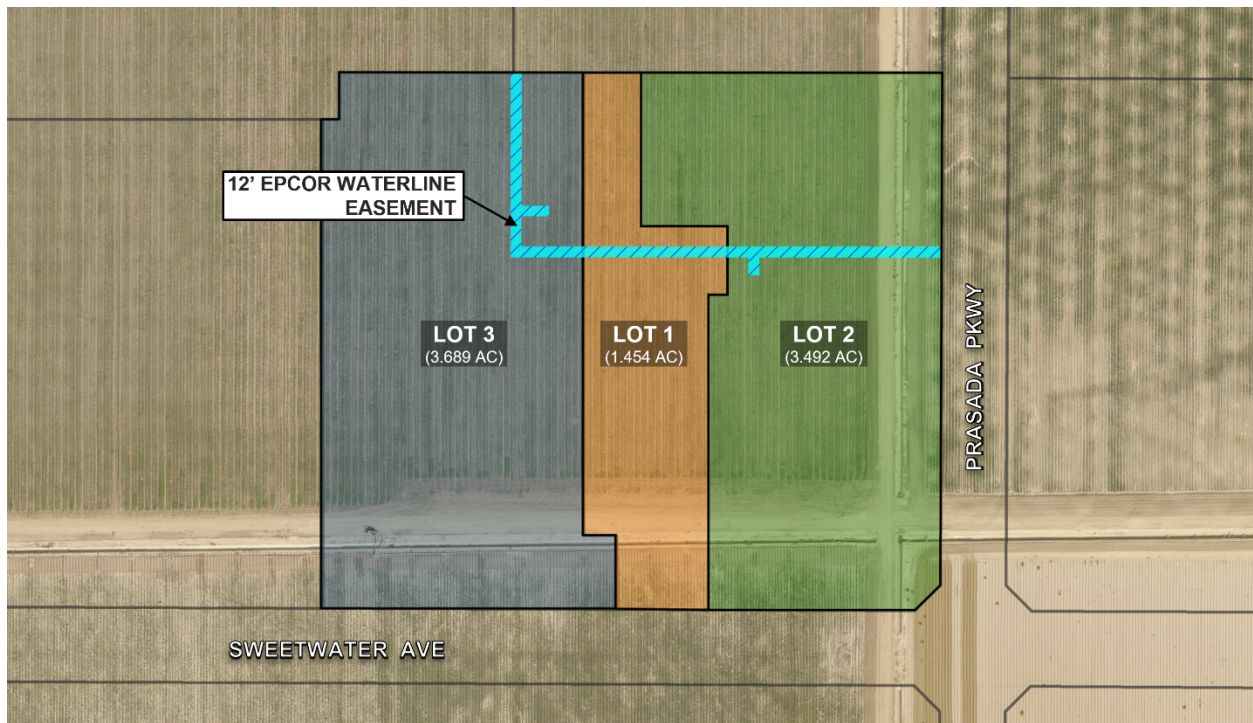
Alternative Actions: **Approve** – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

Additional Information:

Dominic Ghaby of Simon CRE requests approval of a Final Plat entitled “Replat of Lots 4 and 5 of Replat of Lot 4 of Village at Prasada” dated January 27, 2023. The subject parcel is zoned Planned Area Development (PAD) – Prasada and is located at the northwest corner of Sweetwater Avenue and Prasada Parkway. The proposed Final Plat subdivides two (2) existing parcels of approximately 8.64 gross acres into three (3) parcels to align with future commercial plans for the Village at Prasada development.

This Final Plat does not propose any right-of-way dedications. However, a 12-foot EPCOR waterline line easement is proposed through Lots 1, 2, and 3.



The area for each parcel is shown below:

- Lot 1 – approximately 1.45 acres
- Lot 2 – approximately 3.49 acres
- Lot 3 – approximately 3.69 acres

The proposed Final Plat dedicates the following:

- 12-foot EPCOR waterline easement through Lots 1, 2, and 3

General Plan Conformance:

The proposed final plat was reviewed against the goals, policies, recommendations, and guidelines of the City of Surprise General Plan 2035. The proposed final plat is consistent with the General Plan in some of the following ways:

61
62 This project is located within the Commerce & Office character area of the General Plan.
63 The proposed plat adheres to the design guidelines of the character area which allows
64 for regional commercial development

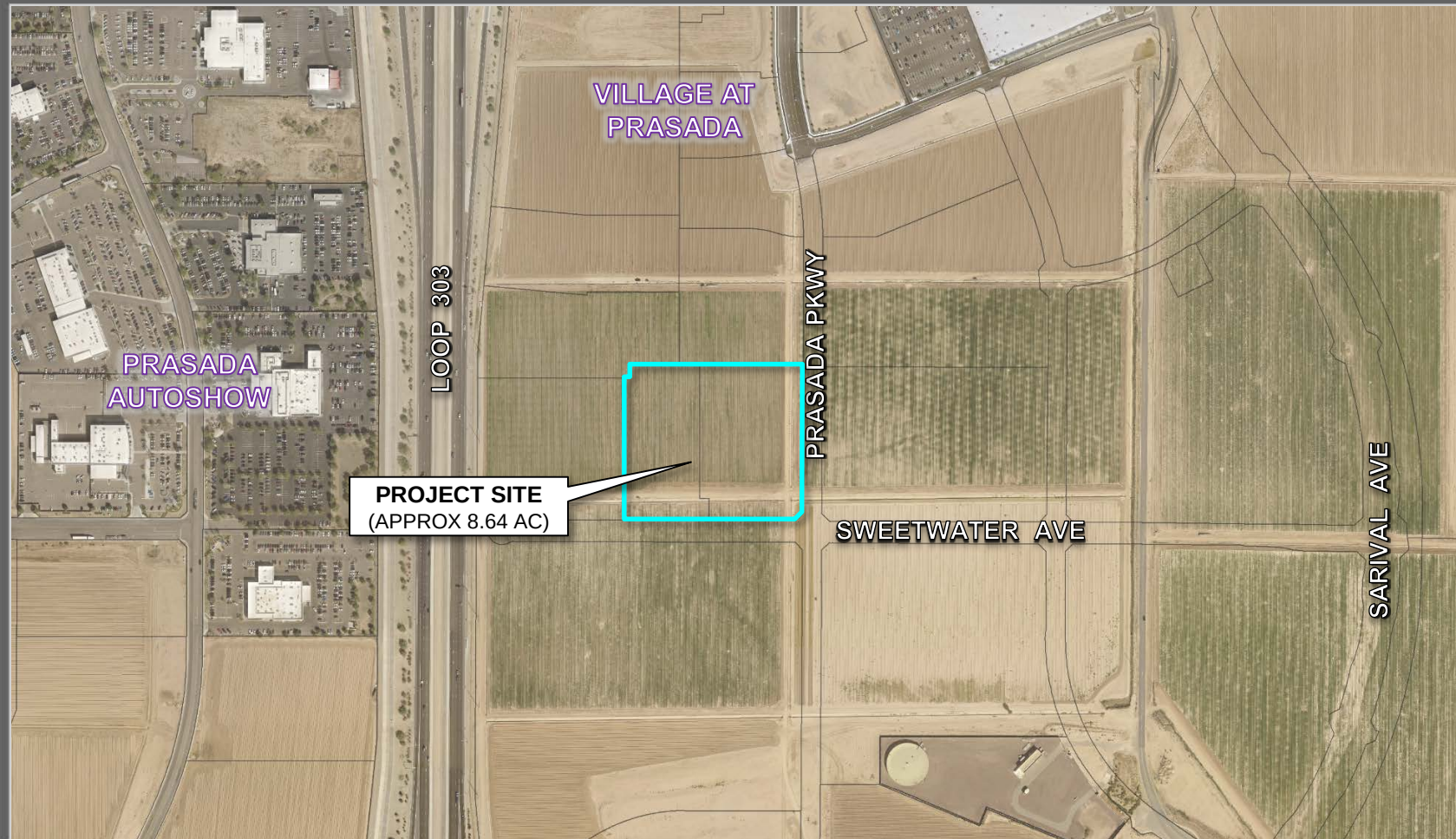
65
66 This project maintains compatibility with the quality of existing land uses in the
67 surrounding area in that it continues the Commercial development pattern established in
68 the vicinity of this parcel.

69
70 **Reviewing Agencies:**

71
72 This project was routed to both Luke Air Force Base and the Maricopa Water District for
73 review. Both agencies have indicated no objections.

74
75 **Attachments:**

76 01 Vicinity Map
77 02 Zoning Map
78 03 Final Plat
79 04 Plat Exhibit
80 PPT



VILLAGE AT
PRASADA

PRASADA
AUTOSHOW

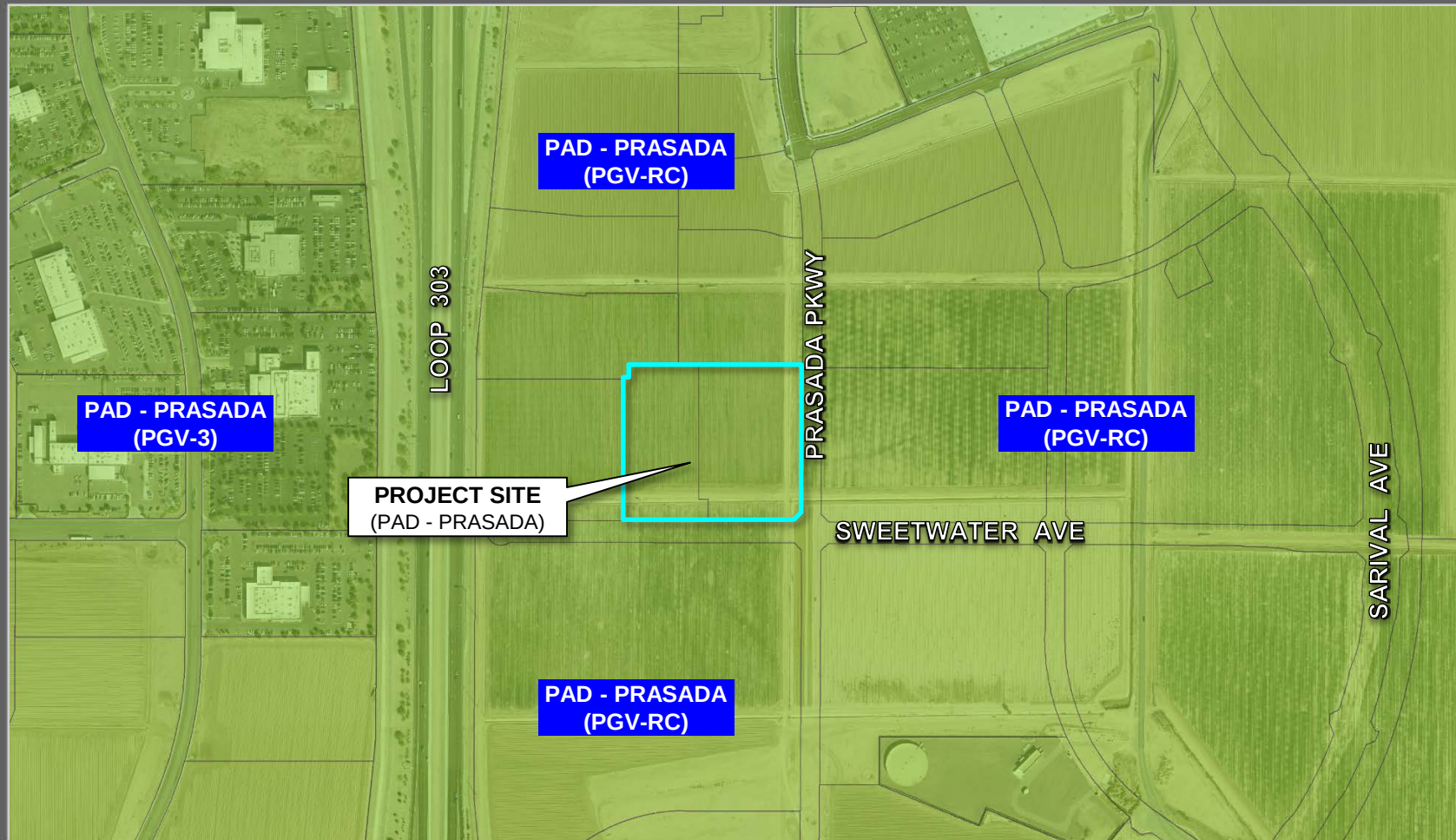
PROJECT SITE
(APPROX 8.64 AC)

PRASADA PKWY

SWEETWATER AVE

SARIVAL AVE

FS22-1486 VICINITY MAP



**PAD - PRASADA
(PGV-3)**

**PAD - PRASADA
(PGV-RC)**

**PROJECT SITE
(PAD - PRASADA)**

**PAD - PRASADA
(PGV-RC)**

**PAD - PRASADA
(PGV-RC)**

LOOP 303

PRASADA PKWY

SWEETWATER AVE

SARIVAL AVE

FS22-1486 ZONING MAP

”REPLAT OF LOTS 4 AND 5” OF
”REPLAT OF LOT 4 OF VILLAGE AT PRASADA”
AS RECORDED IN BOOK 1689, PAGE 33, RECORDS OF MARICOPA COUNTY,
ARIZONA, LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 13,
TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
CITY OF SURPRISE, MARICOPA COUNTY, ARIZONA

DEDICATION

STATE OF ARIZONA }
COUNTY OF MARICOPA } ss

KNOW ALL PERSONS BY THESE: WESTCOR SURPRISE RSC LLC, AN ARIZONA LIMITED LIABILITY COMPANY AND SIMONCRE UTE III, LLC, AN ARIZONA LIMITED LIABILITY COMPANY HAS SUBDIVIDED UNDER THE NAME ”REPLAT OF LOTS 4 AND 5” A REPLAT OF A REPLAT OF LOT 4 OF ”VILLAGE AT PRASADA” AS RECORDED IN BOOK 1689, PAGE 33, RECORDS OF MARICOPA COUNTY, ARIZONA, LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 13, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, CITY OF SURPRISE, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR ”REPLAT OF LOTS 4 AND 5” AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, STREET, AND EASEMENT CONSTITUTING SAME, AND THAT EACH LOT, STREET, AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNERS HEREBY GRANT TO THE PUBLIC A PERPETUAL NON-EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING, AND UTILIZING PUBLIC UTILITIES.

OWNERS HEREBY GRANT TO THE ULTIMATE OWNER OF EACH PARCEL CREATED BY THIS PLAT AN EASEMENT OVER, UPON AND ACROSS THE ENTIRE PLAT FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS AND PARKING TO EACH PARCEL CREATED BY THIS PLAT.

OWNERS HEREBY GRANT TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (”USAF”) AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS-OF-WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

OWNERS HEREBY GRANT TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE ASSOCIATION FOR THE PURPOSES OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY VEHICLES.

OWNERS HEREBY GRANT TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE PEDESTRIAN ACCESS AND SIDEWALK CONSTRUCTION AND MAINTENANCE EASEMENT OVER, UPON, AND ACROSS THE AREAS DESIGNATED AS SIDEWALK EASEMENTS AS SHOWN ON THE PLAT.

OWNERS HEREBY GRANT TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS SIGHT VISIBILITY TRIANGLES FOR THE PURPOSE OF ENSURING THAT THESE AREAS REMAIN FREE OF SIGHT VISIBILITY OBSTRUCTIONS

GRANTOR SHALL NOT ERECT OR CONSTRUCT OR PERMIT TO BE ERECTED OR CONSTRUCTED ANY BUILDING, STRUCTURE OR SIMILAR IMPROVEMENT WITHIN THE LIMITS OF THE EASEMENT HEREIN. GRANTOR SHALL NOT, NOR PERMIT THE GRADE OVER GRANTEE’S FACILITIES TO BE SUBSTANTIALLY ALTERED WITHOUT, IN EACH INSTANCE, THE PRIOR WRITTEN CONSENT OF GRANTEE, AND GRANTOR AGREES THAT NO OTHER PIPES OR CONDUITS SHALL BE PLACED WITHIN THE PREMISES SUBJECT TO THE EASEMENT GRANTED HEREIN, EXCEPT PIPES CROSSING GRANTEE’S FACILITIES AT RIGHT ANGLES, IN WHICH CASE, A MINIMUM VERTICAL DISTANCE OF TWO (2) FEET (AS MEASURED FROM THE CLOSEST POINTS ON THE OUTSIDE EDGES) SHALL BE MAINTAINED BETWEEN GRANTEE’S FACILITIES AND SUCH OTHER PIPES OR CONDUITS.

UNLESS GRANTEE EXPRESSLY CONSENTS IN WRITING OTHERWISE, ANY AND ALL SEWER PIPES CROSSING THE EASEMENT GRANTED HEREIN SHALL BE LAID BELOW GRANTEE’S FACILITIES. HOWEVER, GRANTOR SHALL HAVE THE RIGHT TO CONSTRUCT AND ERECT FENCES TO INSTALL LANDSCAPING, PARKING FACILITIES AND DRIVEWAYS, AND TO ESTABLISH OTHER USES WHICH ARE NOT INCONSISTENT WITH USES WITHIN THE LIMITS OF SAID EASEMENT IN A MANNER WHICH WILL NOT UNREASONABLY INTERFERE WITH GRANTEE’S ACCESS TO THE FACILITIES.

LENDER

ZIONS BANCORPORATION, N.A. DBA NATIONAL BANK OF ARIZONA

BY: _____ DATE: _____

NAME: BRONSON NAAB TITLE: SENIOR VICE PRESIDENT

ACKNOWLEDGMENT

STATE OF _____ }
COUNTY OF _____ } ss

ON _____ DAY OF _____, 2023, BEFORE ME, THE UNDERSIGNED, PERSONALLY APPEARED BRONSON NAAB, WHO ACKNOWLEDGED HIMSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HEREUNTOSET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC _____ DATE _____

MY COMMISSION EXPIRES: _____

DEDICATION (CONTINUED)

IN WITNESS WHEREOF, OWNER HAS HEREUNTO CAUSED ITS CORPORATE NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULLY AUTHORIZED OFFICER.

WESTCOR SURPRISE RSC LLC, SIMONCRE UTE III, LLC
AN ARIZONA LIMITED LIABILITY COMPANY, AN ARIZONA LIMITED LIABILITY COMPANY

BY: WESTCOR 303 RSC LLC,
AN ARIZONA LIMITED LIABILITY COMPANY,
A MEMBER

BY: THE WESTCOR COMPANY II LIMITED
PARTNERSHIP, AN ARIZONA LIMITED
PARTNERSHIP
ITS MANAGING MEMBER

BY: MACERICH TWC II CORPORATION
A DELAWARE CORPORATION,
ITS GENERAL PARTNER

BY: _____

NAME: SCOTT NELSON
TITLE: SENIOR VICE PRESIDENT
DATE: _____

BY: _____

NAME: JOSHUA SIMON
TITLE: MANAGER
DATE: _____

ACKNOWLEDGMENT

STATE OF _____ }
COUNTY OF _____ } ss

ON _____ DAY OF _____, 2023, BEFORE ME, THE UNDERSIGNED, PERSONALLY APPEARED SCOTT NELSON, WHO ACKNOWLEDGED HIMSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HEREUNTOSET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC _____ DATE _____

MY COMMISSION EXPIRES: _____

ACKNOWLEDGMENT

STATE OF _____ }
COUNTY OF _____ } ss

ON _____ DAY OF _____, 2023, BEFORE ME, THE UNDERSIGNED, PERSONALLY APPEARED JOSHUA SIMON, WHO ACKNOWLEDGED HIMSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HEREUNTOSET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC _____ DATE _____

MY COMMISSION EXPIRES: _____

**NOTICE OF PRASADA PHASE 1B
DEVELOPMENT AGREEMENT**

LANDOWNER HAS ENTERED INTO A PRASADA PHASE 1B DEVELOPMENT AGREEMENT DATED OCTOBER 8, 2007 (”AGREEMENT”) WITH MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE (”MWD”) FOR WHICH A MEMORANDUM OF AGREEMENT WAS RECORDED ON OCTOBER 9, 2007, AT THE MARICOPA COUNTY RECORDER’S OFFICE AT DOCKET #2007-1103870. THE PROPERTIES INVOLVED IN THIS PLAT ARE SUBJECT TO THIS AGREEMENT. THE AGREEMENT AND THIS PLAT, INCLUDING ANY AND ALL DEDICATIONS THEREIN, HEREBY PRESERVE MWD’S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND MWD PROPERTY INTERESTS. AS SUCH TERMS ARE DEFINED IN THE AGREEMENT, THEY ENABLE MWD TO ACCOMPLISH ALL OF MWD’S PURPOSES, INCLUDING, BUT NOT LIMITED TO, THE TRANSMISSION AND DISTRIBUTION OF WATER, WASTEWATER, POWER AND COMMUNICATIONS , AND TO CONSTRUCT, RECONSTRUCT, OPERATE, MAINTAIN AND REPLACE THOSE MWD FACILITIES AND MWD PROPERTY INTERESTS. THE AGREEMENT IS ON FILE AT THE OFFICES OF LANDOWNER AT 5 TRIAD CENTER, SUITE 325, SALT LAKE CITY, UT 84180, AND MAY BE REVIEWED AS TO ALL DETAILS, WITH PARTICULAR REFERENCE TO SECTION 7 AND SECTION 9, UPON REASONABLE REQUEST. DATED THIS ____ DAY OF _____, 2023.

MARICOPA COUNTY MUNICIPAL WATER
CONSERVATION DISTRICT NUMBER ONE, A
POLITICAL SUBDIVISION OF THE STATE OF
ARIZONA (”MWD”)

BY: _____
CHRISTINE CAIN
ITS: PROPERTY AND CONTRACTS MANAGER
WESTCOR SURPRISE RSC LLC,
AN ARIZONA LIMITED LIABILITY COMPANY

BY: _____
NAME: SCOTT NELSON
SIMONCRE UTE III, LLC
AN ARIZONA LIMITED LIABILITY COMPANY

BY: _____
NAME: JOSHUA SIMON

BY: _____
GLEN VORTHERMS
ITS: ASSISTANT SECRETARY
ATTEST: _____

BY: _____
NAME: MORGAN JENNINGS
ATTEST: _____

BY: _____
NAME: BEN MILLICK

RELEASE OF LIABILITY

SIMONCRE UTE III, LLC, AN ARIZONA LIMITED LIABILITY COMPANY(”OWNER”) DOES HEREBY

(1) RELEASE AND DISCHARGE THE CITY OF SURPRISE, AND
(2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE, OVER, OR IN CONNECTION WITH THE AREAS LOCATED WITHIN THE NEWLY DEDICATED RIGHT-OF-WAY AS DEPICTED ON THIS PLAT UNTIL SUCH TIME THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND ACCEPTED BY THE CITY COUNCIL. THE MAINTENANCE OF THE AREA WITHIN ANY NEWLY DEDICATED RIGHT-OF-WAY AS SHOWN ON THIS PLAT SHALL BE THE RESPONSIBILITY OF THE ADJACENT OWNER/OR SUBSEQUENT ADJACENT OWNERS WITHIN THE BOUNDARY OF SAID PLAT UNTIL SUCH TIME THAT THE AREA WITHIN THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARD AND ACCEPTED BY THE CITY OF SURPRISE.

OWNERS HEREBY FURTHER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE FROM ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY LOCATED WITHIN THE RIGHT OF WAY THAT MAY ARISE IN CONNECTION WITH THE USE OF THE SIDEWALKS LOCATED WITHIN THE RIGHT-OF-WAY, UNTIL SUCH TIME THE CITY OF SURPRISE HAS ACCEPTED THE SIDEWALKS.

SIMONCRE UTE III, LLC, AN ARIZONA LIMITED LIABILITY COMPANY, (”OWNER”) DOES HEREBY

(1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND
(2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

PUBLIC NOTICE

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERFLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

PLAT NOTES

THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS, AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS’ ASSOCIATION FORMED BY THE OWNER. THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS, AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS’ ASSOCIATION FORMED BY THE ADJACENT PROPERTY. LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

NO DEDICATIONS ARE OCCURRING AS PART OF THIS PLAT.

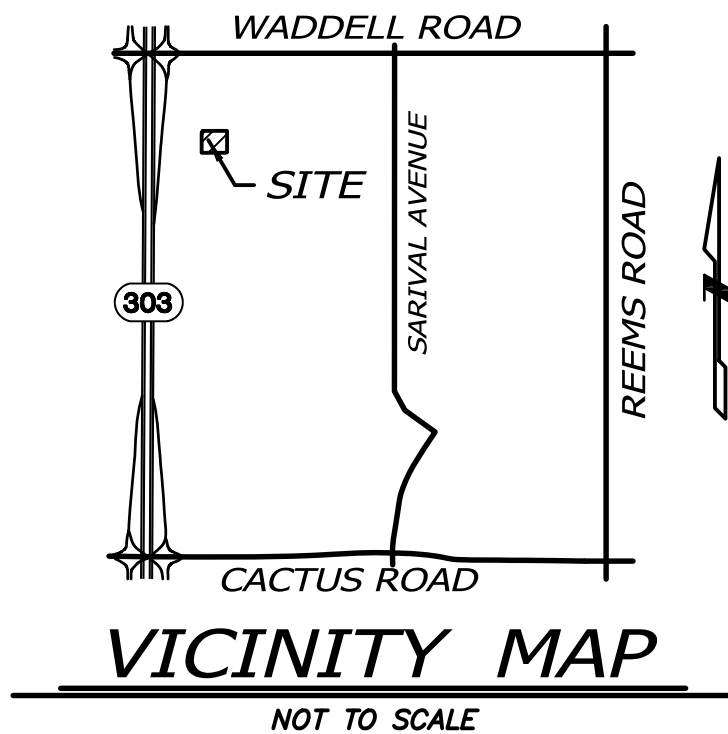
NO ON-SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.

PURSUANT TO A.R.S. § 42-11102, THE CITY OF SURPRISE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA, IS EXEMPT FROM ALL TAXES AND ASSESSMENTS BASED ON ASSESSED VALUE EXCEPT FOR SPECIAL DISTRICTS #14751 AND 14710, WHEN APPLICABLE.

THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE X DESIGNATION BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ON FLOOD INSURANCE RATE MAP NO. 04013C1660L, WITH A DATE OF IDENTIFICATION OF OCTOBER 16, 2013, FOR COMMUNITY NO. 040053, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.

BASIS OF BEARINGS

THE BASIS OF BEARING IS THE MONUMENT LINE OF WADDELL ROAD, ALSO BEING THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 13, USING A BEARING OF SOUTH 89 DEGREES 42 MINUTES 19 SECONDS EAST, PER THE FINAL PLAT OF ”PRASADA – PHASE 1B NORTH”, BOOK 1011 OF MAPS, PAGE 40, RECORDS OF MARICOPA COUNTY, ARIZONA.



ZONING

PLANNED AREA DEVELOPMENT
(PAD)

DESCRIPTION

LOTS 1 THROUGH 5, INCLUSIVE, OF REPLAT OF LOT 4 OF VILLAGE AT PRASADA, ACCORDING TO THE PLAT RECORDED IN BOOK 1689 OF MAPS, PAGE 33, RECORDS OF MARICOPA COUNTY, ARIZONA;

EXCEPT ALL MINERALS, COAL, CARBONS, HYDROCARBONS, OIL, GAS, CHEMICAL ELEMENTS AND COMPOUNDS WHETHER IN SOLID, LIQUID OR GASEOUS FORM, AND ALL STEAM AND OTHER FORMS OF THERMAL ENERGY ON, IN OR UNDER THE ABOVE-DESCRIBED LAND, WITHOUT RESERVING THE RIGHT TO ENTER UPON OR USE THE SURFACE OR ANY PART OF THE SUBJECT LAND ABOVE A DEPTH OF 500 FEET BELOW THE SURFACE, AS RESERVED BY PROPERTY RESERVE ARIZONA, LLC, AN ARIZONA LIMITED LIABILITY COMPANY IN SPECIAL WARRANTY DEED RECORDED SEPTEMBER 08, 2011 IN RECORDING NO. 20070574109 AND RE-RECORDED JUNE 15, 2007 IN RECORDING NO. 20070694160 AND RE-RECORDED SEPTEMBER 13, 2007 IN RECORDING NO. 20071019343, RECORDS OF MARICOPA COUNTY, ARIZONA.

SURVEYOR

SUPERIOR SURVEYING SERVICES INC.
2122 W. LONE CACTUS DRIVE, SUITE 11
PHOENIX, AZ 85027
PHONE: (623)869-0223
FAX: (623)869-0726
CONTACT: JAMES M. WILLIAMSON

OWNER

SIMONCRE UTE III, LLC,
AN ARIZONA LIMITED LIABILITY COMPANY
6900 E. 2ND STREET
SCOTTSDALE, AZ 85251

WESTCOR SURPRISE RSC LLC,
AN ARIZONA LIMITED LIABILITY COMPANY
ONE EAST WASHINGTON STREET, STE 300
PHOENIX, AZ 85004

APPROVALS

CITY OF SURPRISE ENGINEER APPROVAL

DATA ON THIS PLAT REVIEWED AND APPROVED THIS _____ DAY OF _____, 2023, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED _____ CITY ENGINEER _____ DATE _____

CITY OF SURPRISE COUNCIL APPROVAL

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA.

THIS _____ DAY OF _____, 2023.

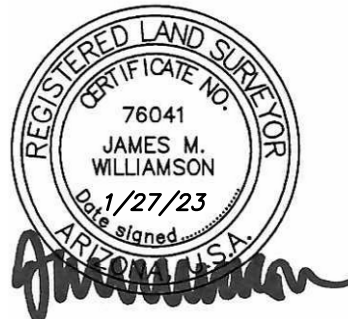
ATTEST: _____ MAYOR _____ DATE _____

CITY CLERK _____ DATE _____

CERTIFICATION

THIS IS TO CERTIFY THAT THIS PLAT IS CORRECT AND ACCURATE AND THE MONUMENTS DESCRIBED HEREIN HAVE EITHER BEEN SET OR LOCATED AS DESCRIBED TO THE BEST OF MY KNOWLEDGE AND BELIEF.

JANUARY 27, 2023
JAMES M. WILLIAMSON
R.L.S. 76041
2122 W. LONE CACTUS DRIVE, SUITE 11
PHOENIX, AZ 85027



CASE NUMBER: FS22-1486

”REPLAT OF LOTS 4 AND 5” OF
”REPLAT OF LOT 4 OF VILLAGE AT PRASADA”

SURPRISE, ARIZONA 85388

2122 W. Lone Cactus Drive, Suite 11
Phoenix, AZ 85027
623-869-0223 (office) 623-869-0726 (fax)
www.superiorsurveying.com
info@superiorsurveying.com



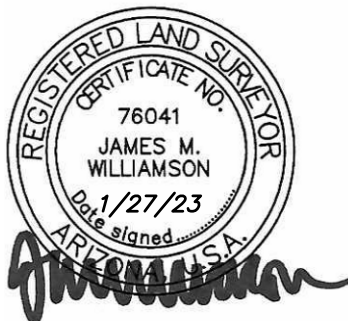
DWN: LE CHR: JW
SHEET 1 OF 3
DATE: 1/27/23
JOB: 202209073

NOTICE OF INTERGOVERNMENTAL AGREEMENT

THE CITY OF SURPRISE ("CITY") AND MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE ("MWD") ENTERED INTO AN INTERGOVERNMENTAL AGREEMENT DATED APRIL 8, 1997 AND RECORDED IN THE MARICOPA COUNTY RECORDER'S OFFICE ON APRIL 9, 1997, UNDER DOCUMENT NO. 97-0231759 ("IGA"). CITY AND MWD HAVE FACILITIES AND PROPERTY INTERESTS DESCRIBED AND DELINEATED WITHIN CERTAIN SUBDIVISION PLATS OR, FOR LANDS NOT INCLUDED IN A SUBDIVISION PLAT, DECLARATIONS OF TURF LANDS OR DECLARATIONS OF URBANIZED AREA, THAT HAVE PRIOR AND SUPERIOR RIGHTS TO THE UTILITY SERVICE PROVIDERS, AS DEFINED IN THE IGA. THE IGA PROVIDES FOR THE CITY TO HAVE A PUBLIC UTILITY EASEMENT WITHIN CERTAIN MWD PROPERTY INTERESTS AND FOR MWD TO HAVE AN EASEMENT WITHIN CITY'S PUBLIC RIGHTS-OF-WAY. CITY AND MWD RIGHTS WITHIN THESE EASEMENTS ARE SUBJECT TO AND CONTROLLED BY THE TERMS AND CONDITIONS OF THE IGA.

IN LOCATIONS WHERE APPLICABLE, INCLUDING ANY AND ALL DEDICATIONS WITHIN A SUBDIVISION PLAT, MWD'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND PROPERTY INTERESTS, SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE IGA.

CITY SHALL HAVE THE RIGHT TO AUTHORIZE AND CONTROL THE UTILITY SERVICE PROVIDER'S USE AND OCCUPANCY OF THESE EASEMENTS. CITY REQUIRES THAT UTILITY SERVICE PROVIDERS CONSENT TO BE BOUND BY THE IGA PRIOR TO THE USE OR OCCUPANCY OF THE EASEMENTS GRANTED UNDER THE IGA. SUCH USE OR OCCUPANCY OF THE EASEMENTS CONSTITUTES CONSENT OF THE UTILITY SERVICE PROVIDERS TO BE BOUND BY THE IGA.



DWN: LE CHK: JW
SHEET 2 OF 3
DATE: 1/27/23
JOB: 202209073

"REPLAT OF LOTS 4 AND 5" OF
"REPLAT OF LOT 4 OF VILLAGE AT PRASADA"

SURPRISE, ARIZONA 85388

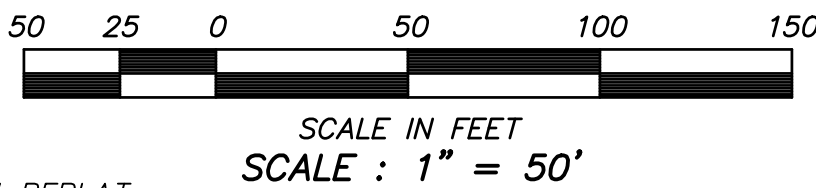
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www.superiorsurveying.com
info@superiorsurveying.com

CASE NUMBER: FS22-1486

LEGEND

- BOUNDARY LINE
- CENTER LINE OR MONUMENT LINE
- EXISTING EASEMENT LINE
- INDICATES LOT CORNER TO BE SET UPON COMPLETION OF MASS GRADING
- FOUND 3-1/2" ARIZONA DEPARTMENT OF TRANSPORTATION ALUMINUM CAP STAMPED "21782 2016"
- FOUND 3-1/2" ARIZONA DEPARTMENT OF TRANSPORTATION ALUMINUM CAP WITH ILLEGIBLE STAMP
- FOUND 3" CITY OF SURPRISE BRASS CAP IN HANDHOLE (0.6" DOWN) (UNLESS OTHERWISE NOTED)
- CALCULATED POSITION NO MONUMENT FOUND OR SET
- A.P.N. ASSESSORS PARCEL NUMBER
- M.C.R. MARICOPA COUNTY RECORDS
- BK. BOOK
- PG. PAGE
- R/W RIGHT OF WAY
- (R) RECORD PER BK. 1689, PG. 33, M.C.R.
- (M) MEASURED

LINE	BEARING	DISTANCE
L1	S 00°00'00" W (R) S 89°59'51" E (M)	18.19'
L2	N 00°00'00" E (R) N 00°00'09" E (M)	49.90'
L3	S 45°17'25" W	38.74'
L4	N 89°50'34" W	35.00'



LOT 2
VILLAGE AT PRASADA LOT 4 REPLAT
BK. 1689, PG. 33, M.C.R.
A.P.N. 501-11-965

LOT 3
VILLAGE AT PRASADA LOT 4 REPLAT
BK. 1689, PG. 33, M.C.R.
A.P.N. 501-11-966

LOT 3
VILLAGE AT PRASADA
BK. 1628, PG. 16, M.C.R.
A.P.N. 501-11-956

LOT 3
160,691 SQ. FT.
3.689 ACRES

LOT 1
63,345 SQ. FT.
1.454 ACRES

LOT 2
152,095 SQ. FT.
3.492 ACRES

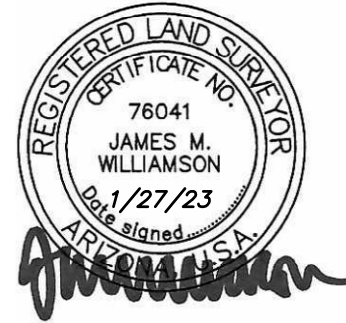
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SUPERIOR
SURVEYING SERVICES, INC.

DWN: LE CHK: JW
SHEET 3 OF 3
DATE: 1/27/23
JOB: 202209073

CASE NUMBER: FS22-1486



**12' EPCOR WATERLINE
EASEMENT**

LOT 3
(3.689 AC)

LOT 1
(1.454 AC)

LOT 2
(3.492 AC)

PRASADA PKWY

SWEETWATER AVE

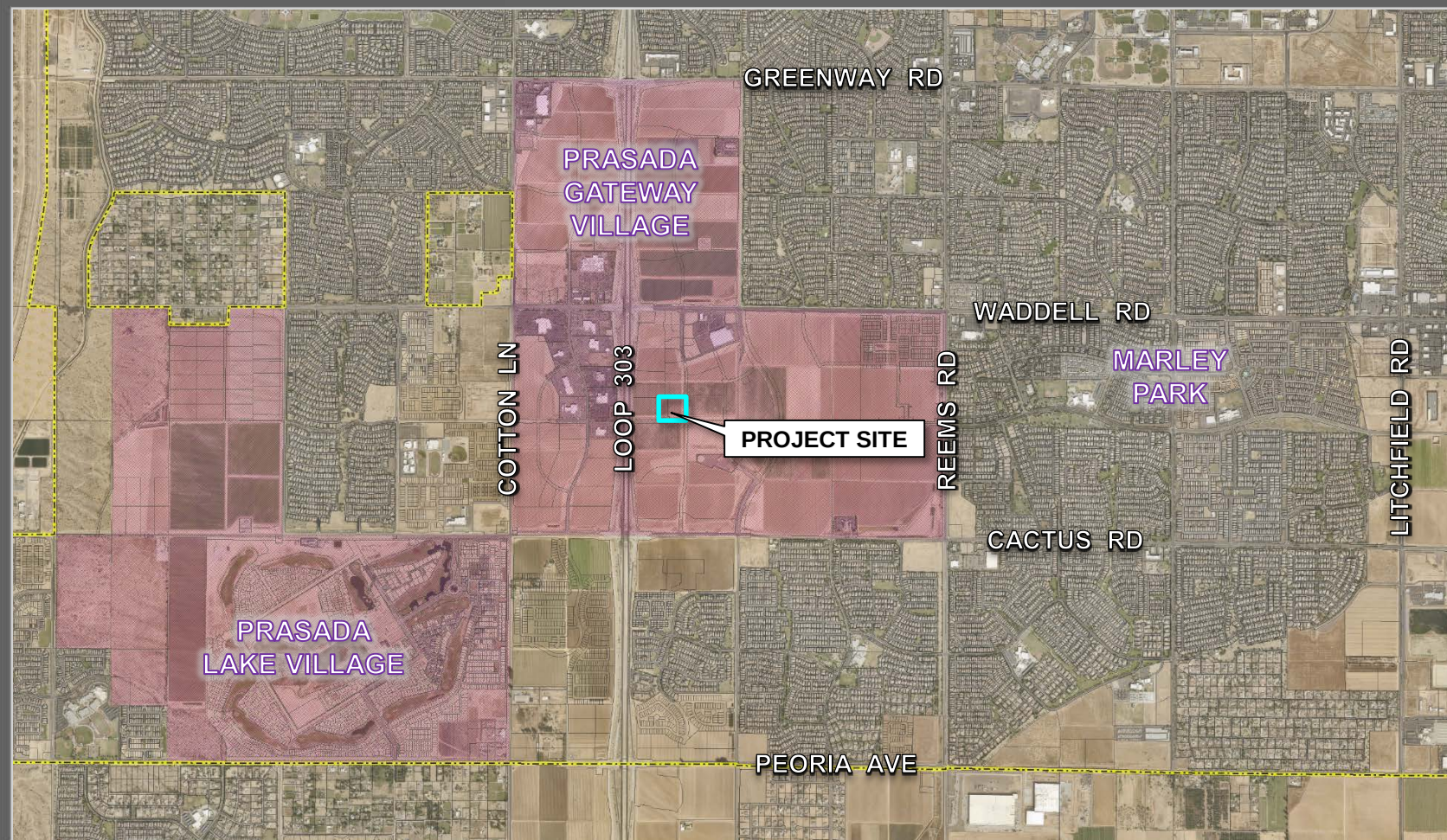
FS22-1486 PLAT EXHIBIT



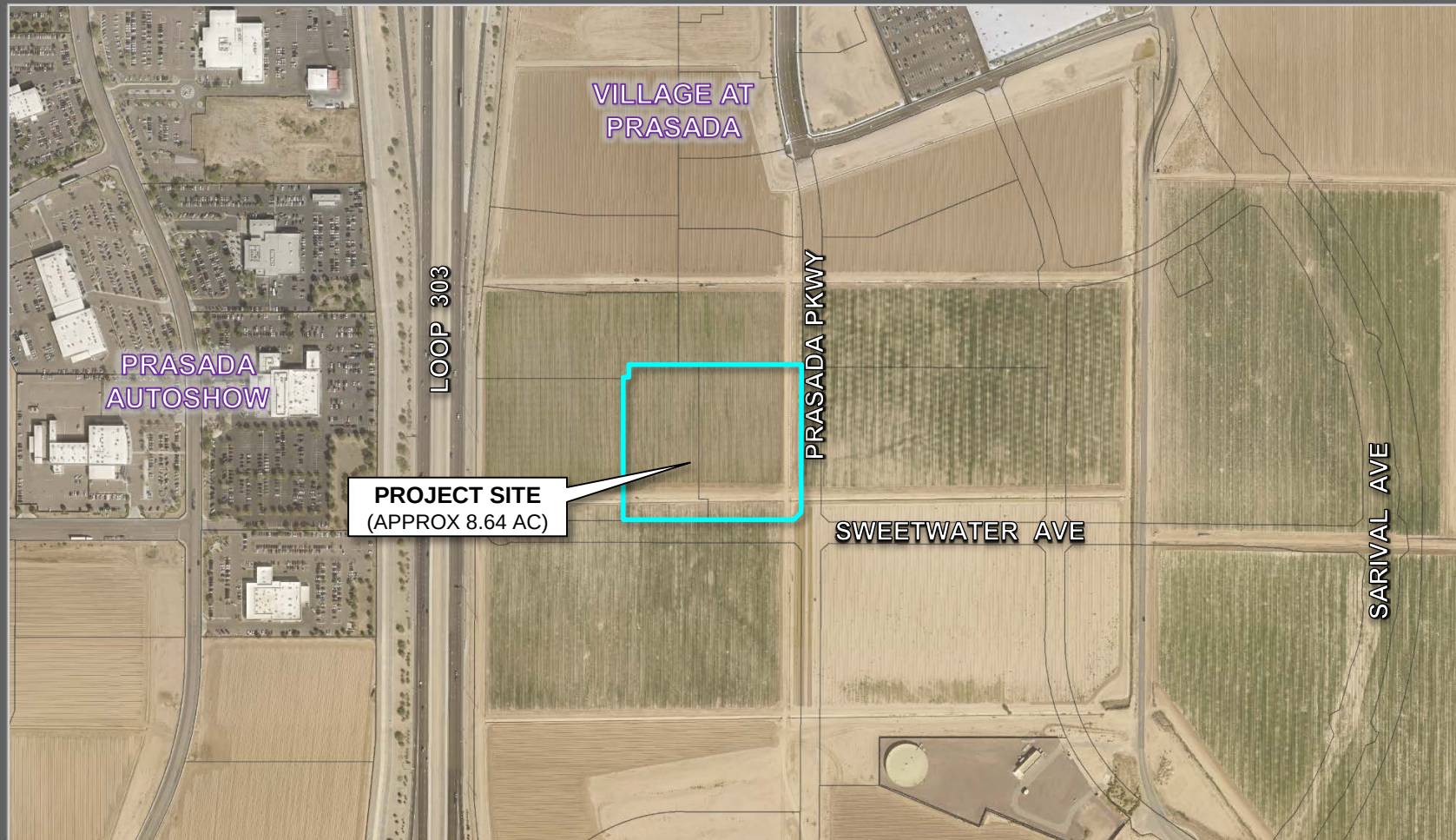
FS22-1486

Prasada RSC Replat of Lots 4 & 5 of Replat of Lot 4 - Final Plat

City Council
April 04, 2023



FS22-1486 VICINITY MAP



PROJECT SITE
(APPROX 8.64 AC)

VILLAGE AT
PRASADA

PRASADA
AUTOSHOW

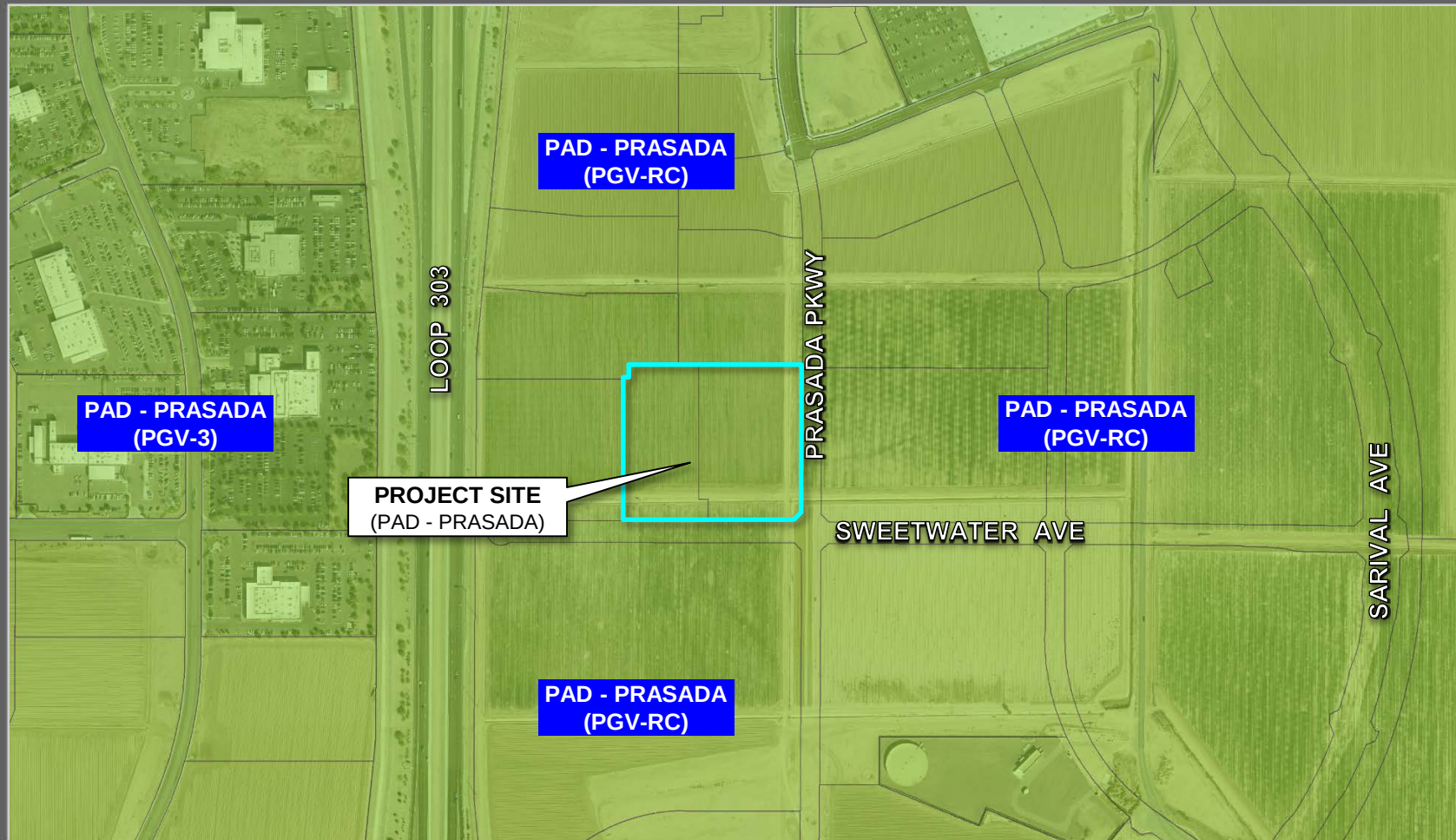
LOOP 303

PRASADA PKWY

SWEETWATER AVE

SARIVAL AVE

FS22-1486 VICINITY MAP



PAD - PRASADA
(PGV-3)

PAD - PRASADA
(PGV-RC)

PROJECT SITE
(PAD - PRASADA)

PAD - PRASADA
(PGV-RC)

PAD - PRASADA
(PGV-RC)

LOOP 303

PRASADA PKWY

SWEETWATER AVE

SARIVAL AVE

FS22-1486 ZONING MAP

**12' EPCOR WATERLINE
EASEMENT**

LOT 3
(3.689 AC)

LOT 1
(1.454 AC)

LOT 2
(3.492 AC)

PRASADA PKWY

SWEETWATER AVE

FS22-1486 PLAT EXHIBIT

Page 161 of 771

NOTICE OF INTERGOVERNMENTAL AGREEMENT

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IN LOCATIONS WHERE APPLICABLE, INCLUDING ANY AND ALL LOCATIONS WITHIN A SUBDIVISION PLAT, MWD'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND PROPERTY INTERESTS, SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE ISA.

CITY SHALL HAVE THE RIGHT TO AUTHORIZE AND CONTROL THE UTILITY SERVICE PROVIDER'S USE AND OCCUPANCY OF THESE EASEMENTS. CITY REQUIRES THAT UTILITY SERVICE PROVIDERS CONSENT TO BE BOUND BY THE ISA PRIOR TO THE USE OR OCCUPANCY OF THE EASEMENTS GRANTED UNDER THE ISA. SUCH USE OR OCCUPANCY OF THE EASEMENTS CONSTITUTES CONSENT OF THE UTILITY SERVICE PROVIDERS TO BE BOUND BY THE ISA.

-FOR REVIEW
NOT FOR
CONSTRUCTION
OR RECORDING



CASE NUMBER: FS22-1486

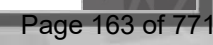
"REPLAT OF LOTS 4 AND 5" OF
"REPLAT OF LOT 4 OF VILLAGE AT PRASADA"
SURPRISE, ARIZONA 85088

2122 W. LONE CANYON DRIVE, SUITE 111
SURPRISE, ARIZONA 85088
602-968-0233 (office) 602-968-0228 (fax)
info@superiorrefp.com

SUPERIOR
SURVEYING SERVICES, INC.

DATE: 1/27/23
SHEET 2 OF 3
JOB: 2022000073

FS22-1486 FINAL PLAT





SURPRISE
ARIZONA

**QUESTIONS OR
COMMENTS?**

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023 Contact Person: Tanner Wessel
Submitting Department: Community Development District: District 1
Staff Recommendations: None

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval of the Final Plat entitled, "Clark Final Plat" and dated February 07, 2023, a property located at the northwest corner of Williams Road and 219th Avenue; Case FS22-1555.

Motion:

I move to approve the Final Plat entitled, "Clark Final Plat" and dated February 07, 2023.

Background:

Jerry Clark seeks approval of a Final Plat of the subject property located at the northwest corner of Williams Road and 219th Avenue. The proposed Final Plat splits the subject property into 2 parcels.

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Policy Compliant:

The proposed Final Plat is consistent with the Surprise General Plan 2035 and the City of Surprise Land Development Ordinance.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00-FS22-1555 Clark Minor Split - Final Plat - Staff Report
 2. 01 - FS22-1555 Clark Minor Split - Final Plat - Vicinity Map
 3. 02 - FS22-1555 Clark Minor Split - Final Plat - Zoning Map
 4. 03 - FS22-1555 Clark Minor Split - Final Plat - Final Plat
 5. 04 - FS22-1555 Clark Minor Split - Final Plat - Final Plat Exhibit
 6. 05 - FS22-1555 Clark Minor Split - Final Plat - Luke Letter
 7. FS22-1555 Clark Minor Split - Final Plat - PowerPoint
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS22-1555

Project Name: Clark Minor Split - Final Plat

Council District: 1 – Acacia

City Council Date: April 04, 2023

Planner: Tanner Wessel, Planner II

Owner: James Clark & Donna Mayton

Applicant: Jerry Clark

Request: Final Plat to subdivide one (1) parcel approx. 4.68 acres into two (2) lots.

Site Location: Located at the northwest corner of Williams Road and 219th Avenue

Site Size: Approximately 4.99 gross acres

Findings:

- The proposed Final Plat is consistent with the Surprise General Plan 2035.
- The proposed Final Plat is consistent with the Surprise Land Development Ordinance.

Alternative Actions: **Approve** – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

Additional Information:

Jerry Clark requests approval of a Final Plat entitled "Clark Final Plat" dated February 07, 2023. The subject parcel is zoned Rural Residential (RR) and is located at the northwest corner of Williams Road and 219th Avenue. The proposed Final Plat subdivides one (1) vacant parcel of approximately 4.68 gross acres into two (2) lots.

This Final Plat will establish 40-feet of right-of-way (ROW) dedication for Williams Road along the southern boundary of Lot 2. An 8-foot public utility easement (PUE) is established along the eastern boundary of Lots 1 and 2 adjacent to 219th Avenue and along the southern boundary of Lots 2 adjacent to Williams Road. Additionally, a 1-foot Vehicular Non-Access Easement (VNAE) is proposed along the eastern boundary of Lot 2 adjacent to 219th Avenue.



Lots 1 and 2 of the proposed Final Plat meet the development standards of the Rural Residential (RR) zoning district as outline in Table 106-2b of the City of Surprise Land Development Ordinance. Lots 1 through 5 meet or exceed the minimum lot area and minimum lot width requirements.

Table 106-2b – Rural Residential (RR) Zoning District	
Min. lot area (sf)	≥ 43,560
Min. lot width	130
Min. front setback (ft)	30
Min. rear setback ¹ (ft)	30
Min. side setback ¹ (ft)	20
Min. street side setback ¹ (ft)	20
Max. bldg. height (ft)	40
Lot coverage	25%
Open space (% of gross acres of residential development) ²	10%
Notes: 1. Garage face and embellishments shall be setback a minimum of 20 feet measured from the opposing property line except rear, alley loaded garages, which shall be setback nine feet from edge of alley line. 2. The city requires open spaces on a new subdivision; if recorded as metes and bounds or by a minor land division than open space will be required on each individual lot; such as open space of trail easements.	

The area for each parcel is shown below:

- Lot 1 – approximately 3.00 acres
- Lot 2 – approximately 1.69 acres

The proposed Final Plat dedicates the following:

- 40-foot right-of-way (ROW) dedication along the southern boundary of Lots 2 for Williams Road.
- 8-foot public utility easement (PUE) along the eastern boundary of Lots 1 and 2 and the southern boundary of Lot 2.
- 1-foot vehicular non-access easement (VNAE) along the eastern boundary of Lot 2.

General Plan Conformance:

The proposed final plat was reviewed against the goals, policies, recommendations, and guidelines of the City of Surprise General Plan 2035. The proposed final plat is consistent with the General Plan in some of the following ways:

This project is located within the Neighborhood character area of the General Plan. The proposed lot split adheres to the design guidelines of the character area which allows for residential development

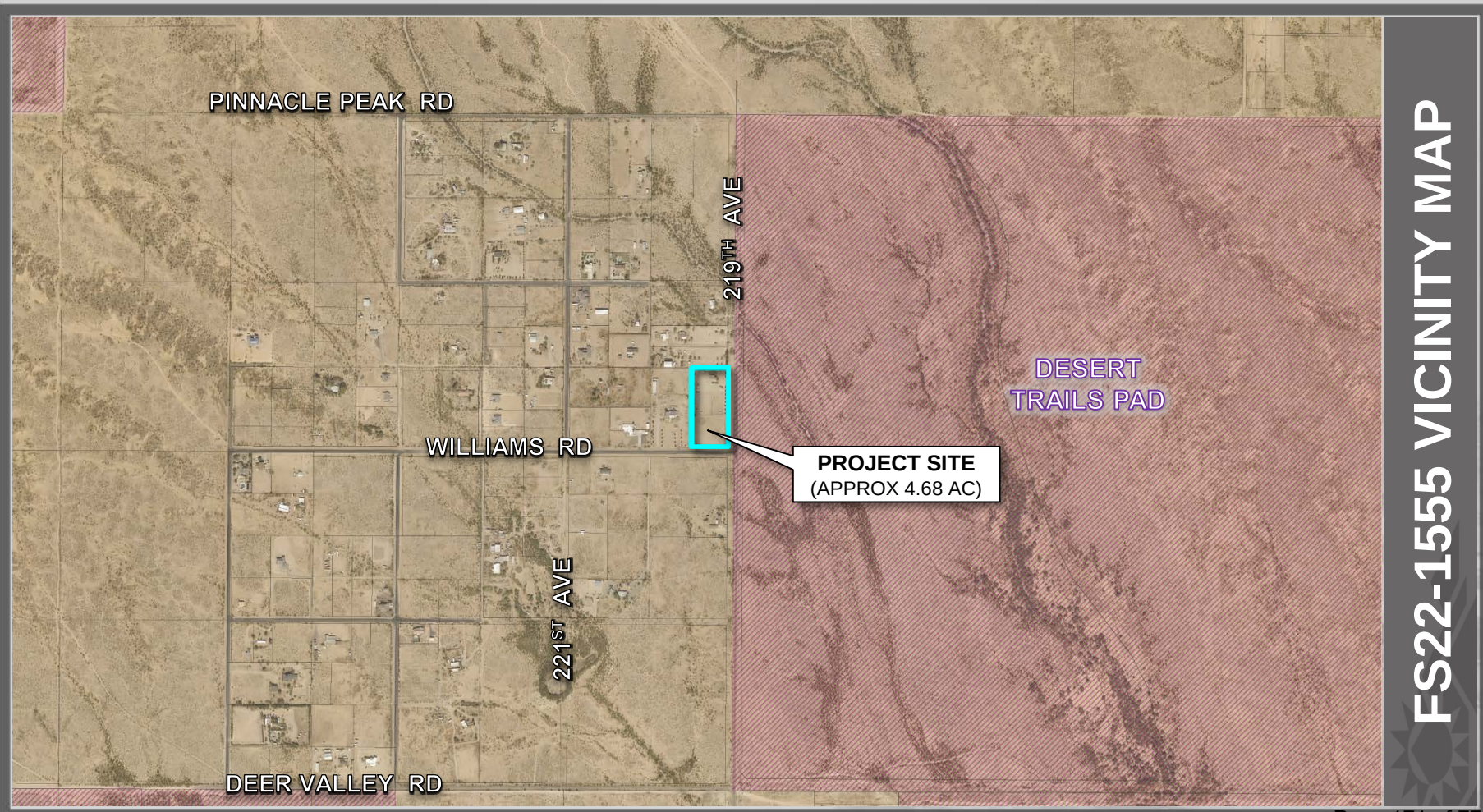
This project maintains compatibility with the quality of existing land uses in the surrounding area in that it continues the Rural Residential development pattern established in the vicinity of this parcel.

Reviewing Agencies:

This project was routed to both Luke Air Force Base and the Maricopa Water District for review. Both agencies have indicated no objections.

Attachments:

01 Vicinity Map
02 Zoning Map
03 Final Plat
04 Plat Exhibit
05 Luke Letter
PPT



PINNACLE PEAK RD

219TH AVE

WILLIAMS RD

221ST AVE

DEER VALLEY RD

DESERT
TRAILS PAD

PROJECT SITE
(APPROX 4.68 AC)

FS22-1555 VICINITY MAP



DEDICATION:

STATE OF ARIZONA)
) SS
COUNTY OF MARICOPA)

KNOW ALL PERSONS BY THESE PRESENTS: THAT JAMES A. CLARK, AN UNMARRIED MAN, AND DONNA MAYTON, AN UNMARRIED WOMAN, "OWNER", HAS SUBDIVIDED UNDER THE NAME CLARK FINAL PLAT, A SUBDIVISION LOCATED IN A PORTION OF SECTION 14, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR THE PLAT OF CLARK FINAL PLAT AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET, AND EASEMENT CONSTITUTING SAME, AND THAT EACH LOT, TRACT, STREET, AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON-EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC UTILITIES.

OWNER HEREBY DEDICATES TO THE CITY OF SURPRISE FEE TITLE TO ALL PUBLIC RIGHTS-OF-WAY AS SHOWN ON THE PLAT.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UNDER, UPON AND ACROSS ALL AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING, AND UTILIZING THE PUBLIC UTILITIES.

AVIGATION EASEMENT:

OWNER, HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

GENERAL EASEMENT LANGUAGE:

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS-OF-WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

INDEMNIFICATION / RELEASE OF LIABILITY LANGUAGE:

RELEASE OF LIABILITY REGARDING RIGHTS-OF-WAY

RELEASE OF LIABILITY:

JAMES A. CLARK, AN UNMARRIED MAN, AND DONNA MAYTON, AN UNMARRIED WOMAN, ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE CITY OF SURPRISE, (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH THE AREAS LOCATED WITHIN THE NEWLY DEDICATED RIGHT-OF-WAY AS DEPICTED ON THIS PLAT UNTIL SUCH TIME THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND ACCEPTED BY THE CITY COUNCIL. THE MAINTENANCE OF THE AREA WITHIN ANY NEWLY DEDICATED RIGHT-OF-WAY AS SHOWN ON THIS PLAT SHALL BE THE RESPONSIBILITY OF THE ADJACENT OWNER/OR SUBSEQUENT ADJACENT OWNERS WITHIN THE BOUNDARY OF SAID PLAT UNTIL SUCH TIME THAT THE AREA WITHIN THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARD AND ACCEPTED BY THE CITY OF SURPRISE.

RELEASE OF LIABILITY:

JAMES A. CLARK, AN UNMARRIED MAN, AND DONNA MAYTON, AN UNMARRIED WOMAN, "OWNER" DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

OWNER HEREBY FURTHER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE FROM ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS AND PROPERTY THAT MAY ARISE IN CONNECTION WITH THE USE OF SIDEWALKS LOCATED WITHIN THE RIGHT-OF-WAY, UNTIL SUCH TIME THE CITY OF SURPRISE HAS ACCEPTED THE SIDEWALKS.

SITE VISIBILITY TRIANGLE EASEMENT

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS SIGHT VISIBILITY TRIANGLES FOR THE PURPOSE OF ENSURING THAT THESE AREAS REMAIN FREE OF SIGHT VISIBILITY OBSTRUCTIONS.

CROSS ACCESS EASEMENT

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY VEHICLES.

ACKNOWLEDGEMENT:

JAMES A. CLARK, AN UNMARRIED MAN, AND DONNA MAYTON, AN UNMARRIED WOMAN, "OWNERS" HAVE HEREON CAUSED THEIR NAMES TO BE SIGNED, THIS ____ DAY OF _____, 20____.

BY: _____ DATE: _____

BY: _____ DATE: _____

STATE OF ARIZONA)
) SS
COUNTY OF MARICOPA)

ON THIS _____ DAY OF _____, 20____, BEFORE ME PERSONALLY APPEARED _____ AND _____ THE _____, FOR AND ON BEHALF THEREOF, WHOSE IDENTITY WAS PROVEN TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHO HE OR SHE CLAIM TO BE, AND ACKNOWLEDGED THAT HE OR SHE SIGNED THE ABOVE DOCUMENT

NOTARY PUBLIC _____ DATE: _____

MY COMMISSION EXPIRES:

CLARK FINAL PLAT
A PORTION OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 4
NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND
MERIDIAN, MARICOPA COUNTY, ARIZONA,
CITY OF SURPRISE

OWNERS:

JAMES A. CLARK, AN UNMARRIED MAN, AND DONNA
MAYTON, AN UNMARRIED WOMAN

PROPERTY & MAILING ADDRESS: 22700 N. 219TH
AVE. SURPRISE AZ 85387

NOTES:

1. PER CITY OF SURPRISE MUNICIPAL CODE CHAPTER 58-181 WITHIN 90 DAYS FROM THE DATE THE CITY OF SURPRISE PUBLIC DRINKING WATER SYSTEM IS AVAILABLE OR ACCESSIBLE WITHIN 500 FEET OF THE PROPERTY THE OWNER OF THE PROPERTY SHALL DIRECTLY CONNECT STRUCTURES ON THE PROPERTY TO THE PUBLIC WATER SYSTEM IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE AND ANY STATE OR FEDERAL CODES.

2. THE OWNER OR SUBSEQUENT OWNERS OF ANY EXISTING OR FUTURE WELLS ON THE LAND DESCRIBED IN THIS PLAT SHALL BE REQUIRED TO SIGN A WELL IMPACT WAIVER(S) WITH THE CITY OF SURPRISE.

3. IN ACCORDANCE WITH ARS § 9-461.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.

4. LANDSCAPE MAINTENANCE LANGUAGE

THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS, AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE OWNER.

THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS, AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE HOMEOWNERS' ASSOCIATION FORMED BY THE ADJACENT PROPERTY.

LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

5. FIRE SPRINKLER LANGUAGE

SPRINKLERS ARE REQUIRED IN ALL ONE- AND TWO-FAMILY DWELLINGS BUILT IN AREAS WHICH DO NOT HAVE AN ADEQUATE WATER SUPPLY.

6. WATER/SEWER CONNECTION LANGUAGE

THE PROPERTY OWNER AT THE TIME WHEN CITY OF SURPRISE WATER, AND/OR SEWER INFRASTRUCTURE IS AVAILABLE AT THE PROPERTY, SHALL BE REQUIRED TO CONNECT IN ACCORDANCE WITH SURPRISE MUNICIPAL CODE AND PAY ALL APPLICABLE FEES. ANY OWNER OF THE PROPERTY SHALL NOTIFY PROSPECTIVE BUYERS AND THE PUBLIC OF THIS NOTE, AND ANY SALES CONTRACTS OR SALES REPORTS SHALL INCLUDE SUCH NOTE.

7. GRADING AND EXCAVATION LANGUAGE

NO ON-SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.

8. TAXES

PURSUANT TO A.R.S. § 42-11102, THE CITY OF SURPRISE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA, IS EXEMPT FROM ALL TAXES AND ASSESSMENTS BASED ON ASSESSED VALUE EXCEPT FOR SPECIAL DISTRICTS #14751 AND 14710, WHEN APPLICABLE.

9. SOUND ATTENUATION AND OVERFLIGHT LANGUAGE:

PUBLIC NOTICE

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERFLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

CITY OF SURPRISE ENGINEER APPROVAL:

DATA ON THIS PLAT REVIEWED AND APPROVED THIS ____ DAY OF _____ 20____, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

BY: _____ DATE: _____

CITY ENGINEER

DATE

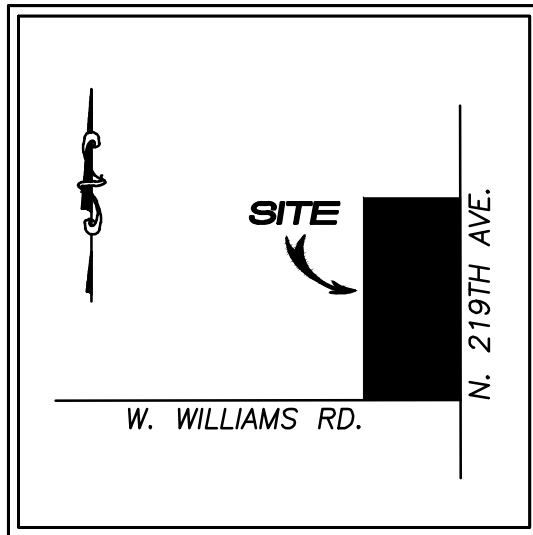
CITY OF SURPRISE COUNCIL APPROVAL:

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA THIS ____ DAY OF _____ 20____

ATTEST:

MAYOR DATE

CITY CLERK DATE



VICINITY MAP

GROSS LOT DESCRIPTION:

PER THE DOCUMENT RECORDED AS 2021-1048874, M.C.R.

PARCEL

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 4 NORTH, RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

EXCEPT ALL THE COAL AND OTHER MINERALS, AS RESERVED UNTO THE UNITED STATES OF AMERICA IN PATENT RECORDED IN BOOK 134 OF DEEDS, PAGE 213.

SURVEYOR:

BLACK MOUNTAIN SURVEYING
17308 WEST WOODROW LANE
SURPRISE, AZ. 85388
PHONE: 623-266-0402
FAX: 623-266-0402
CONTACT: DALE A. MATTINGLY

PARCEL ADDRESS:

22700 N. 219TH AVE. SURPRISE AZ 85387

ZONING:

THE CURRENT SITE ZONING IS RR, RURAL
RESIDENTIAL

LOT AREAS:

OVERALL: 217,239.6 SF OR 4.99 ACRES± (GROSS) 204,063.93 SF. OR 4.68 ACRES± (NET-DEDICATION)

LOT 1: 130,682.9 SF. OR 3.0 ACRES± (GROSS)

LOT 2: 73,381.0 SF. OR 1.685 ACRES± (GROSS)

WILLIAMS ROAD DEDICATION: 13,175.7 SF OR 0.3 ACRES± (GROSS)

CERTIFICATION:

I, DALE A. MATTINGLY, HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF ARIZONA, THAT THIS MAP, CONSISTING OF 2 SHEETS, CORRECTLY REPRESENTS A BOUNDARY SURVEY MADE UNDER MY SUPERVISION DURING THE MONTH OF AUGUST 08, 2022, THAT THE SURVEY IS TRUE AND COMPLETE AS SHOWN, THAT ALL EXTERIOR BOUNDARY MONUMENTS ACTUALLY EXIST AS SHOWN, THAT THEIR POSITION ARE CORRECTLY SHOWN AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

DALE A. MATTINGLY R.L.S. #36888
BLACK MOUNTAIN SURVEYING
DALE@BLACKMOUNTAINSURVEYING.COM



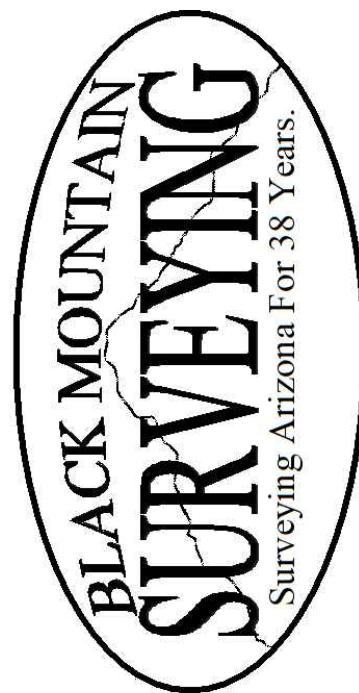
SURPRISE CASE: CR22-1258
FS22-1555

CLARK FINAL PLAT

A PORTION OF THE NORTHEAST 1/4
OF SECTION 14, T4N, R3W, G&SRB&M
MARICOPA COUNTY, ARIZONA.

BLACK MOUNTAIN SURVEYING

17308 WEST WOODROW LANE, SURPRISE, ARIZONA . 85388
PH:623-266-0402. WWW.BLACKMOUNTAINSURVEYING.COM
SURVEYING ARIZONA FOR 38 YEARS



DRAWN BY: RAM

CHECKED BY: DAM

JOB # 22085

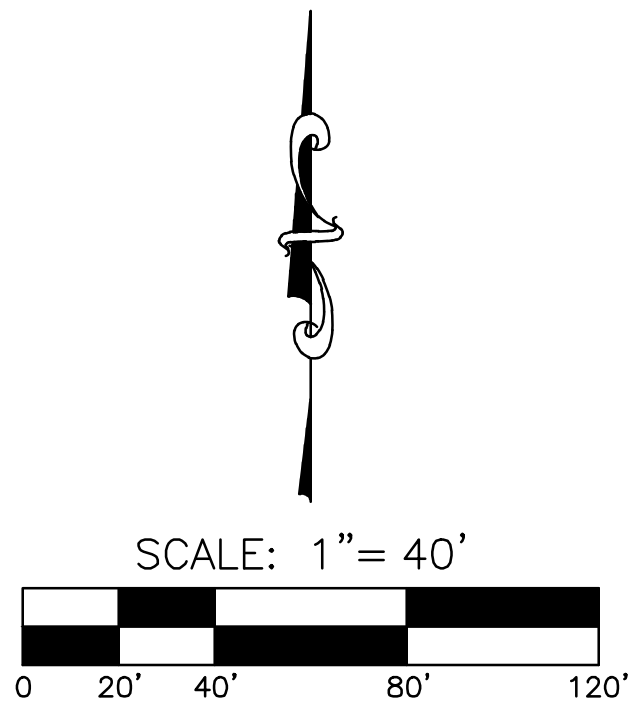
DATE: 03/08/23

REVISED:

FINAL PLAT

1 of 2

CLARK FINAL PLAT
A PORTION OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 4 NORTH,
RANGE 3 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA,
CITY OF SURPRISE



NOTES:

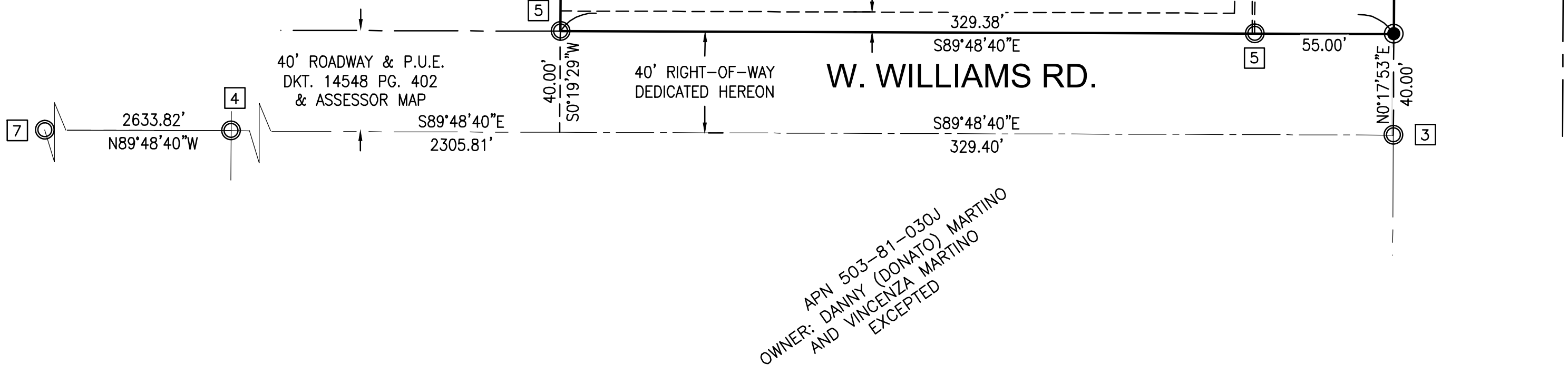
1. CONSTRUCTION WITHIN PUBLIC UTILITY EASEMENTS EXCEPT BY PUBLIC AGENCIES AND-UTILITY COMPANIES SHALL BE LIMITED TO UTILITIES AND WOOD, WIRE OR REMOVABLE SECTION-TYPE FENCING UNLESS APPROVED OTHERWISE BY THE CITY OF SURPRISE.
2. ALL ELECTRIC AND COMMUNICATION LINES TO BE CONSTRUCTED UNDERGROUND AS REQUIRED BY THE ARIZONA CORPORATION COMMISSION.
3. NO STRUCTURES SHALL BE CONSTRUCTED IN OR ACROSS. NOR SHALL OTHER IMPROVEMENTS OR ALTERATIONS BE MADE TO THE DRAINAGE FACILITIES THAT ARE A PART OF THIS DEVELOPMENT WITHOUT WRITTEN AUTHORIZATION OF THE CITY OF SURPRISE.
4. ALL UTILITIES SHALL BE PLACED UNDERGROUND.
5. THE CITY OF SURPRISE IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT THE MAINTENANCE OF ANY PRIVATE STREETS, PRIVATE UTILITIES, PRIVATE FACILITIES AND LANDSCAPED AREAS WITHIN THE PROJECT.
6. ALL INDIVIDUAL LOT PROPERTY CORNERS HAVE BEEN SET WITH 0.5 INCH REBAR AND CAP OR TAG BEARING THE REGISTRATION NUMBER OF THE SURVEYOR RESPONSIBLE FOR THEIR PLACEMENT.
7. ALL DIMENSIONS SHOWN HEREON ARE MEASURED BETWEEN FOUND MONUMENTS, ALL OTHER DIMENSIONS ARE CALCULATED, UNLESS OTHERWISE NOTED.
8. MARICOPA COUNTY FLOOD CONTROL DISTRICT FLOODPLAIN USE PERMITS ARE REQUIRED FOR ALL LOTS PRIOR TO THE ISSUANCE OF ANY CITY OF SURPRISE GRADING PERMIT.

FLOOD ZONE:

THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE "X" AND "AE" BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ON FLOOD INSURANCE RATE MAP NO. #04013C1185L, WITH A DATE OF IDENTIFICATION OF OCTOBER 16, 2013. FOR COMMUNITY NO. 040053, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.

LEGEND:

- ADJACENT PROPERTY LINES. _____
PROPERTY LINES. _____
CENTER-SECTION LINES. _____
ROAD RIGHT OF WAY LINES. _____
EASEMENT LINE. _____
- FOUND MONUMENT AS NOTED WITHIN ACCEPTABLE TOLERANCE.
○ CALCULATED POSITION. NOTHING FOUND OR SET.
● SET 0.5 INCH REBAR WITH A 1.0 INCH PINK PLASTIC CAP AND BRASS TAG STAMPED, "RLS 36888". UNLESS NOTED OTHERWISE.
- (M) MEASURED DIMENSIONS.
(C) CALCULATED DIMENSIONS.
(R#) RECORD DIMENSION PER REFERENCE DOCUMENTS.
- N. NORTH.
S. SOUTH.
W. WEST.
E. EAST.
M.C.R. MARICOPA COUNTY RECORDER.
SURVEY MONUMENT AS NOTED.
R/W RIGHT-OF-WAY
BK. BOOK
DKT. DOCKET
PG. PAGE
P.U.E. PUBLIC UTILITY EASEMENT
DOC. DOCUMENT
NO. NUMBER
AG ABOVE GRADE
BG BELOW GRADE
PL PROPERTY LINE
ML MONUMENT LINE
COS CITY OF SURPRISE
ESMT. EASEMENT



SERVICING UTILITIES:

WATER:	RANCHO WELLS INC.
ELECTRIC:	ARIZONA PUBLIC SERVICE COMPANY
FIBER OPTICS:	COX COMMUNICATION & CENTURY LINK
GAS:	SOUTHWEST GAS CORPORATION
FIRE AND EMERGENCY:	CITY OF SURPRISE
WATER:	CITY OF SURPRISE
POLICE:	CITY OF SURPRISE

MONUMENT NOTES:

ALL MONUMENTS LISTED BELOW WERE FOUND TO BE WITHIN THE CURRENT STATE HORIZONTAL TOLERANCE AND WERE ACCEPTED UNLESS OTHERWISE NOTED.

- 1 N. 1/4 CORNER OF SECTION 14, FOUND A 2.5 INCH GLO BRASS CAP, HEAVILY DISTURBED, MEASURED AT E. POINT OF ENTRY
- 2 NE. CORNER OF SECTION 14, FOUND AN UNIDENTIFIED 0.5 INCH REBAR 0.4' BG. (LOCALLY ACCEPTED)
- 3 E. 1/4 CORNER OF SECTION 14. POSITION CALCULATED FROM REBAR RECOVERED 40' N X 55' W. FOUND A 3.0 INCH CITY OF SURPRISE BRASS CAP FLUSH S82°15'03"W @ 0.62' FROM CALCULATED POSITION. (SEE BOUNDARY NOTE)
- 4 FOUND A 3.0 INCH CITY OF SURPRISE BRASS CAP FLUSH, 4.16' E. OF CALCULATED POSITION FOR CENTER OF SECTION 14.
- 5 FOUND A 0.5 INCH REBAR INCASED IN CONCRETE WITH AN ILLEGIBLE BRASS TAG 0.3' AG. 0.06' E. X 0.02' N. (ACCEPTED)
- 6 FOUND AN UNIDENTIFIED 0.5 INCH REBAR. POSITION HELD. AFFIXED A TAG STAMPED RLS 36888. (SEE BOUNDARY NOTE)
- 7 W. 1/4 CORNER OF SECTION 14, FOUND AN UNIDENTIFIED 5/8 INCH REBAR

BOUNDARY NOTE:

DURING THE EVALUATION OF THE 2 MONUMENTS RECOVERED AT THE SOUTH END OF THE SUBJECT PARCEL IT BECAME APPARENT THAT THE CITY OF SURPRISE BRASS CAP CURRENTLY LOCATED NEAR THE E QTR. CORNER OF SECTION 14, IS NOT THE SAME LOCATION AS THE ORIGINAL GLO BRASS CAP AS REPORTED IN (R17). THE CURRENT CITY OF SURPRISE BRASS CAP APPEARS TO BE A PERPETUATION OF THE COUNTY MONUMENT PLACED AT THE SAME LOCATION PER (R2).

BASIS OF BEARING:

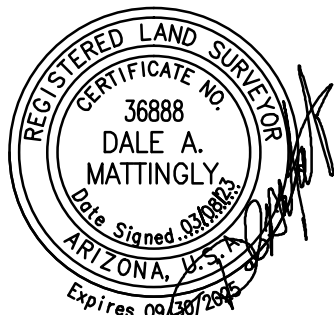
PER (R2), IS N00°18'41"E AS MEASURED BETWEEN THE "NEW" CITY OF SURPRISE BRASS CAP FLUSH RECOVERED AT THE E 1/4 CORNER OF SECTION 14 AND THE 0.5 INCH REBAR RECOVERED AT THE NE CORNER OF SECTION 14. THE CITY OF SURPRISE BRASS CAP RECOVERED AT THE E QTR CORNER SEEMS TO BE A PERPETUATION OF THE COUNTY MONUMENT PLACED AT THE SAME LOCATION PER (R2).

THE BEARING FROM MY CALCULATED POSITION FOR THE E 1/4 CORNER TO THE RECOVERED 0.5 INCH REBAR LOCATED AT THE NE CORNER OF SECTION 14 IS N 00°17'53" E

REFERENCE DATA:

THE FOLLOWING INFORMATION WAS REVIEWED DURING THE COURSE OF THIS SURVEY:

- (R) THE RECORD DEED OF THE SUBJECT PROPERTY AS SHOWN HEREON.
(R1) OFFICIAL GLO PLAT #2699 OFFICIALLY FILED 6-16-1919
(R2) GDAC RECORD OF SURVEY PER BK. 686 OF MAPS, PG. 42
(R3) UNRECORDED SURVEY PER DIN NO. 47796-1
(R4) UNRECORDED SURVEY PER DIN NO. 47797-1
(R5) RECORD OF SURVEY PER BK. 412 OF MAPS, PG. 22
(R6) LOT SPLIT PER BK. 515 OF MAPS, PG. 24
(R7) PLAT OF TLC RANCH PER BK. 764 OF MAPS, PG. 13
(R8) MINOR LAND DIVISION PER BK. 891 OF MAPS, PG. 22
(R9) RECORD OF RE-SURVEY PER BK. 950 OF MAPS, PG. 17
(R10) FINAL PLAT OF ROONEY RANCHETTES 1 PER BK. 1242 OF MAPS, PG. 35
(R11) MINOR LAND DIVISION PER BK. 1301 OF MAPS, PG. 28
(R12) RECORD OF SURVEY PER BK. 1305 OF MAPS, PG. 19
(R13) MINOR LAND DIVISION PER BK. 1334 OF MAPS, PG. 10
(R14) FINAL PLAT OF WILLIAMS 222 PER BK. 1403 OF MAPS, PG. 24
(R15) MINOR LAND DIVISION PER BK. 1629 OF MAPS, PG. 24
(R16) FINAL PLAT OF WILLIAMS 223 PER BK. 1641 OF MAPS, PG. 16
(R17) UNRECORDED SURVEY PER DIN NO. 47798-1

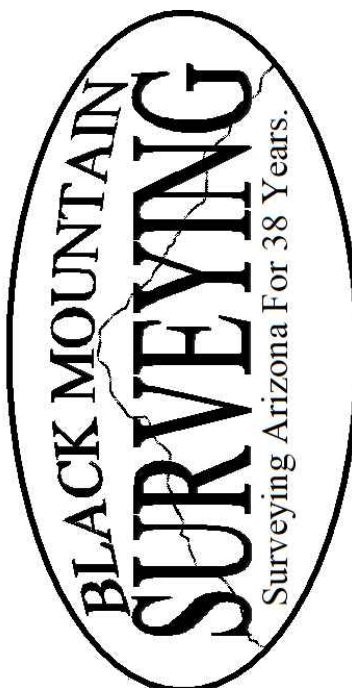


CLARK FINAL PLAT

A PORTION OF THE NORTHEAST 1/4
OF SECTION 14, T4N, R3W, G&SRB&M
MARICOPA COUNTY, ARIZONA.

BLACK MOUNTAIN SURVEYING

17308 WEST WOODROW LANE, SURPRISE, ARIZONA 85388
PH: 623-266-0402, WWW.BLACKMOUNTAINSURVEYING.COM
SURVEYING ARIZONA FOR 38 YEARS



DRAWN BY: RAM

CHECKED BY: DAM

JOB # 22085
DATE: 03/08/23

REVISED:

FINAL PLAT

2 of 2



FS22-1555 PLAT EXHIBIT

Tanner Wessel

From: JAMES, MARK C GS-13 USAF AETC 56 FW/CVE <mark.james.14@us.af.mil>
Sent: Wednesday, January 4, 2023 10:38 AM
To: Tierney Farago
Cc: 56 FW/CIT Community Initiative
Subject: RE: FS22-1555 Clark Minor Split New Digital Transmittal 11.30.22
Attachments: smime.p7s; ATT00001.txt; ATT00002.htm

Importance: High

Tierney,

Thank you for the opportunity to provide comments on the Clark Minor Split application. The request, if approved, will not have a negative impact on Luke AFB flight operations.

Respectfully,

Mark James

Deputy Director, Community Initiatives Team
56th Fighter Wing
Luke AFB AZ 85309
Office: 623-856-6175
DSN: 896-6175

From: Tierney Farago <Tierney.Farago@surpriseaz.gov>
Sent: Wednesday, November 30, 2022 7:38 AM
To: 56 FW/CIT Community Initiative <56FW.CIT.CommunityInitiative@us.af.mil>; Afshin Ahouraiyan (Flood Control District of Maricopa County) <Afshin.Ahouraiyan@Maricopa.Gov>; Alex Garza (Maricopa Assoc of Governments) <AGarza@azmag.gov>; Debbie Trasancos (Maricopa Water District) <debbiet@mwdaz.com>; Ernest (USPS) <Ernest.L.James@usps.gov>; Eva Pierce <eva.pierce@dysart.org>; Ibeth - USPS <Ibeth.L.Roman@usps.gov>; Jerome Choy (ADOT) <jchoy@azdot.gov>; Kevin Shipman <kevin.shipman@dysart.org>; Leslie - MWD <lesliej@mwdaz.com>; Mark Frago <fragom@mail.maricopa.gov>; Mary Orta - Surprise Chamber <mary.orta@surpriseregionalchamber.com>; MCDOT <MCDOTPlanning@maricopa.gov>; Raoul Sada - Surprise Chamber <raoul@surpriseregionalchamber.com>; Victor.Schaum <Victor.Schaum@cox.com>; Yvonne Aguirre <yvonne.aguirre@swgas.com>
Cc: Nichole Flores <Nichole.Flores@surpriseaz.gov>
Subject: [Non-DoD Source] FS22-1555 Clark Minor Split New Digital Transmittal 11.30.22

Good morning,

Attached please find the **application, narrative, and final plat** for the above referenced project.

Please feel free to contact us with any questions.

Thanks,

TIERNEY FARAGO

Planning Project Coordinator
City of Surprise | Community Development

16000 N. Civic Center Plaza
Surprise, AZ 85374
623-222-3154

PLEASE NOTE: Effective August 3, 2022 we will be adding 2 business days for out-processing notices.

This e-mail and any accompanying files transmitted are intended solely for the use of the individual or entity to whom they are addressed; if you have received this e-mail in error please delete it and notify the sender. In addition, under Arizona law, e-mail communications and e-mail addresses may be public records.

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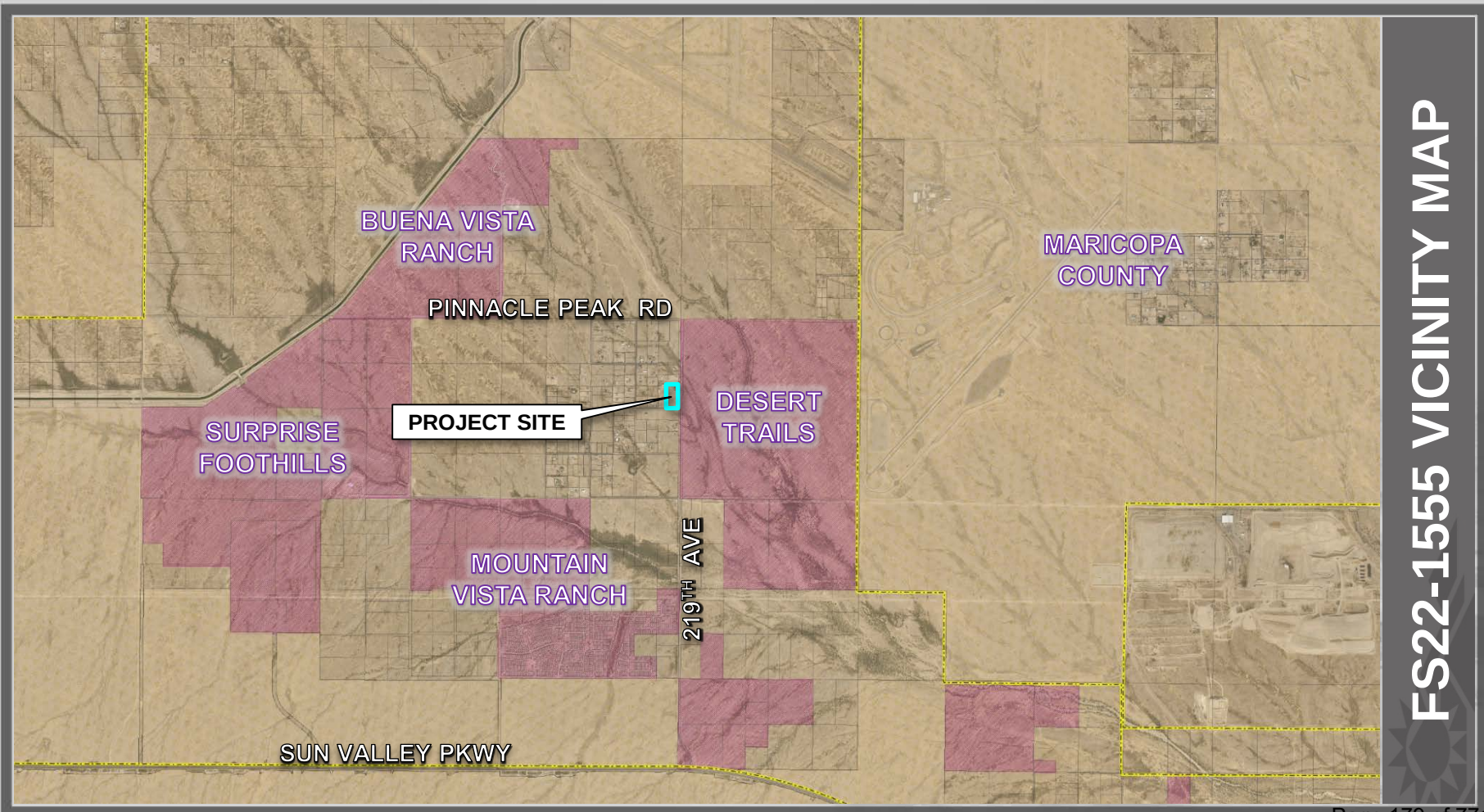


FS22-1555

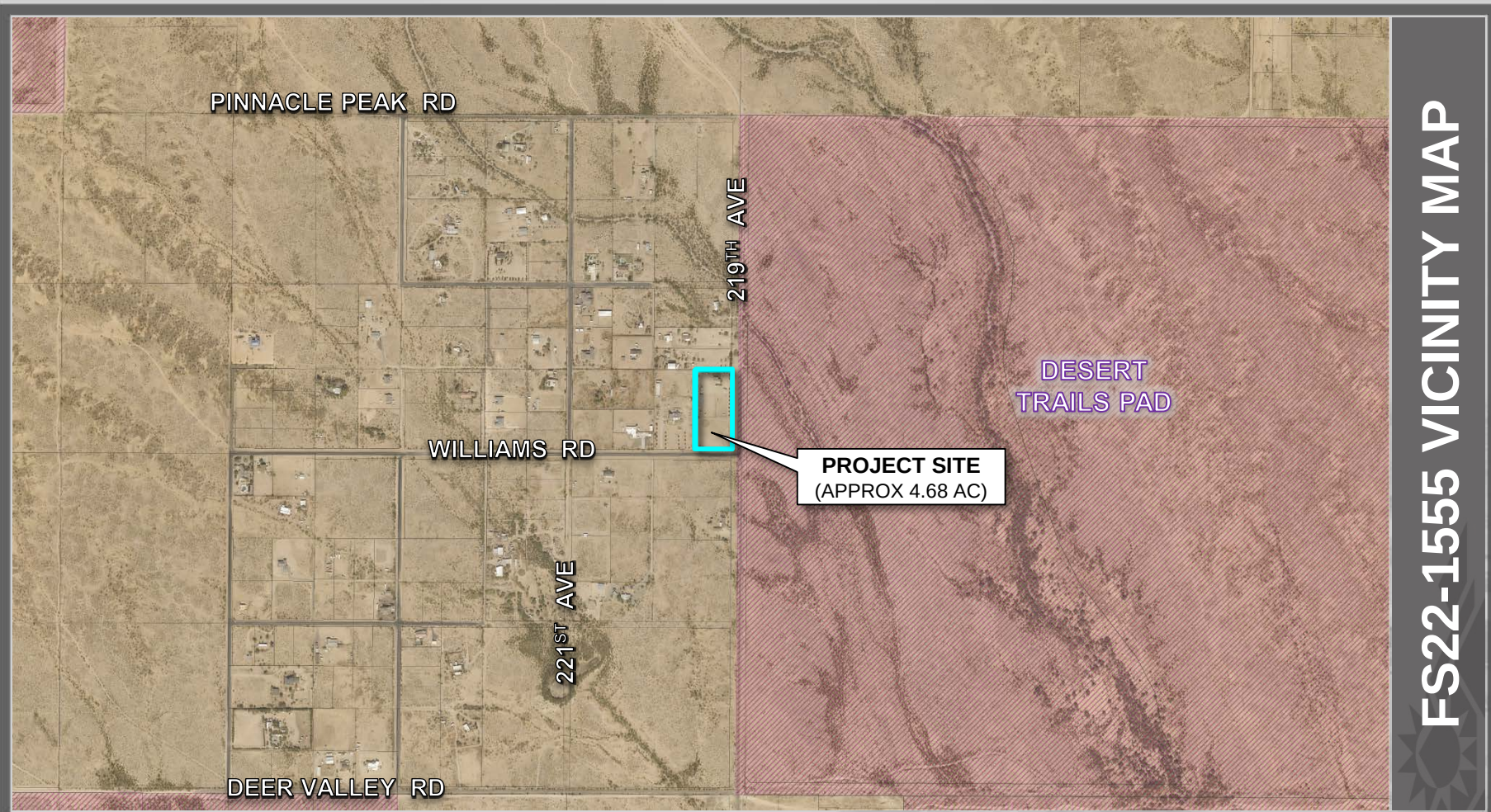
Clark Minor Split –

Final Plat

City Council
April 04, 2023



FS22-1555 VICINITY MAP



PINNACLE PEAK RD

219TH AVE

WILLIAMS RD

221ST AVE

DEER VALLEY RD

DESERT
TRAILS PAD

PROJECT SITE
(APPROX 4.68 AC)

FS22-1555 VICINITY MAP





FS22-1555 PLAT EXHIBIT



SURPRISE
ARIZONA

QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Seth Dyson, DIRECTOR - HSCV

Submitting Department: Human Svcs and Comm
Vitality

District: Citywide

Staff Recommendations:

Consent: Yes

Regular: No

Public Hearing: No

Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to the approval of an Intergovernmental Agreement with Maricopa County in the amount of \$2,580,000 to expand housing availability for homeless individuals in the Northwest Valley, adding one full-time employee, amending the Fiscal Year 2023 budget by moving budget authority of \$2,580,000 from contingency to project G51721, accepting grant funding from Maricopa County via the Department of Treasury State and Local Fiscal Recovery Funds, and amending the fiscal year 2023 Contract Awarding Authority List to include the homeless infrastructure item in the amount of \$2,600,000; Resolution #2023-28.

Motion:

I move to approve Resolution #2023-28.

Background:

This item will provide the housing availability for homeless individuals to be expanded in the northwest area of Maricopa County through the acquisition and rehabilitation of multiple buildings for the purpose of adding new housing units to the region's homeless system inventory. The execution of this project shall provide additional administrative support for the Human Service and Community Vitality Department, shelter for approximately 150 individuals annually at the West Valley Housing Assistance Center (WVAC), as well as providing 48 individuals annually with transitional/bridge housing acquisition. The term of this Agreement is from April 12, 2023, through September 30, 2026 and may be extended up to three (3) months.

Objective Analysis:

Approval of this item will allow the city and HSCV Department to execute the agreement with Maricopa County.

Policy Compliant:

This item is compliant with City and Council policy.

Financial Impact:

This one-time grant funding allows for expenditures up to \$2,580,000. All expenditures will be

reimbursed on a monthly basis. There is no match required. Additional sources for the West Valley Housing Assistance Center Project previously committed through Arizona Department of Housing (ADOH) and the City of Surprise CDBG funds total \$1,752,257.

Budget Impact:

This item represents the movement of budget authority in the amount of \$2,580,000 from Contingency to the Grants Fund to cover anticipated expenses associated with the Homeless Infrastructure project. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

FTE Impact:

This item adds one (1) full-time equivalent position that will be 100% covered by grant funding through the end of the agreement.

ATTACHMENTS:

1. 23.03.22 EXECUTION City of Surprise Infrastructure IGA
 2. 22.03.22 RES 2023-28 Homeless Infrastructure IGA
-



INTERGOVERNMENTAL AGREEMENT
BETWEEN
MARICOPA COUNTY
ADMINISTERED BY ITS
HUMAN SERVICES DEPARTMENT
AND
THE CITY OF SURPRISE

Agreement Number: _____
Agreement Amount: \$2,580,000
Agreement Start Date: April 12, 2023
Agreement Termination Date: September 30, 2026
ALN; 21.027 American Rescue Plan Act, Coronavirus State and Local Fiscal Recovery
Unique Entity ID: CNDLLN6WTTE3

1.0 PARTIES

This financial Intergovernmental Agreement ("Agreement") is between the City of Surprise ("City" or "Subrecipient") and Maricopa County ("County") administered by its Human Services Department, ("Department"). The County and the Subrecipient collectively are referred to as the "Parties" and individually as a "Party."

2.0 PURPOSE

Through this Agreement, housing availability for homeless individuals will be expanded in the northwest area of Maricopa County. The County shall provide Subrecipient with American Rescue Plan Act Coronavirus State and Local Fiscal Recovery (ARPA) Funds for the acquisition and rehabilitation of multiple buildings for the purpose of adding new housing units to the region's homeless system inventory. The execution of this project shall provide shelter for approximately 150 individuals annually at the West Valley Housing Assistance Center (WVAC), as well as providing 48 individuals annually with transitional/bridge housing acquisition.

3.0 TERM OF AGREEMENT

- 3.1 The term of this Agreement is from April 12, 2023, through September 30, 2026.
- 3.2 This Agreement may be extended, up to three (3) months, provided the Subrecipient is in compliance with the terms and conditions of this Agreement and the extension is contained in an Amendment as provided in Section 4.0 below.
- 3.3 This Agreement shall be effective upon approval and signature by both Parties.

4.0 AMENDMENTS

Any changes to this Agreement shall be effective only through in a written amendment signed by both Parties.

5.0 ADMINISTRATIVE CHANGE ORDERS

5.1 The Chairman of the Board of Supervisors is authorized upon the recommendation of the Human Services Department Director and Legal Counsel to make changes within the general scope of the Agreement on behalf of the County through Administrative Change Orders. Administrative Change Orders will be effective upon approval and full execution by both the Chairman of the Board of Supervisors and the City. Administrative Change Orders may address any of the following areas:

- 5.1.1 Modifications to the project timeline if the last day of the project timeline is within the Agreement term;
- 5.1.2 Modifications to budget line items if the Agreement amount remains unchanged;
- 5.1.3 Modifications required by federal, state, or County regulations, ordinances, or policies; and/or
- 5.1.4 Modifications to administrative requirements such as changes in reporting periods, frequency of reports, or report formats required by the U.S. Department of Treasury or local regulations, policies, or requirements.

6.0 FUNDING

The County shall provide the Subrecipient with \$2,580,000 of ARPA Funds under Assistance Listing Number (ALN) 21.027 and provided to the County through the U.S. Department of Treasury.

7.0 AVAILABILITY OF FUNDS

- 7.1 This Agreement and the Parties' obligations under it shall become effective when funds assigned for the purpose of compensating the Subrecipient are available to the County for disbursement. The County shall be the sole authority in determining the availability of funds under this Agreement, and the County shall keep the Subrecipient fully informed as to the availability of funds.
- 7.2 If any action is taken by any federal, state, local agency, or any other agency or instrumentality of competent jurisdiction other than the Parties to amend, suspend, or terminate its fiscal obligation under or provided in connection with this Agreement, then the Parties may amend, suspend, or terminate this Agreement. In the event of termination, the Parties shall be liable for payment only for costs incurred prior to the effective date of the termination, provided that such services were performed in accordance with the provisions of this Agreement. Furthermore, upon termination Subrecipient shall be released from all pending responsibilities and shall have no further obligation to perform under the Agreement unless it is expressly provided for herein as an obligation that survives termination. The Parties shall give written notice of their intent to suspend performance or intent to terminate this Agreement under this Section at least ten (10) calendar days in advance.

8.0 RESPONSIBILITIES OF ORGANIZATIONS

8.1 The Subrecipient shall:

- 8.1.1 Provide additional homeless shelter, bridge, and/or transitional housing beds for homeless individuals by implementing any of the following:
 - 8.1.1.1 Property acquisition;

- 8.1.1.2 Site improvements associated with property acquisition, seek qualified design and construction teams to provide applicable construction and/or design services;
 - 8.1.1.3 New construction;
 - 8.1.1.4 Lease/purchase program;
 - 8.1.1.5 Hotel/Motel Conversion;
 - 8.1.1.6 Rehabilitation or reconstruction of currently owned shelter, bridge, or transitional housing sites that will result in an increase in the number of available beds.
 - 8.1.1.7 Acquisition and installation of permanent or temporary soft-sided or like shelter structures
- 8.1.2 Complete the project description in Exhibit A, Statement of Work
- 8.1.3 Ensure Subrecipient's and any subcontractors' compliance with federal, state, and County requirements as they relate to the federal ARPA Fund requirements.
- 8.1.4 Ensure Subrecipient's and any subcontractors' compliance with laws, rules, and regulations regarding public improvements and state and local zoning, fire, environmental, health, and safety standards and regulations.
- 8.1.5 Establish use restrictions for a minimum of 10 years that the building will be used to shelter persons experiencing homelessness. The use restrictions shall state that the City has the option after ten years of service to convert the building to an alternative use, such as the development of affordable housing, or may sell property and use the sale proceeds to invest in replacement temporary shelter beds.
- 8.1.6 Maintain a sufficient number of qualified and trained staff to provide services under this Agreement:
- 8.1.7 Complete Quarterly Reports that contain the following information:
 - 8.1.7.1 Status and updates on project timelines;
 - 8.1.7.2 Current quarter expenditures;
 - 8.1.7.3 Anticipated delays or issues;
 - 8.1.7.4 Any recent significant disruptions or issues;
 - 8.1.7.5 Other information of which the Department should be aware;
 - 8.1.7.6 Quarterly Reports will be due no later than 30 days after the end of the reporting quarter.
- 8.1.8 Complete the following reports on a 6 month basis after execution of the Agreement: Continuum of Care Annual Performance Report (COC APR), Homeless Management Information System (HMIS) for services provided at the shelter through the extent of the use restriction period listed in 8.1.6, Annual COC APR for both Fiscal and calendar year.
- 8.2 The County shall:
 - 8.2.1 Review invoiced costs related to acquisition/construction/rehab of buildings and all other costs associated with this project on a monthly basis.
 - 8.2.2 Report to the U.S. Department of Treasury on the Subrecipient's use of funds.

9.0 COMPENSATION

- 9.1 Subrecipient shall submit monthly invoices to the County:
 - 9.1.1 for all invoiced costs related to purchase and construction of the building/property and for all other costs associated with this project.

- 9.1.2 initial expenditures must begin within first year of contract; And in the event initial spending does not begin within the first year, the County will consider the project on-hold, and written consent from the County will be required to resume spending and project progress.
- 9.2 The Agreement is on a cost reimbursement basis.
- 9.3 The County shall reimburse the Subrecipient on a net 0 payments standard.
- 9.4 Subrecipient shall submit to the County a Request for Reimbursement of all expenditures within the same fiscal year in which the expenditures are incurred. The fiscal year runs July 1st through June 30th and all Requests for Reimbursement shall be submitted no later than July 30th for the preceding fiscal year.
- 9.5 Final Reimbursement Upon Agreement Termination
 - 9.5.1 Prior to termination of this Agreement, at the date identified on page 1 of this Agreement, or as may be amended, the Subrecipient shall submit the final reimbursement request.
 - 9.5.2 This request shall be submitted no later than 30 calendar days after the termination date except as noted immediately below.
 - 9.5.3 If the termination date is between June 10 and June 30, then the final reimbursement request shall be submitted by July 10th.
 - 9.5.4 The final progress report, and any other required reports that may be applicable, such as the program income report, shall be submitted with the final reimbursement request.

10.0 METHOD OF PAYMENT

- 10.1 The Subrecipient shall submit invoices for project activities to hsdfinance@maricopa.gov.
- 10.2 Payment by the County is not to be construed as final in the event that the Department of Treasury disallows payment for the activity or any portion thereof. Funds not expended in implementing this activity or upon completion of the activity shall be returned to the ARPA unprogrammed funds account.

11.0 DISALLOWED COSTS

- 11.1 The cost principles set forth in the Code of Federal Regulations, ("C.F.R."), 2 C.F.R. Part 200 Subpart E, including later amendments and editions on file with the Arizona Secretary of State and incorporated here by reference, shall be used to determine the allowability of incurred reimbursable costs under Agreement. The Subrecipient shall follow cost principles as outlined in Office of Management and Budget (OMB) Uniform Guidance, 2 C.F.R. §200.
- 11.2 Those costs that are specifically defined as unallowable in 2 C.F.R. Part 200, Subpart E, shall not be submitted for reimbursement by the Subrecipient and shall not be reimbursed with County funds.

12.0 TERMINATION

- 12.1 Under A.R.S. § 38-511, the Parties may cancel this Agreement without penalty or further obligation within three years after execution of this Agreement, if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of one Party at any time while this Agreement or any extension of this Agreement is in effect, is or becomes an employee or agent of any other Party to this Agreement in any capacity or consultant to any other party to this Agreement with respect to the subject matter of this Agreement. Additionally, pursuant to A.R.S. § 38-511, either Party may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting, or creating this

Agreement on behalf of the one Party from the other Party to this Agreement arising as the result of this Agreement. A cancellation notice made under this Subparagraph shall be effective when the recipient receives a written notice of cancellation unless the notice specifies a later date.

- 12.2 Either Party may terminate this Agreement at any time by giving the other Party at least sixty (60) calendar days prior notice in writing (unless terminated by a Party under the Availability of Funds provision). Any notice shall be given by either personal delivery or registered or certified mail, postage prepaid and return receipt requested, to the persons at the addresses set forth on Section 13.0 of this Agreement. In the event of termination, the Parties shall be liable for payment only for reimburseable costs incurred prior to the effective date of the termination, provided that such services were performed in accordance with the provisions of this Agreement. Neither Party shall be liable for any incomplete or additional performance under the Agreement unless expressly stated herein as an obligation that survives termination.
- 12.3 The County may suspend or terminate this Agreement if the Subrecipient violates any term or condition of this Agreement or if the Subrecipient fails to maintain a good-faith effort to carry out the purpose of this Agreement.
- 12.4 The Parties may terminate this Agreement for convenience upon 30 days' prior written notice. The Parties shall agree upon the termination conditions including the effective date of the termination. The Party initiating the termination shall notify the other Parties in writing stating the reasons for such termination.

13.0 NOTICES

Notifications and communications concerning this Agreement shall be directed to the following:

Subrecipient:
Bob Wingenroth, City Manager
(623) 222-1022
Bob.Wingenroth@surpriseaz.gov
16000 N Civic Center Plaza
Surprise, AZ 85374

Maricopa County
Human Services Department
TJ Reed, Homelessness Programs MGR
(602) 317-7056
TJ.Reed@maricopa.gov
234 N. Central Avenue 3rd Floor
Phoenix, AZ 85004

14.0 EMPLOYMENT DISCLAIMER

- 14.1 This Agreement is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, partnership, or other formal business association or organization of any kind, and the rights and obligations of the Parties shall be only those expressly set forth in this Agreement.
- 14.2 The Subrecipient agrees that no individual performing under this Agreement on behalf of the Subrecipient shall be considered a County agent, employee, or representative and those individuals are not entitled to County civil service rights, County retirement rights, or any other rights provided under the County personnel rules, nor shall those rights accrue or apply to any such individual. The Subrecipient shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workers' compensation, occupational disease compensation, unemployment compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals shall indemnify, defend, and hold harmless the County with respect to the foregoing.

- 14.3 The County agrees that no individual performing under this Agreement on behalf of County may be considered a Subrecipient agent, employee, or representative and that no rights of Subrecipient civil service, Subrecipient retirement, or Subrecipient personnel rules shall accrue or apply to any such individual. The County shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workers' compensation, occupational disease compensation, unemployment compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and the County shall indemnify, defend, and hold harmless the Subrecipient with respect to the foregoing.

15.0 GENERAL REQUIREMENTS

- 15.1 The terms of this Agreement shall be construed in accordance with Arizona law and the applicable laws and regulations of the ARPA. Any lawsuit arising out of this Agreement shall be brought in the superior court of Maricopa County, Arizona.
- 15.2 The Subrecipient shall, without limitation, obtain and maintain all licenses, permits, and authority necessary to do business, render services, and perform work under this Agreement, and shall comply with all laws regarding unemployment insurance, disability insurance, and worker's compensation.
- 15.3 The Subrecipient shall comply with the regulations prohibiting a conflict of interest. The Subrecipient shall not make any payments, either directly or indirectly, to any person, partnership, corporation, trust, or other organization that has a substantial interest in Subrecipient's organization or with which the Subrecipient (or any of its directors, officers, owners, trust certificate holders, or a relative thereof) has a substantial interest, unless the Subrecipient has made full written disclosure of the proposed payments to the County and has received written approval for the payments.
- 15.4 For purposes of this provision, the terms "substantial interest" and "relative" shall have the meanings prescribed by A.R.S. § 38-502.

16.0 ASSIGNMENT AND SUBCONTRACTING

- 16.1 No right, liability, obligation, or duty under this Agreement may be assigned, delegated, or subcontracted, in whole or in part, without the prior written approval of the other Party. The Subrecipient shall bear all liability under this Agreement, even if it is assigned, delegated, or subcontracted, in whole or in part, unless the County agrees otherwise.
- 16.2 In accordance with 2 C.F.R. §200.331, the Subrecipient may make a "Subaward" as a pass-through entity for the purpose of carrying out a portion of the federal award and General Funds. The Subrecipient will make determinations classifying recipients of federal funds as a subrecipient.
- 16.3 The Subrecipient shall ensure compliance by any subcontractor with all ARPA requirements, including reporting requirements.

17.0 DISPUTES

- 17.1 Except as otherwise provided for in this Agreement, the Parties may attempt to informally resolve any dispute arising out of this Agreement for a reasonable period of time, but which shall not exceed one hundred twenty (120) calendar days. Disputes which are not resolved in that time period, shall be submitted in accordance with the following formal dispute resolution process.
- 17.2 Notice of the specific grounds of a formal dispute shall be in writing and filed with the County Representative listed in the Notices paragraph, within ten (10) business days

from the date the Subrecipient knew or should have known of the basis of the dispute.

- 17.3 The County Representative shall respond in writing to the Subrecipient within fourteen (14) business days. The decision of the County Representative shall be final and conclusive unless, within seven (7) business days after the date the Subrecipient is served with the decision, the Subrecipient files a written notice of appeal with the Human Services Department Director.
- 17.4 The Department Director shall provide the Subrecipient with a written response within fourteen (14) business days following receipt of the notice of appeal. The decision of the Director shall be the final decision of the Department.
- 17.5 Pending a final decision of the Director, the Subrecipient shall diligently proceed with its performance of this Agreement in accordance with the County Representative's decision.
- 17.6 In the event the Subrecipient disagrees with the Director's decision, Subrecipient shall have every existing and future right or remedy available by law or in equity to resolve the dispute.

18.0 SEVERABILITY

Any provision of this Agreement is determined to be invalid, void, or illegal by a court that determinations shall in no way affect, impair, or invalidate any other provision of this Agreement, and the remaining provisions shall remain in full force and effect.

19.0 STRICT COMPLIANCE

One Party's acceptance of the other Party's performance that is not in strict compliance with the terms of this Agreement shall not be deemed to waive the requirements of strict compliance for all future performance. All changes in performance obligations under this Agreement shall be in writing and signed by both Parties.

20.0 SINGLE AUDIT ACT REQUIREMENTS

The Subrecipient is in receipt of federal funds through the County and is subject to the federal audit requirements of the Single Audit Act of 1984, as amended (Pub. L. No. 98-502) (codified at 31 U.S.C. § 7501, *et seq.*). The Subrecipient shall comply with 2 C.F.R. 200, Subpart F. Upon completion, such audits shall be made available for public inspection. Audits shall be submitted to the County within the twelve (12) months following the close of the fiscal year. The Subrecipient shall take corrective actions within six (6) months of the date of the receipt of audit findings. The County shall consider sanctions as described in 2 C.F.R. § 200.505 if it is determined by HUD or the County that the Subrecipient is not in compliance with the audit requirements.

21.0 AUDIT DISALLOWANCES

- 21.1 The Subrecipient shall, upon written notice, reimburse the County for any payments made under this Agreement that are disallowed by a federal, state, or County audit.
- 21.2 If the County determines that a cost for which payment has been made is a disallowed cost, then the County will notify the Subrecipient in writing of the disallowance and identify the required course of action, which shall be at the option of the County, either to adjust any future claim submitted by the Subrecipient by the amount of the disallowance or to require immediate repayment of the disallowed amount by the Subrecipient issuing a check payable to the County.

22.0 PROPERTY

- 22.1 Any County property furnished or leased pursuant to the terms of this Agreement shall be utilized, maintained, repaired, and accounted for in accordance with instructions furnished by the County, and title to all such property shall revert to the County upon the expiration or termination of this Agreement. The costs to repair such property are the responsibility of the Subrecipient within the limits budgeted in this Agreement.
- 22.2 Any Subrecipient property furnished or purchased pursuant to the terms of the Agreement shall be utilized, maintained, repaired, and accounted for by the Subrecipient or Subrecipient's subrecipient, as applicable. Repair costs of such property shall be the responsibility of the Subrecipient or Subrecipient's subrecipient, as applicable.

23.0 LIMITATION ON LIABILITY

- 23.1 The County and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions shall not be liable for any act or omission by the Subrecipient or any and all of its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, or commissions occurring in the performance of this Agreement, nor shall the County and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions be liable for purchases or contracts made by the Subrecipient or any and all of its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, or commissions in connection with this Agreement, accept as otherwise provided by law.
- 23.2 The Subrecipient and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions shall not be liable for any act or omission by the County or any and all of its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, or commissions occurring in the performance of this Agreement, nor shall the Subrecipient and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions be liable for purchases or contracts made by the County or any and all of its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, or commissions in connection with this Agreement, accept as otherwise provided by law.

24.0 GENERAL INDEMNIFICATION

Each Party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other Party and its officers, officials, employees, and agents (collectively, "Indemnitees") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney and expert fees) (collectively referred to as "Claims") either arising from or related to breach of this Agreement, but only to the extent that such Claims are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor and any and all of its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions. The obligations under this Section 24 shall survive termination of this Agreement.

25.0 INSURANCE

The Subrecipient shall provide the County with a Certificate of Self-Insurance equal to:

General Aggregate	\$3,000,000
Each Occurrence Limit	\$1,000,000

26.0 OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, direct services under this Agreement shall be performed within the borders of the United States. Any services that are described in the specifications or Statement of Work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services, or services that are incidental to the performance of the Agreement. This provision applies to work performed by Subrecipients or Subcontractors at all tiers.

27.0 TECHNICAL ASSISTANCE

The County will provide reasonable technical assistance to the Subrecipient to assist in complying with state and federal laws, and regulations, and accountability for diligent performance and compliance with the terms and conditions of this Agreement and all applicable laws, regulations, and standards. However, this assistance in no way relieves the Subrecipient of full responsibility and accountability for its actions and performance in compliance with the terms of this Agreement.

28.0 STAFF AND VOLUNTEER TRAINING

The County may make available to the Subrecipient the opportunity to participate in any applicable training activities conducted by the County.

29.0 CLEAN AIR ACT

If the total face value of this Agreement exceeds \$100,000, the Subrecipient agrees to comply with all regulations, standards, and orders issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. §§ 7401, *et seq.*), to the extent any are applicable by reason of performance of this Agreement.

30.0 LOBBYING

30.1 No federal appropriated funds have been paid or will be paid by or on behalf of the Subrecipient to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal agreement, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal agreement, grant, loan, or cooperative agreement.

30.2 If any funds, other than federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any federal agreement, grant, loan or cooperative agreement, then the Subrecipient shall complete and submit OMB Form-LLL, titled "Disclosure of Lobbying Activities," in accordance with its instructions and 31 U.S.C. § 1352.

31.0 RELIGIOUS ACTIVITIES

The Subrecipient warrants that none of its costs and none of the costs incurred by the Subrecipient or any of its Subcontractors will include any expense related to any religious activities.

32.0 POLITICAL ACTIVITY PROHIBITED

None of the funds, materials, property, or services contributed by the County under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office.

33.0 COVENANT AGAINST CONTINGENT FEES

The Subrecipient warrants that no persons or entities have been employed or retained by it to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this warranty, the County may immediately terminate this Agreement without liability.

34.0 RIGHTS IN DATA

The Parties shall each have the use of data and reports resulting from this Agreement without cost or other restriction, except as otherwise provided by law or applicable regulation. Each Party shall supply to the other Party, upon request, any available information that is relevant to this Agreement and to the performance under it, except to the extent prohibited by law.

35.0 COPYRIGHTS

If this Agreement results in a book or other written material, the author is free to copyright the work, but the Parties reserve a royalty-free, nonexclusive, perpetual and irrevocable license to reproduce, publish, and otherwise use and to authorize others to use, all copyrighted material and all material that may be copyrighted as a result of this Agreement.

36.0 AGREEMENT COMPLIANCE MONITORING/AUDITING

36.1 The County will monitor the Subrecipient's compliance as needed for fiscal and programmatic performance under the terms and conditions of this Agreement and applicable regulations promulgated by the U.S. Department of Housing and Urban Development and Maricopa County. On-site visits for compliance monitoring may be made by the County and/or its grantor agencies at any time during the Subrecipient's normal business hours, announced and/or unannounced. For auditing purposes, the County shall provide the Subrecipient with 30-days' advance notice of any proposed on-site visit. During an on-site visit(s), the Subrecipient shall reasonably make all of its records and accounts related to work performed or services provided under this Agreement available to the County for inspection and copying.

36.2 The County shall request information for fiscal monitoring/audit per OMB Uniform Guidance 2 C.F.R. § 200, to include as applicable:

36.2.1 Financial Management 2 C.F.R. § 200.302

36.2.2 Internal Controls 2 C.F.R. § 200.303

36.2.3 Bonds 2 C.F.R. § 200.304

36.2.4 Payment and Financial Reporting 2 C.F.R. § 200.305

36.2.5 Cost Sharing or Matching 2 C.F.R. § 200.306

36.2.6 Program Income 2 C.F.R. § 200.307

36.2.7 Revision of Budget and Program Plans 2 C.F.R. § 200.308

36.2.8 Period of Performance 2 C.F.R. § 200.309

36.2.9 Insurance Coverage 2 C.F.R. § 200.310

36.2.10	Record Retention and Access 2 C.F.R. §§ 200.334 – 200.338
36.2.11	Procurement Standards 2 C.F.R. § 200.318
36.2.12	Indirect Costs 2 C.F.R. § 200.414
36.2.13	Compensation-Personal Services 2 C.F.R. § 200.430
36.2.14	Audit Requirements 2 C.F.R. §§ 200.501-200.517

37.0 CONTINGENCY RELATING TO OTHER AGREEMENTS AND GRANTS

- 37.1 The Subrecipient shall, during the term of this Agreement, within fifteen (15) business days from acceptance, inform the Director in writing of the award of any other agreement or grant, including any other agreement or grant awarded by the County, where the award may affect either the direct or indirect costs being paid or reimbursed under this Agreement. The Subrecipient's failure to notify the County of any such agreement shall be a breach of this Agreement and the County may immediately terminate this Agreement without liability.
- 37.2 The Director may request, and Subrecipient shall provide within a reasonable time, which shall not exceed ten (10) business days, a copy of all such other agreements or grants, when, in the opinion of the Director, the award of the agreement or grant may affect the costs being paid or reimbursed under this Agreement, except to the extent prohibited by law.
- 37.3 If the Director determines that the award to the Subrecipient from such other agreements or grants has affected the costs being paid or reimbursed under this Agreement, then the Director shall prepare an amendment to this Agreement effecting a cost adjustment. If the Subrecipient disputes the proposed cost adjustment, then the dispute shall be resolved pursuant to the "Disputes" paragraph of this Agreement.

38.0 MINIMUM WAGE REQUIREMENTS

The Subrecipient warrants that it shall pay all of its employees who are engaged in either performing work or providing services under the terms of this Agreement not less than the minimum wage specified under Section 206(a)(1) of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. §§ 201, et seq.), by law and regulation, and, as applicable, Executive Order 13658, as amended, and as specified by Arizona law.

39.0 RECOGNITION OF COUNTY SUPPORT

The Subrecipient shall give recognition to the County and the funding source for its support when the Subrecipient publishes materials or releases public information that is paid for in whole or in part with funds received by the Subrecipient under this Agreement.

40.0 NONDISCRIMINATION, EQUAL OPPORTUNITY AND EQUAL ACCESS

The Subrecipient, in connection with any services or other activities under this Agreement, shall not in any way discriminate against any person on the grounds of race, color, religion, sex, national origin, age, disability, political affiliation or belief. The Subrecipient shall include this clause in all its Subcontracts.

41.0 DISABILITY REQUIREMENTS

The Subrecipient agrees that any electronic or information technology offered under this Agreement shall comply with A.R.S. §§41-2531 and 41-2532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

42.0 EQUAL EMPLOYMENT OPPORTUNITY

- 42.1 The Subrecipient shall not discriminate against any employee or applicant for employment because of race, age, disability, color, religion, sex, sexual identity, gender identity, or national origin.
- 42.2 The Subrecipient shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, age, disability, color, religion, sex sexual identity, gender identity, or national origin. Such action shall include, but is not limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 42.3 The Subrecipient shall and shall cause their respective Subcontractors to comply with:
 - 42.3.1 Title VI and VII of the Civil Rights Act of 1964, as amended (42 U.S.C. §§ 2000a, *et seq.*);
 - 42.3.2 the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 701, *et seq.*);
 - 42.3.3 the Age Discrimination in Employment Act of 1967, as amended (29 U.S.C. §§ 621, *et seq.*);
 - 42.3.4 the Americans With Disabilities Act of 1990 (42 U.S.C. §§ 12101, *et seq.*); and
 - 42.3.5 Arizona Executive Order 2009-09, *et seq.* as amended, *et seq.* which mandates that all persons shall have equal access to employment opportunities.

43.0 UNIFORM ADMINISTRATIVE REQUIREMENTS

By entering into this Agreement, the Subrecipient agrees to comply with all applicable provisions of Title 2, Subtitle A, Chapter II, Part 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS contained in Title 2 C.F.R. §§ 200, *et seq.*

44.0 FINANCIAL MANAGEMENT

The Subrecipient shall establish and maintain a separate, interest-bearing bank account for money provided under this Agreement, or shall establish an accounting system that assures the safeguarding and accountability of all money and assets provided under this Agreement. No part of the money deposited in the bank account shall be commingled with other funds or money belonging to the Subrecipient. All interest earned on the account shall be disbursed in the manner specified by the County in accordance with applicable State of Arizona and federal regulations. The Subrecipient shall provide a signed bank account agreement authorizing the County to obtain information about the account. If an accounting system is used, then it shall be in accordance with generally accepted accounting principles.

45.0 RETENTION OF RECORDS

- 45.1 This provision applies to all financial and programmatic records, supporting document, statistical records, and other records of the Subrecipient that are related to this Agreement.
- 45.2 The Subrecipient shall retain all records relevant to this Agreement for six (6) years after final payment or until after the resolution of any audit questions which could be more than six (6) years, whichever is longer, and the County, federal, and state auditors and any other persons duly authorized by the County shall have full access to, and the right to examine, copy, and make use of any and all of the records.

46.0 ADEQUACY OF RECORDS

If the Subrecipient's books, records, and other documents related to this Agreement are not sufficient to support and document that allowable services were provided to eligible participants as determined by a court of competent jurisdiction, then the Subrecipient shall reimburse the County for the services not supported and documented.

47.0 IMMIGRATION LAWS AND REGULATIONS

47.1 Federal Immigration and Nationality Act

47.1.1 The Subrecipient understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986 (IRCA). The Subrecipient agrees to comply with the IRCA in performing under this Agreement and to permit the County to reasonably inspect personnel records to verify such compliance, to the extent required by law.

47.1.2 By entering into this Agreement, the Subrecipient warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other federal immigration laws and regulations related to the immigration status of its employees. The Subrecipient shall obtain statements from their subcontractors certifying compliance and shall furnish the statements to the County upon request. These warranties shall remain in effect through the term of the Agreement. The Subrecipient and their subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act for all employees performing work under the Agreement. I-9 forms are available for download at USCIS.GOV.

47.1.3 The County may request verification of compliance for any employee or Subcontractor performing work under the Agreement. Should the County suspect or find that the Subrecipient or any of its Subcontractors are not in compliance, then the County may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Agreement for default, and suspension or debarment (or both) of the Subrecipient and/or its Subcontractor. All costs necessary to verify compliance are the responsibility of the Subrecipient or its Subcontractor.

47.2 **Arizona Law:** The Subrecipient warrants that it is in compliance with A.R.S. § 41-4401 (e-verify requirements) and further acknowledges that:

47.2.1 The Subrecipient and their respective Subcontractors, if any, warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. § 23-214;

47.2.2 A breach of a warranty under this Subparagraph 47.2.2 shall be deemed a material breach of this Agreement and the non-breaching Party may immediately terminate this Agreement without liability; and

47.2.3 The County and any contracting government entity retain the legal right to inspect the papers and employment records of the Subrecipient or their respective Subcontractor employees who works on this Agreement to ensure that such Party or Subcontractor is complying with the warranty provided under this Subparagraph 47.2.3 and that the Subrecipient and/or its Subcontractor agree to make all papers and employment records of those employees available during normal working hours in order to facilitate such an inspection.

48.0 DRUG FREE WORKPLACE ACT

The Subrecipient shall comply with the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 701, *et seq.*), which requires that Subrecipients and grantees of federal funds must certify that they will provide Drug-Free workplaces. This certification is a precondition to receiving a grant or entering into this Agreement.

49.0 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION

- 49.1 The undersigned, by signing this Agreement, represents that he/she has the authority to bind the Subrecipient to the terms of this Certification. The Subrecipient, as the primary participant in accordance with 2 C.F.R. Part 180, certifies to the best of its knowledge and belief that it and its principals:
- 49.1.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - 49.1.2 Have not within a three-year period preceding the Start Date of this Agreement, been convicted of or had a civil judgment rendered against them for (1) the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State, or local) transaction or a contract under a public transaction; (2) the violation of any federal or State antitrust statutes; or (3) the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 49.1.3 Are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with the commission of any of the offenses enumerated in Sub-subparagraph 49.1.2 above; and
 - 49.1.4 Have not, within a three-year period preceding the Start Date of this Agreement, had one or more public transactions (federal, state, or local) terminated for cause or default.
- 49.2 The Subrecipient agrees to include, without modification, this clause in all lower tier covered transactions (i.e., transactions with Subcontractors) and in all solicitations for lower tier covered transactions related to this Agreement.

50.0 SUBRECIPIENT EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS:

- 50.1 The Subrecipient agrees that this Agreement and its employees working on this Agreement will be subject to the whistleblower rights and remedies in the federal pilot program established at 41 U.S.C. § 4712 by Section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112–239) and Section 3.908 of the Federal Acquisition Regulation;
- 50.2 The Subrecipient shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. § 4712, as described in Section 3.908 of the Federal Acquisition Regulation. Documentation of such employee notification must be kept on file by the Subrecipient and copies provided to County upon request; and
- 50.3 The Subrecipient shall insert the substance of this clause, including this Paragraph 50.0, in all subcontracts over the agreed upon simplified acquisition threshold (\$250,000 as of June 2021).

51.0 WRITTEN CERTIFICATION PURSUANT TO A.R.S. § 35-393.01

If the Subrecipient engages in for-profit activity and has 10 or more employees, and if this Agreement has a value of \$100,000 or more, then the Subrecipient certifies it is not

currently engaged in, and agrees for the duration of this Agreement not to engage in, a boycott of goods and services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.

52.0 SURVIVAL

The indemnification, hold harmless, defense, and non-liability provisions of this Agreement shall have full force and effect notwithstanding any other provisions in this Agreement and shall survive the termination or expiration of this Agreement.

53.0 DEFAULT AND REMEDIES FOR NONCOMPLIANCE

53.1 Notwithstanding anything to the contrary, this Section shall not be deleted or superseded by any other provision of this Agreement.

53.2 This Agreement may be immediately terminated by a Party if the other Party defaults by failing to perform any objective or breaches any obligation under this Agreement, or any event occurs that jeopardizes the other Party's ability to perform any of its obligations under this Agreement.

53.3 Failure to comply with the requirements of this Agreement and all the applicable federal, state, or local laws, rules, and regulations may result in suspension or termination of this Agreement, the return of unexpended funds (less just compensation for work satisfactorily completed that, to date, had not been reimbursed), the reimbursement of funds improperly expended, or the recovery of funds improperly acquired. Noncompliance includes, but is not limited to:

53.3.1 Non-performance of any obligations required by this Agreement.

53.3.2 Noncompliance with any applicable federal, state, or local laws, rules, or regulations.

53.3.3 Unauthorized expenditure of funds.

53.3.4 Noncompliance with applicable financial record requirements, accounting principles, or standards established by OMB circulars and 2 C.F.R. §§ 200 *et seq.*

53.3.5 Noncompliance with recordkeeping, record retention, or reporting requirements.

53.4 Notwithstanding the suspension or termination of this Agreement, or the final determination of the proper disposition of funds, the Subrecipient shall, without intent to limit or with restrictions, be subject to the following:

53.4.1 Acknowledge that suspension or termination of this Agreement does not affect or terminate any rights against the Subrecipient at the time of suspension or termination, or that may accrue later. Nothing herein shall be construed to limit or terminate any right or remedy available under Agreement.

53.4.2 Waiver of a breach or default of any term, covenant, or condition of this Agreement or any federal, state, or local law, rule, or regulation shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, condition, law, rule, or regulation.

53.5 The Subrecipient shall, upon notice or with knowledge obtained by itself or others, take any and all proactive actions necessary, and provide any and all applicable remedies to address and correct any act by itself, and any and/or all of its agents, representatives, officers, officials, directors, employees, volunteers, successors, assigns, or Subcontractors that resulted in any wrongdoing (intentional or unintentional); misuse or misappropriation of funds; the incorrect or improper disposition of funds; any violation of any federal, state, or local law, rule, or

regulation; or the breach of any certification or warranty provided in this Agreement.

54.0 ADMINISTRATIVE REQUIREMENTS

- 54.1 Accounting Standards – The Subrecipient agrees to comply with this Agreement and to adhere to the accounting principles and procedures required to utilize adequate internal controls and maintain necessary source documentation for all costs incurred, as well as any applicable federal laws and regulations. The Subrecipient further agrees to maintain an adequate accounting system that provides for appropriate grant accounting (including calculation of program income).
- 54.2 Repayment of Funds – The Subrecipient agrees to repay funds provided under this Agreement for noncompliance with the terms of this Agreement. Repayment shall be in accordance with the terms of this Agreement or the requirement of applicable laws and regulations, including continuing use compliance. The County shall specify in writing, the terms of the repayment or alternative terms in lieu of repayment. However, in no case shall repayment or compliance with the alternative terms be complete any later than sixty (60) calendar days following the written determination of noncompliance by the County.
- 54.3 Documentation and Record Keeping – The Subrecipient agrees to comply with this Agreement and the following record keeping requirements:
 - 54.3.1 Records to be maintained - The Subrecipient shall maintain all financial records as required by 2 C.F.R. § 200, and OMB Circulars;
 - 54.3.2 System for Award Management -The Subrecipient and all subcontractors or subrecipients shall have a valid Unique Entity Identifier (UEI) number and an active profile in the federal System for Award Management, or SAM.gov. Documentation of the UEI Number must be included in all project files.
 - 54.3.3 Records Retention - The Subrecipient shall retain all records pertinent to this Agreement for a period of six (6) years after all requirements have been met. In the event of litigation, a claim, or an audit is begun before the expiration of this retention period, said records shall be retained until all such action or audit findings involving the records have been resolved.
 - 54.3.4 Disclosure - The Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the County's or the Subrecipient's responsibilities with respect to services provided under this Agreement, is prohibited unless written consent is obtained from such person receiving service.
 - 54.3.5 Property Records - The Subrecipient shall maintain property and equipment inventory records that clearly identify properties and equipment purchased, improved, or sold. Properties and equipment retained shall continue to meet eligibility criteria and shall conform to the use of property and equipment.

55.0 UYGHUR FORCED LABOR PREVENTION ACT (UFLPA)

- 55.1 The Subrecipient warrants and certifies that it does not currently, and agrees for the duration of the agreement that it will not, use:
 - 55.1.1 The forced labor of ethnic Uyghurs in the People's Republic of China.
 - 55.1.2 Any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

- 55.1.3 Any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.
- 55.2 If the Subrecipient becomes aware during the term of the Agreement that the Subrecipient is not in compliance with this Section 55, the Subrecipient shall notify the County within five business days after becoming aware of the noncompliance. Failure of the Subrecipient to provide a written certification that the Subrecipient has remedied the noncompliance within one hundred eighty (180) days after notifying the County of its noncompliance, this Agreement shall terminate unless the Term of this Agreement shall end prior to said one hundred eighty (180) day period.

56.0 FORCE MAJEURE

- 56.1 Neither Party shall be liable for failure of performance, nor incur any liability to the other Party on account of any loss or damage resulting from any delay or failure to perform all or any part of this Agreement if such delay or failure is caused by events, occurrences, or causes beyond the reasonable control and without negligence of the Parties. Such events, occurrences, or causes will include Acts of God/Nature (including fire, flood, earthquake, storm, hurricane, or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, riots, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, lockout, blockage, embargo, labor dispute, strike, pandemic, and interruption or failure of electricity or telecommunication service.
- 56.2 Each Party, as applicable, shall give the other Party notice of its inability to perform and particulars in reasonable detail of the cause of the inability. Each party must use best efforts to remedy the situation and remove, as soon as practicable, the cause of its inability to perform or comply.
- 56.3 The Party asserting Force Majeure as a cause for non-performance shall have the burden of proving that reasonable steps were taken to minimize delay or damages caused by foreseeable events, all non-excused obligations were substantially fulfilled, and the other Party was timely notified of the likelihood or actual occurrence that would justify such an assertion, so that other prudent precautions could be contemplated.

[Signatures contained on the following page]

IN WITNESS, the Parties have approved and signed this Agreement:

APPROVED BY:
THE CITY OF SURPRISE

APPROVED BY:
MARICOPA COUNTY

Skip Hall, Mayor Date

Clint Hickman, Chairman Date
Board of Supervisors

Attested to:

Attested to:

City Clerk Date

Juanita Garza, Clerk of the Board Date

IN ACCORDANCE WITH A.R.S. §§ 9-240 and 11-952, THIS AGREEMENT HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED THIS AGREEMENT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO THE CITY OF SURPRISE UNDER THE LAWS OF THE STATE OF ARIZONA. APPROVED AS TO FORM:

IN ACCORDANCE WITH A.R.S. §§ 11-201, 11-251, AND 11-952, THIS AGREEMENT HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED THIS AGREEMENT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO MARICOPA COUNTY UNDER THE LAWS OF THE STATE OF ARIZONA. APPROVED AS TO FORM:

City Attorney Date

Deputy County Attorney Date

EXHIBIT A- STATEMENT OF WORK

1.0 Project Description:

The Projects as described herein, shall utilize ARPA funds to acquire and rehab buildings for the purpose of providing shelter to individuals or families experiencing homelessness. The acquisition of the transitional/bridge units and construction of the West Valley Housing Assistance Center shall generate a total of 15 units. These units shall serve people experiencing homelessness.

2.0 West Valley Housing Assistance Rehab

The City of Surprise seeks funding to support the rehabilitation of seven (7) residential units to be utilized as short-term non-congregate shelter for woman and families. The project is estimated to provide shelter to 150 unduplicated persons per year and provide housing services to an additional 2,500 persons annually. The project is scheduled to receive certificate of occupancy in June of 2023. The project has experienced cost overruns due to inflationary pressures, as well as additional code upgrade requirements from the building department. The additional funding will be utilized to complete required site infrastructure upgrades, site security improvements, and upgrades to the resident services area.

2.1 Deliverables:

Beneficiaries	
Number of households (units)	7
Number of people (approximate)	150

2.2 Project Eligibility:

Property Standards - Housing that is constructed or rehabilitated with ARPA funds must meet all applicable local codes, rehabilitation, and construction standards, ordinances, and zoning ordinances, including Section 504 of the Rehabilitation Act of 1973 and Fair Housing Act, as amended, at the time of project completion.

Occupancy Requirements – The Project staff shall determine and verify homelessness upon intake according the definition by the Department of Housing and Urban Development (HUD) as notated: <https://www.hudexchange.info/news/huds-definition-of-homelessness-resources-and-guidance/>

2.3 Budget:

BUDGET SUMMARY			
Name of Activity: West Valley Housing Assistance Center (WVHAC)			
	County ARPA Funds	Additional Sources	TOTAL COST
Acquisition Costs			
Land			
Building Acquisition			
Other: taxes, title, recording			
General Development Costs			

Construction Hard Costs- Residential	\$300,000	\$1,418,914	\$1,718,914
Construction Costs- Nonresidential			
Contractor OH, Profit, and Gen. Conditions			
Hard Costs Contingency			
Environmental- inspection and remediation			
Demolition			
Site Planning			
Architect Fees (@10% of Const Hard Costs)		\$135,000	\$135,000
Engineering Fees		\$10,000	\$10,000
Survey, Permit, Tests		\$13,000	\$13,000
Legal Fees		\$5,000	\$5,000
Other Professional Fees			
Accounting and Cost Certification			
Title and Recording			
Market Study/Appraisal			
Real Estate Taxes			
Insurance			
Leed Gold certification			
Construction Financing Fees		\$9,000	\$9,000
Reserves - operating			
Reserves - replacement			
Soft Cost Contingency (@10% of soft costs)			
Other: FF&E		\$30,000	\$30,000
Developer's Fee			
Developer's Fee		\$131,343	\$131,343
TOTALS	\$300,000	\$1,752,257	\$2,052,257

2.4 Timeline:

West Valley Housing Assistance Center Project Schedule Estimate

Project Milestone	Estimated Completion Date	Comments
Site Acquisition	October 17 2021	15 - year lease (30 year site control)
Partnership Closing (Closing Date)	October 19 2021	Sub-lease
Other Funds Firm Commitment	October 2021	ADOH
Other Funds Firm Commitment	July 1 2021	COS
Environmental Review Completion (Only if other federal funding is used in addition to funds designated in this contract).	April 15 2021	HEROS: 900000010174274
Authority to Use Grant Funds	NA	CEST convert to exempt
Zoning Entitlements	NA	No change of use
Plans Submitted to Municipality	September 2022	
Building Permits Issued	November 2022	
Contractors Notice to Proceed Issued	November 2022	
Construction Mobilization	November 2022	
25% Completion	January 2023	
50% Completion	March 2023	

75% Completion	April 2023	
Certificate of Occupancy	June 2023	
ARPA-Assisted Units Occupied	June 2023	
100% Occupancy	September 2023	

3.0 Acquisition of Transitional/Bridge Housing

The City of Surprise continues to work towards building a Housing First approach to homelessness, providing a platform from which a person can pursue personal goals and improve their quality of life. With that goal in mind, we cannot ignore the crisis level lack of available permanent affordable housing, and the barriers that exist to accessing the available resources. The need for transitional or bridge housing is needed to provide those experiencing homelessness the time and resources to obtain permanent housing.

The funding will purchase existing multi-family housing units to create a minimum of eight (8) total bridge units. The target properties have been recently rehabilitated and are considered turn-key. The units will be reserved for short-term housing (12-24 months) in partnership with a non-profit housing provider who will make the units available to households experiencing homelessness as they stabilize and search for permanent housing. This project is expected to serve 48 unique persons annually. The non-profit provider will have the ability to utilize existing short-term housing vouchers to assist with property expenses. The project will partner with the West Valley Housing Assistance Center to help families move from the WVHAC shelter units into the bridge housing, as well as provide case management and housing navigation.

3.1 Deliverables:

Beneficiaries	
Number of households (units)	8
Number of people (approximate)	48

3.2 Project Eligibility:

Property Standards - Housing that is constructed or rehabilitated with ARPA funds must meet all applicable local codes, rehabilitation, and construction standards, ordinances, and zoning ordinances, including Section 504 of the Rehabilitation Act of 1973 and Fair Housing Act, as amended, at the time of project completion.

Occupancy Requirements – The Project staff shall determine and verify homelessness upon intake according the definition by the Department of Housing and Urban Development (HUD) as notated: <https://www.hudexchange.info/news/huds-definition-of-homelessness-resources-and-guidance/>

3.3 Budget:

BUDGET SUMMARY			
Name of Activity: Transitional/Bridge Shelter Acquisition			
	County ARPA Funds	Additional Sources	TOTAL COST
Acquisition Costs			
Land			
Building Acquisition	\$1,900,000		\$1,900,000
Other: taxes, title, recording			

Program Administration Costs			
Program Management Services	\$190,000		\$190,000
Administration	\$190,000		\$190,000
Supportive Services			
2023 - full year			
2024 - full year			
2025 – June 30, 2025			
TOTALS	\$2,280,000		\$2,280,000

3.4 Timeline:

Transitional/Bridge Shelter Acquisition Project Schedule Estimate

Project Milestone	Estimated Completion Date	Comments
Site Acquisition	June 2023	
Partnership Closing (Closing Date)	May 2023	Subgrant to housing provider
Permanent Loan Commitment	June 2023	
Permanent Loan Closing	June 2023	
Other Funds Firm Commitment	May 2023	
Other Funds Firm Commitment	May 2023	
Environmental Review Completion (Only if other federal funding is used in addition to funds designated in this contract).	May 2023	Acquisition of existing facility anticipated to be CEST convert to exempt.
Authority to Use Grant Funds	NA	CEST convert to exempt
Zoning Entitlements	NA	No change of use
Plans Submitted to Municipality	NA	Minor rehab only
Building Permits Issued	July 1, 2023	If needed
Contractors Notice to Proceed Issued	July 1, 2023	
Construction Mobilization	July 1, 2023	
25% Completion	July 10, 2023	
50% Completion	July 17, 2023	
75% Completion	July 24, 2023	
Certificate of Occupancy	Existing	Existing – minor rehab
ARPA-Assisted Units Occupied	September 1, 2023	
100% Occupancy	October 1, 2023	

RESOLUTION # 2023-28

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY IN THE AMOUNT OF \$2,580,000 TO EXPAND HOUSING AVAILABILITY FOR HOMELESS INDIVIDUALS IN THE NORTHWEST VALLEY, AMENDING THE FISCAL YEAR 2023 BUDGET BY MOVING BUDGET AUTHORITY OF \$2,600,000 FROM CONTINGENCY TO PROJECT G51721, ACCEPTING GRANT FUNDING FROM MARICOPA COUNTY VIA THE DEPARTMENT OF TREASURY STATE AND LOCAL FISCAL RECOVERY FUNDS, AND AMENDING THE FISCAL YEAR 2023 CONTRACT AWARDING AUTHORITY LIST TO INCLUDE THE HOMELESS INFRASTRUCTURE ITEM IN THE AMOUNT OF \$2,600,000.

WHEREAS, pursuant to Arizona Revised Statute §11-951, *et seq.*, the City of Surprise has the authority to enter into intergovernmental agreements with other governmental entities for the purposes set forth therein; and

WHEREAS, the City of Surprise and Maricopa County desire to enter into an Intergovernmental Agreement for Homeless Infrastructure in order to expand housing availability for homeless individuals in the northwest area of Maricopa County; and

WHEREAS, the term of the agreement is April 12, 2023 through September 30, 2026, with one (1) three-month term extension, provided that compliance with all terms and conditions of the Agreement have been met; and

WHEREAS, the County shall provide the City with \$2,580,000 in Assistance Listing Number (ALN) 21.027, American Rescue Plan Act Coronavirus State and Local Fiscal Recovery Funds provided to the County through the U.S. Department of Treasury; and

WHEREAS, all expenditures pursuant to the Intergovernmental Agreement are on a reimbursement basis, up to \$2,580,000; and

WHEREAS, the addition of one (1) Full-Time Employee is deemed necessary to support the Homeless Infrastructure Project provided under the intergovernmental agreement; and

WHEREAS, the FY2023 budget, including the FY2023 Contract Awarding Authority List, was adopted by Council Resolution #2022-56 on June 7, 2022 and did not include funding or Contract Awarding Authority for the Homeless Infrastructure project; and

WHEREAS, this action will necessitate a budget amendment; and

WHEREAS, the City of Surprise Administrative Policies requires the approval of the Mayor and Council for budget amendments of this nature; and

WHEREAS, the City of Surprise Procurement Code §2-338 (d) requires the authority of the Mayor and Council when the cost to the city is greater than \$50,000.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That the statements and schedules attached as ***Exhibit A*** and incorporated by reference are adopted, amending the budget of the City of Surprise, Arizona for the fiscal year July 1, 2022 through June 30, 2023

Section 2. The Intergovernmental Agreement between the City of Surprise and Maricopa County, attached as ***Exhibit B***, is approved.

Section 3. The City Manager, or his designee, is hereby authorized to execute and submit all documents and other necessary or desirable instruments in connection with said agreement.

APPROVED AND ADOPTED this ____ day of _____, 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2023-28
Exhibit A

1. Appropriation - The allocations below represent the movement of budget authority in the amount of \$2,580,000 from Contingency to the Grants Fund to cover anticipated expenses associated with the Homeless Infrastructure project. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

Fund	Department	Project/Category	Rev / Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Grants	Human Svcs and Comm Vitality	#G51721 Homeless Infrastructure ARPA	E	-	2,580,000	2,580,000
Grants	Human Svcs and Comm Vitality	#G51721 Homeless Infrastructure ARPA	R	-	2,580,000	2,580,000
Contingency	General Operations	Contingency	E	22,157,100	(2,580,000)	19,577,100
Contingency	General Operations	Other	R	24,925,700	(2,580,000)	22,345,700
Expense Total				22,157,100	-	22,157,100
Revenue Total				24,925,700	-	24,925,700

2. Full-Time Equivalent (FTE) - The creation of the Homeless Infrastructure Project requires the addition of 1 new FTE.

Fund	Department	Current FTEs	Increase/ (Decrease)	Amended FTEs
General Fund	Human Svcs and Comm Vitality	27.8	1.0	28.8

3. Contract Awarding Authority List – Council approved the FY2023 CAAL as part of the FY2023 Budget Adoption on June 7, 2022. The capital line item for the Homeless Infrastructure project was not included. The amount is based on the IGA received by Maricopa County. With this budget amendment, the Homeless Infrastructure line item will be included in the amount of \$2,600,000.

Reference #	Description	Current Amount	Increase/ (Decrease)	Amended Amount
23622	Homeless Infrastructure	\$0	\$2,600,000	\$2,600,00

RESOLUTION # 2023-28
Exhibit B

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF SURPRISE AND MARICOPA COUNTY

RESOLUTION # 2023-38

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AMENDING THE FISCAL YEAR 2023 BUDGET BY MOVING BUDGET AUTHORITY OF \$675,300 FROM CONTINGENCY GENERAL OPERATIONS TO THE FIRE-MEDICAL DEPARTMENT PERSONNEL SERVICES, SUPPLIES, AND INTERGOVERNMENTAL FOR THE PURPOSE OF COVERING INCREASED OPERATIONAL COSTS AND WILDLAND FIRE DEPLOYMENTS.

WHEREAS, the FY2023 budget was adopted including funding for personnel, supplies and services expenses within the Fire-Medical Department's General Fund, Ground Ambulance Service Fund and Wildland Fund;

WHEREAS, additional budget authority is needed in the Fire-Medical Department's Ground Ambulance Service Fund to cover unforeseen increases in staff overtime, inflationary increases for medical first aid supplies, and increases in contractual agreements;

WHEREAS, additional budget authority is needed in the Wildland Fund to cover deployments for the State of Arizona 2023 wildland fire season and the purchase of the associated supplies and services required for deployment;

WHEREAS, the increased expenses within the Wildland Fund will be directly offset by the receipt of increased revenue;

WHEREAS, the FY2023 budget was adopted by Council Resolution #2022-56 on June 7, 2022;

WHEREAS, this action will necessitate a budget amendment; and

WHEREAS, the City of Surprise Administrative Policies requires the approval of the Mayor and Council for budget amendments of this nature.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That the statements and schedules attached as *Exhibit A* and incorporated by reference are adopted, amending the Fiscal Year 2023 budget of the City of Surprise, Arizona for the fiscal year July 1, 2023 through June 30, 2023.

SIGNATURES ON THE FOLLOWING PAGE

APPROVED AND ADOPTED this day of _____, 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2023-38
Exhibit A

1. Appropriation – The allocations below represent an increase in budget authority in the amount of \$675,300 from contingency to the Fire-Medical Department's Ground Ambulance Service Fund, and Wildland Fund to support ongoing operational needs. Additionally, these actions represent an increase in revenue for the Wildland Fund, offsetting the increase in expenditures. These actions represent a transfer in spending authority and do not increase or decrease the total adopted citywide expenditure budget.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Contingency	General Operations	Contingency	E	22,157,100	(675,300)	21,481,800
Ground Ambulance Service	Fire - Medical	Personnel Services	E	3,845,000	450,300	4,295,300
Ground Ambulance Service	Fire - Medical	Supplies	E	354,600	120,000	474,600
Ground Ambulance Service	Fire - Medical	Services	E	320,900	55,000	375,900
Wildland Fire	Fire - Medical	Services	E	10,700	20,000	30,700
Wildland Fire	Fire - Medical	Supplies	E	31,300	30,000	61,300
Wildland Fire	Fire - Medical	Intergovernmental	R	641,700	50,000	691,700
Contingency	General Operations	Other	R	24,925,700	(50,000)	24,875,700
Expense Total				26,719,600	-	26,719,600
Revenue Total				25,567,400	-	25,567,400



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: Public Works
Staff Recommendations:

Contact Person: Kristin Tytler, Department Director
District: District 3

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to the conditional acceptance and maintenance of certain Public Improvements at Dollar General – Zanjero Trails; Resolution #2023-27.

Motion:

I move to approve Resolution #2023-27.

Background:

The Public Works Department conducted the final inspection of the public improvements for Dollar General – Zanjero Trails on or about March 14th, 2022 totaling 819 SY (approximately 614 LF) and determined that the infrastructure was compliant and acceptable to the City. The infrastructure includes asphalt pavement and concrete. Domestic water lines are located within the Epcor Water jurisdiction.

Objective Analysis:

The improvements to this property provide roadways for conveyance through the property. This action will accept the required infrastructure. The domestic water serving the property is within Epcor Water's jurisdiction.

Policy Compliant:

The City Code generally requires development to install public infrastructure required to serve the development. Upon completion and acceptance of such infrastructure, the infrastructure becomes the property of the City. Acceptance of this infrastructure will officially transfer ownership and future maintenance to the City.

Financial Impact:

Acceptance of roadway infrastructure increases the City's asset base and adds to future maintenance commitments. The total acceptance value of the infrastructure included with this item is \$100,635.00.

Budget Impact:

Funding for the infrastructure maintenance now and in the future will be supported by the city's HURF.

The anticipated incremental additional maintenance expense associated with the acceptance of these infrastructure items will be incorporated into future year's budgets.

FTE Impact:

This action does not change the full time equivalent count.

ATTACHMENTS:

1. 01_Res 2023-27 Infrastructure Acceptance Dollar General
 2. 02_Notice of Completion Letter
 3. 03_Inspector Sign-Off Form
 4. 04_Linear Foot Verification_NEW
-

RESOLUTION # 2023-27

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, TO CONDITIONALLY ACCEPT THE PUBLIC IMPROVEMENTS AND COMMENCE MAINTENANCE AFTER TWO YEAR WARRANTY AT DOLLAR GENERAL – ZANJERO TRAILS, GENERALLY LOCATED AT THE NORTHWEST CORNER OF PERRYVILLE ROAD AND PEORIA AVENUE.

WHEREAS, the Mayor and City Council of the City of Surprise approved a final plat entitled “Zanjero Trails Commercial” on, November 2nd, 2021;

WHEREAS, as a condition of the preliminary plat, approval of the final plat, and in compliance with the City Code, the developer installed public utility improvements, including roadway improvements which consist of concrete sidewalks, curbs and gutters, as well as asphalt/paving. The roadway improvements are collectively referred to as “Public Improvements”;

WHEREAS, Simon CRE III LLC the developer of Zanjero Trails Commercial, dedicated to the City the street and Public Improvements, generally located at the northwest corner of Perryville Road and Peoria Avenue;

WHEREAS, on or about March 14th, 2022, the City of Surprise Public Works Department Engineering Division completed an inspection of the Public Improvements described in this resolution and found the improvements to be in substantial compliance with the approved plans and specifications;

WHEREAS, the City of Surprise notes that the two-year warranty period will commence upon conditional acceptance by the City; and

WHEREAS, after the conclusion of the two-year warranty period, the City of Surprise will release the warranty and begin maintenance of the street and Public Improvements.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. The City of Surprise conditionally accepts the Public Improvements generally located as depicted on the map attached as Exhibit A and listed on Exhibit B.

Section 2. Upon final acceptance by the City Engineer, the City Council hereby directs the City to release warranty and begin maintenance of the Public Improvements.

SIGNATURES ON THE FOLLOWING PAGE

APPROVED AND ADOPTED this _____ day of _____, 2023.

Skip Hall, Mayor

Attest:

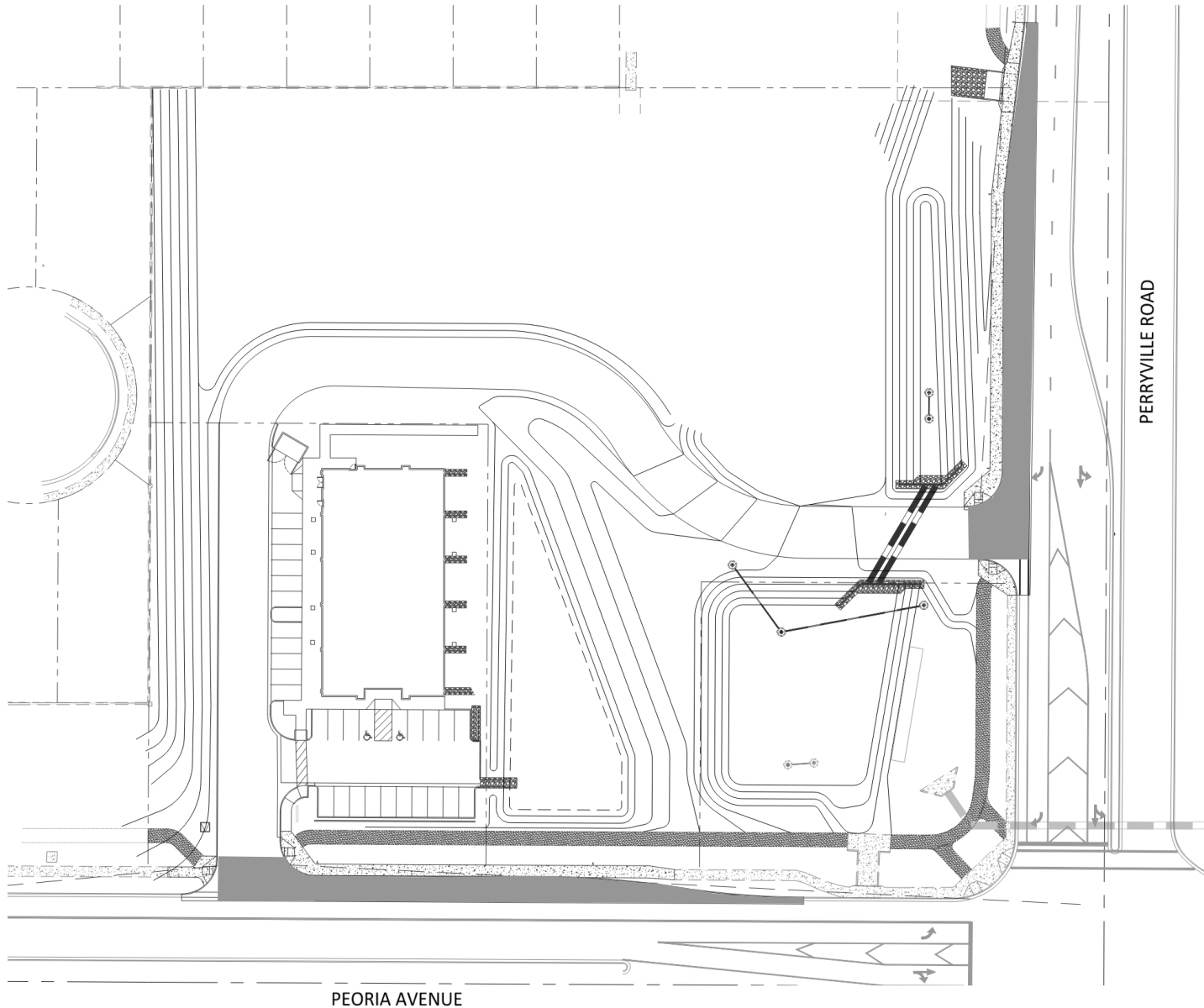
Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

Exhibit A

Map of Infrastructure



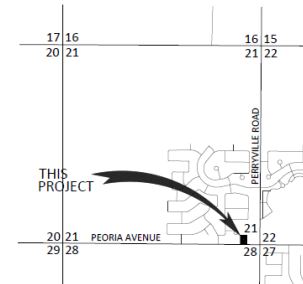
**INFRASTRUCTURE TO
BE ACCEPTED:**

- ROADWAY**
Asphalt/Pavement,
Concrete (Curb &
Gutter, Sidewalk)

EXHIBIT A

Dollar General

Zanjero Trails



IN THE SE 1/4 OF THE SE 1/4 OF SECTION 21,
T. 3 N., R. 2 W., G.B.S.R.M.,
CITY OF SURPRISE, MARICOPA COUNTY, ARIZONA
LOCATION MAP
NORTH
3" = 1 MILE

EXHIBIT B

List and Cost of Improvements



EXHIBIT B

ENGINEERING DIVISION
PUBLIC WORKS
CITY OF SURPRISE
16000 N. CIVIC CENTER PLAZA
SURPRISE, AZ 85374
T. 623-222-6150

Memorandum

To: City of Surprise City Council
From: Public Works – Engineering Services
Date: 2/6/2023
Re: Dollar General – Zanjero Trails

The public improvements for the above project have been completed and are tentatively scheduled for the April 4, 2023 council agenda for acceptance. The amounts for the infrastructure have been provided by a third party and not the City of Surprise. The following are the infrastructure improvements included with this acceptance and the corresponding valuation that the City will be accepting:

City Paving	\$ 44,095.00
City Concrete	\$ 56,540.00

Total	\$ 100,635.00
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April 29, 2022

Cypress Civil Development
4450 N 12th Street #228
Phoenix, AZ 85014

RE: NOTICE OF COMPLETION AND COUNCIL ACTION REQUIREMENT FOR DOLLAR GENERAL – FS21-265

The City of Surprise Public Works Department has completed the inspection of the public utility improvements for the above referenced project. These improvements are in substantial compliance with the approved plans and specifications. Council action is required prior to conditional acceptance and the official beginning of the warranty period. The time frame for Council action is approximately 90 days after the following items have been submitted:

- A copy of all lien releases or a title report
- Actual construction cost for related civil permits issued
- Warranty assurance in a format acceptable by the City*

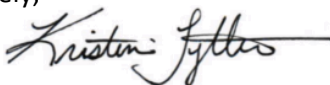
*For the Warranty Assurance, a notice of the required assurance amount and acceptable formats will be sent via email once actual construction costs have been submitted by the applicant.

The warranty period starts upon council acceptance for a period of two (2) years; please ensure warranty assurance will not expire prior to this date. The applicant will be notified of the council date as soon as it is scheduled and the warranty financial assurance is required to be submitted to the city 10 calendar days prior to the council date. If a warranty financial assurance is not received within 10 calendar days, council action and start of the warranty period will be delayed, at a minimum, an additional two (2) weeks.

A letter of conditional acceptance and notification that the warranty period has begun will be forwarded upon the completion of council acceptance. Also, a request to release the associated completion assurance will be made; notification will be sent when assurance document is available for pick up.

If you have any questions or concerns, you can reach me at 623-222-6153 or at kristin.tytler@surpriseaz.gov.

Sincerely,



Kristin Tytler, P.E.
Public Works Director

cc: Nuning Lemka, PW Engineering Manager
John McFarland, PW Streets Manager
Michael Boule, Water Resource Management

David Mobley, PW Field Engineering Supervisor
Amanda Correia, Finance
Warren Bert, GIS



12-21-21 Date of Punch-List Walk 12-22-21 Date Punch-List Completed

13951 W Hope Dr. - Surprise, AZ 85379-4347

Street Name	Classification	Begin Limits	End Limits	# Lanes	Length to nearest ¼ mi.	Features

Other _____ (Specify)

Date:

FS Case	Project Name	Private/Public	Classification	Roadway	Length (ft)	Length (mile)	Length (Nearest 1/4 mile)	Lane Miles	Width (pavement) (ft)	Pavement Area (ft ²)	Pavement Area (SQ)
21-265	Dollar General - Zanjero Trails	Public	Local	N Perryville Road	319.0	0.06	0.25	0.06	12.0	3,828	425
21-265	Dollar General - Zanjero Trails	Public	Local	W Peoria Avenue	295.0	0.06	0.25	0.06	12.0	3,540	393
				Total	614.0						819



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: Public Works
Staff Recommendations:

Contact Person: Kristin Tytler, Department Director
District: District 1

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to the conditional acceptance and maintenance of certain streets and public utility improvements at Desert Oasis Parcel B9, generally located at the Southwest corner of Desert Oasis Boulevard and 163rd Avenue; Resolution #2023-34.

Motion:

I move to approve Resolution #2023-34.

Background:

The Public Works Department conducted the final inspection of the public improvements for Desert Oasis Parcel B9, generally located at the Southwest corner of Desert Oasis Boulevard and 163rd Avenue on or about July 7th, 2021, totaling 14,120 SY (approximately 5,295 LF) and determined that the infrastructure was compliant and acceptable to the City. The infrastructure includes asphalt pavement, concrete, storm drain, water and wastewater lines.

Objective Analysis:

The improvements to this property provide access and conveyance to the property, storm drains to convey wastewater to retention basins, sewer lines to convey wastewater from the property to the City's public system and water lines to convey domestic water to the property. This action will accept the required infrastructure.

Policy Compliant:

The City Code generally requires development to install public infrastructure required to serve the development. Upon completion and acceptance of such infrastructure, the infrastructure becomes the property of the City. Acceptance of this infrastructure will officially transfer ownership and future maintenance to the City.

Financial Impact:

Acceptance of streets, sewer, water, and storm drain infrastructure increases the City's asset base and adds to future maintenance commitments. The total acceptance value of the infrastructure included with this item is \$3,221,417.71.

Budget Impact:

Funding for the infrastructure maintenance now and in the future will be supported by the city's HURF, Water Operations, Wastewater Operations, and Stormwater Operations Funds. The anticipated incremental additional maintenance expense associated with the acceptance of these infrastructure items will be incorporated into future years' budgets.

FTE Impact:

This action does not change the full time equivalent count.

ATTACHMENTS:

1. 01 Res 2023-34 Infrastructure at Desert Oasis B9
 2. 02 _Notice of Completion Letter
 3. 03 _Inspector Sign-Off Form
 4. 04 _Linear Foot Verification
-

RESOLUTION # 2023-34

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, TO CONDITIONALLY ACCEPT THE PUBLIC IMPROVEMENTS AND COMMENCE MAINTENANCE AFTER TWO YEAR WARRANTY AT DESERT OASIS PARCEL B9, GENERALLY LOCATED AT SOUTHWEST CORNER OF DESERT OASIS BOULEVARD AND 163RD AVENUE.

WHEREAS, the Mayor and City Council of the City of Surprise approved a final plat entitled "Desert Oasis- Baer Parcel B9" on, October 15, 2019;

WHEREAS, as a condition of the preliminary plat, approval of the final plat, and in compliance with the City Code, the developer installed certain public improvements, including roadway improvements which consist of concrete sidewalks, curbs and gutters, as well as asphalt/paving, and the developer also installed water lines, sewer lines, and drainage infrastructure. The roadway improvements, sewer lines, water lines and drainage infrastructure are all collectively referred to as "Public Improvements";

WHEREAS, Centex Homes, A Nevada General Partnership, the developer of Desert Oasis Parcel B9, dedicated to the City the Public Improvements, generally located at Southwest corner of Desert Oasis Boulevard and 163rd Avenue;

WHEREAS, on or about July 7, 2021, the City of Surprise Public Works Department Engineering Division completed an inspection of the Public Improvements described in this resolution and found the improvements to be in substantial compliance with the approved plans and specifications;

WHEREAS, the City of Surprise notes that the two-year warranty period will commence upon conditional acceptance by the City; and

WHEREAS, after the conclusion of the two-year warranty period, the City of Surprise will release the warranty and begin maintenance of the street and Public Improvements.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. The City of Surprise conditionally accepts the Public Improvements generally located as depicted on the map attached as Exhibit A and listed on Exhibit B.

Section 2. Upon final acceptance by the City Engineer, the City Council hereby directs the City to release warranty and begin maintenance of the Public Improvements.

APPROVED AND ADOPTED this _____ day of _____, 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

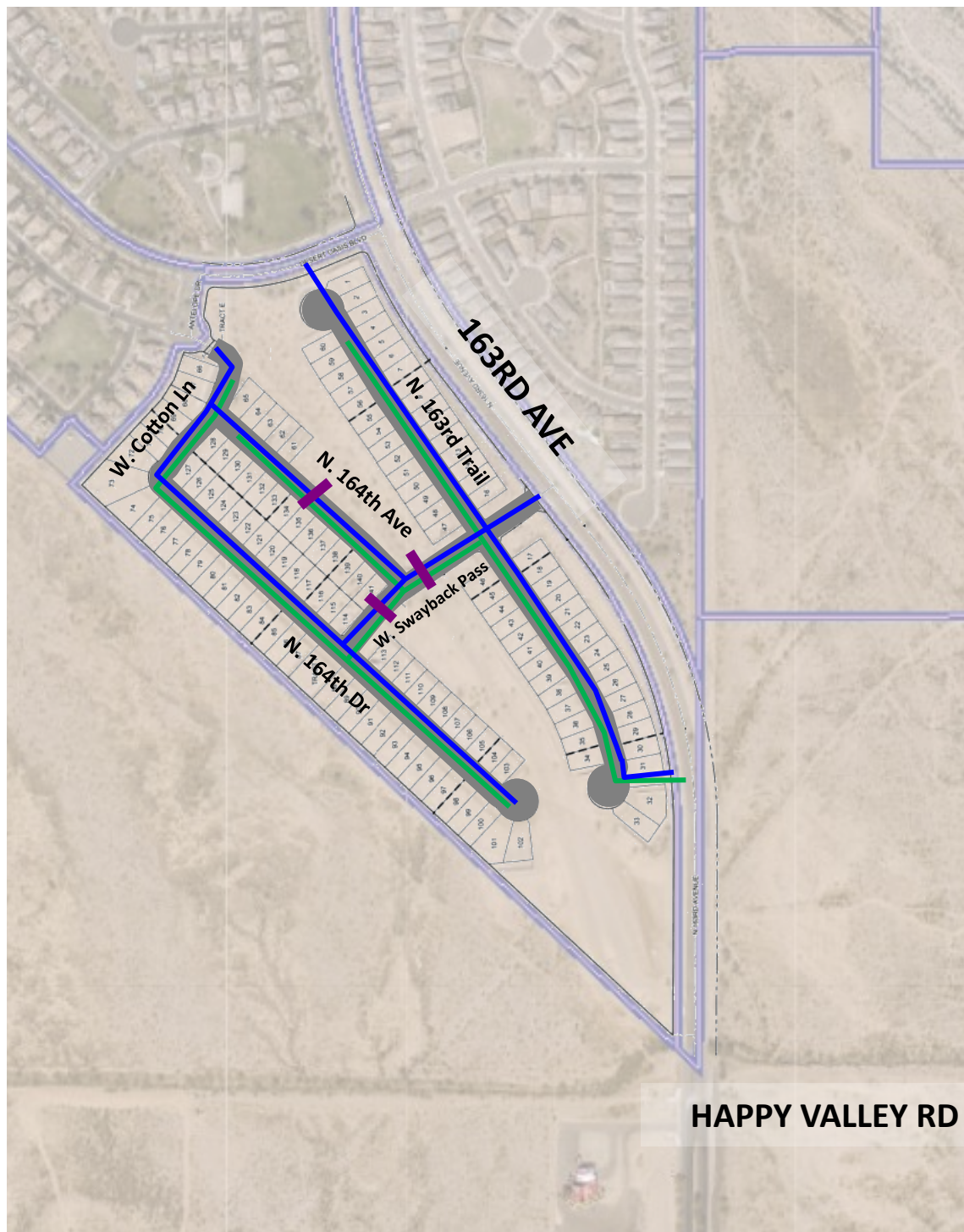
Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

Exhibit A

Map of Infrastructure

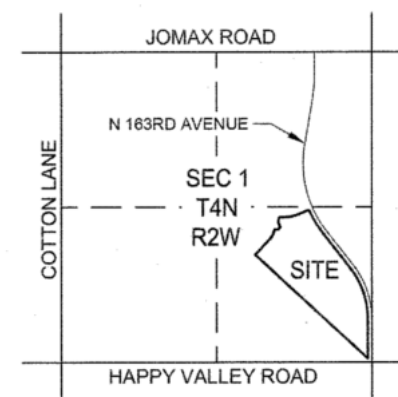
DESERT OASIS PARCEL B9



INFRASTRUCTURE TO

BE ACCEPTED:

- SEWER
- WATER
- STORM DRAIN
- ROADWAY



VICINITY MAP
NOT TO SCALE



EXHIBIT B

List and Cost of Improvements



EXHIBIT B

ENGINEERING DIVISION
PUBLIC WORKS
CITY OF SURPRISE
16000 N. CIVIC CENTER PLAZA
SURPRISE, AZ 85374
T. 623-222-6150

Memorandum

To: City of Surprise City Council
From: Public Works – Engineering Services
Date: 3/8/2023
Re: DESERT OASIS PARCEL B9

The public improvements for the above project have been completed and are tentatively scheduled for the April 4, 2023 council agenda for acceptance. The amounts for the infrastructure have been provided by a third party and not the City of Surprise. The following are the infrastructure improvements included with this acceptance and the corresponding valuation that the City will be accepting:

City Paving	\$437,040.00
City Concrete	\$1,155,825.01
City Sewer	\$483,667.00
City Water	\$787,283.70
City Drainage	\$357,602.00
Total	\$3,221,417.71

July 13, 2021

Pulte Development Corp.
16767 N. Perimeter Dr., Suite 100
Scottsdale, AZ 85260

**RE: NOTICE OF COMPLETION AND COUNCIL ACTION REQUIREMENT FOR DESERT OASIS
PARCEL B9 – FS19-310**

The City of Surprise Public Works Department has completed the inspection of the public utility improvements for the above referenced project. These improvements are in substantial compliance with the approved plans and specifications. Council action is required prior to conditional acceptance and the official beginning of the warranty period. The time frame for Council action is approximately 90 days after the following items have been submitted:

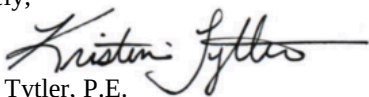
- A copy of all lien releases or a title report
- Actual construction cost for related civil permits issued
- Warranty assurance in a format acceptable by the City

A notice of the required assurance amount and acceptable formats will be sent via email once actual construction costs have been submitted by the applicant. The warranty period starts upon council acceptance for a period of two (2) years; please ensure warranty assurance will not expire prior to this date. The applicant will be notified of the council date as soon as it is scheduled and the warranty financial assurance is required to be submitted to the city 10 calendar days prior to the council date. If a warranty financial assurance is not received within 10 calendar days, council action and start of the warranty period will be delayed, at a minimum, an additional two (2) weeks.

A letter of conditional acceptance and notification that the warranty period has begun will be forwarded upon the completion of council acceptance. Also, a request to release the associated completion assurance will be made; notification will be sent when assurance document is available for pick up.

If you have any questions or concerns, you can reach me at 623-222-6153 or at kristin.tytler@surpriseaz.gov.

Sincerely,



Kristin Tytler, P.E.
Assistant PW Director/City Engineer

cc: Nuning Lemka, PW Engineering Manager
David Mobley, PW Field Engineering Supervisor
Lynn Stone, PW Business Manage
Lee Lambert, Water Resource Management
Warren Bert, GIS
Amanda Correia, Finance

Mike Gent, Deputy City Manager/PW Director
John McFarland, PW Streets Manager
Jon Gake, Finance
Michael Boule, Water Resource Management
William Valdez, PW Civil Inspector



PROJECT SIGN OFF FORM

PUBLIC WORKS - ENGINEERING SERVICES, INSPECTIONS

Date Submitted: 7/7/2021 Commercial Commercial w/Offsite XX Residential

XX COMPLETION ACCEPTANCE (End of Construction) FINAL ACCEPTANCE (End of Warranty)

3/16/2021 Date of Punch-List Walk 6/11/2021 Date Punch-List Completed

FS Number: FS19-310 Permit Number(s): E19P-0588,E19P-0589,E19P-1000,E19P-1003,E19P-1004,E19P-1005,E19P-1006

Project Name: Desert Oasis Parcel B9 (onsite & offsite)

Project Developer/Builder: (Name, Address, and Phone #)

Pulte Development Corporation, 16767 North Perimeter Drive, Suite 100, Scottsdale, Arizona 85260 480-421-8530

Sheet 1 of 2

MAG TIP Reporting:

Street Name	Classification	Begin Limits	End Limits	# Lanes	Length to nearest ¼ mi.	Features
164th Dr	Local	Cul De Sac	Cottontail Ln	2	1/4	
164th Ave	Local	Swayback Pass	Cottontail Ln	2	1/4	
163rd Dr	Local	Cul De Sac	Cul De Sac	2	1/4	
163rd Ave	Arterial	Sta 10+62.51	Sta 52+74.10	2	3/4	
Sandstone Way	Local	Cottontail Ln	Antelope Dr	2	1/4	

MATERIALS:

Asphalt: MR Tanner Supplier 3.75 Total Lane Miles 28,951 Total Square Yards

Water: 8" C-900 Size/Type 6,216 Total Linear Feet Size/Type Total Linear Feet
6" DIP Size/Type 204 Total Linear Feet Size/Type Total Linear Feet

Sewer: 8" PVC Size/Type 5,108 Total Linear Feet Size/Type Total Linear Feet
4" PVC Size/Type 4,230 Total Linear Feet Size/Type Total Linear Feet

Storm: 18" RGRCP Size/Type 47 Total Linear Feet Size/Type Total Linear Feet
Size/Type Total Linear Feet Size/Type Total Linear Feet

Fire Ln: N/A Size/Type Size/Type Total Linear Feet Size/Type Total Linear Feet

Additional Comments:

SUPPORTING DOCUMENTATION REQUIRED:

XX Copy of Punch List
N/A Final Certification Letter from Engineer of Record
XX Complete Geotechnical Testing Packet
XX Sewer Pressure Testing Results
XX Sewer Manhole Vacuum Testing Certification
XX Sewer Manhole Insecticide Certification
XX Sewer Videos with Operators Notes (inc. re-videos)
Other (Specify)

XX AOC
XX Asphalt Concrete Ticket w/ Name of Contractor
N/A Streetlight Energize Letter
XX As built Documents (PDF copy on CD)
XX As Built Documents in PDF format (copy on CD)
N/A Updated asbuilt CAD base files (copy on CD)

APPROVAL:

Civil Inspector: William Valdez

Date: 7/7/2021

Civil Engineering Supervisor: Kristen Jylles

Date: 7/7/2021



PROJECT SIGN OFF FORM
PUBLIC WORKS - ENGINEERING SERVICES, INSPECTIONS

Date Submitted: 7/7/2021 Commercial Commercial w/Offsite XX Residential

XX COMPLETION ACCEPTANCE (End of Construction) FINAL ACCEPTANCE (End of Warranty)

See Sheet 1 Date of Punch-List Walk Date Punch-List Completed

FS Number: FS19-310 Permit Number(s): See Sheet 1

Project Name: See Sheet 1

Project Developer/Builder: (Name, Address, and Phone #)

See Sheet 1

Sheet 2 of 2

MAG TIP Reporting:

Street Name	Classification	Begin Limits	End Limits	# Lanes	Length to nearest ¼ mi.	Features
Cottontail Ln	Local	164th Dr	Sandstone Way	2	1/4	
Swayback Pass	Local	164th Dr	163rd Ave	2	1/4	

MATERIALS:

Asphalt: See Sheet 1 Supplier Total Lane Miles Total Square Yards

Water: Size/Type Total Linear Feet Size/Type Total Linear Feet

 Size/Type Total Linear Feet Size/Type Total Linear Feet

Sewer: Size/Type Total Linear Feet Size/Type Total Linear Feet

 Size/Type Total Linear Feet Size/Type Total Linear Feet

Storm: Size/Type Total Linear Feet Size/Type Total Linear Feet

 Size/Type Total Linear Feet Size/Type Total Linear Feet

Fire Ln: Size/Type Total Linear Feet Size/Type Total Linear Feet

Additional Comments:

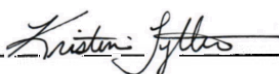
SUPPORTING DOCUMENTATION REQUIRED:

- | | |
|--|---|
| <u> </u> Copy of Punch List | <u> </u> AOC |
| <u> </u> Final Certification Letter from Engineer of Record | <u> </u> Asphalt Concrete Ticket w/ Name of Contractor |
| <u> </u> Complete Geotechnical Testing Packet | <u> </u> Streetlight Energize Letter |
| <u> </u> Sewer Pressure Testing Results | <u> </u> As built Documents (PDF copy on CD) |
| <u> </u> Sewer Manhole Vacuum Testing Certification | <u> </u> As Built Documents in PDF format (copy on CD) |
| <u> </u> Sewer Manhole Insecticide Certification | <u> </u> Updated asbuilt CAD base files (copy on CD) |
| <u> </u> Sewer Videos with Operators Notes (inc. re-videos) | |
| <u> </u> Other <u> </u> (Specify) | |

APPROVAL:

Civil Inspector: William Valdez 

Date: 7/7/2021

Civil Engineering Supervisor: Kristen Jyllen 

Date: 7/7/2021

FS Case	Project Name	Private/Public	Classification	Roadway	Length (ft)	Length (mile)	Length (Nearest 1/4 mile)	Lane Miles	Width (pavement) (ft)	Pavement Area (ft²)	Pavement Area (Sq Yd)
19-310	Desert Oasis Parcel B9	Public	Local	N. 164th Drive	1500.0	0.28	0.25	0.57	24	36,000	4,000
19-310	Desert Oasis Parcel B9	Public	Local	N. 164th Avenue	780.0	0.15	0.25	0.30	24	18,720	2,080
19-310	Desert Oasis Parcel B9	Public	Local	N. 163rd Drive	1700.0	0.32	0.25	0.64	24	40,800	4,533
19-310	Desert Oasis Parcel B9	Public	Local	W. Swayback Pass	790.0	0.15	0.25	0.30	24	18,960	2,107
19-310	Desert Oasis Parcel B9	Public	Local	W. Cottontail Lane	525.0	0.10	0.25	0.20	24	12,600	1,400
				Total	5295.0					Total	14,120

**AGREEMENT FOR AUTOMATIC AID IN FIRE AND EMERGENCY SERVICES
(F&ES)
BETWEEN
SURPRISE, ARIZONA
AND
LUKE AIR FORCE BASE, ARIZONA**

This Automatic Aid Agreement (the “Agreement”), is made and entered into this ____ day of _____ 2022, between the Secretary of the Air Force (the “Air Force”) acting by and through the Commander, 56 Fighter Wing, Luke AFB pursuant to the authority of 42 U.S.C. § 1856a and the City of Surprise (“Surprise Fire-Medical Department”). Together the Air Force and Surprise Fire-Medical Department are hereinafter referred to as the “Parties”.

WITNESSETH:

WHEREAS, each of the Parties hereto maintains equipment and personnel for the suppression of fires and the management of other emergency incidents occurring within areas under their respective jurisdictions; and

WHEREAS, as set forth in 42 U.S.C. § 1856 the term ‘fire protection’ includes personal services and equipment required for fire prevention, the protection of life and property from fire, firefighting, and emergency services, including basic medical support, basic and advanced life support, hazardous material containment and confinement, and special rescue incidents involving vehicular and water mishaps, and trench, building, and confined space extractions; and

WHEREAS, the Parties hereto desire to be assigned fire protection capabilities available in their respective jurisdictions by entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, obligations and agreements herein established, the Parties hereby agree as follows:

- a. The authority to enter into this Agreement is set forth in 42 U.S.C. § 1856a, and Title 15 United States Code Section 2210, the regulations implementing same at Title 44 Code of Federal Regulations Part 151 *Emergency Management and Assistance* and DAFI 32-2001, *F&ES Program*.
- b. This Agreement will serve as the agreement between the Parties for securing to each automatic aid in fire protection services as defined above.
- c. Automatic aid is a form of mutual aid for the automatic response by Luke AFB Fire and Emergency Services (F&ES) to pre-arranged areas outside Luke AFB and an automatic response by Surprise Fire-Medical Department inside Luke AFB for immediate joint response.

d. On request to a representative of the Luke AFB F&ES by a representative of the Surprise Fire-Medical Department, fire protection equipment and personnel of Luke AFB will be dispatched to any point within a 10-mile radius of Luke AFB as designated by the representative of the Surprise Fire-Medical Department.

e. On request to a representative of the Surprise Fire-Medical Department by a representative of the Luke AFB F&ES, fire protection equipment and personnel of the Surprise Fire-Medical Department will be dispatched to any point within the jurisdiction of the Luke AFB as designated by the representative of the Luke AFB F&ES.

f. Any dispatch of equipment and personnel by the Parties pursuant to this Agreement is subject to the following conditions:

(1) Any request for automatic aid hereunder will include a statement of the amount and type of equipment and personnel requested and will specify the location to which the equipment and personnel are to be dispatched, but the amount and type of equipment and the number of personnel to be furnished will be determined by the responding organization. The requesting organization will ensure access to site for the responding organization.

(2) The responding organization will report to the officer in charge of the requesting organization at the location to which the equipment is dispatched, and will be subject to the orders of that official.

(3) The responding organization will be released by the requesting organization when the services of the responding organization are no longer required or when the responding organization is needed within the area for which it normally provides fire protection.

(4) Sharing of non-encrypted Radio Frequencies / INTEROPERABILITY capability between agencies specifically during Mutual Aids for accountability of personnel and assets, including sharing of valuable information between Incident Command and firefighters.

(5) HAZMAT incident response will include the response to, and control and containment of any release or suspected release of any material suspected to be or known to be hazardous. Where the properties of a released material are not known, it will be considered hazardous until proven otherwise by the authority having jurisdiction using all technical resources available. Cleanup and removal of contained HAZMAT will be the responsibility of the requesting organization.

(6) In the event of a crash of an aircraft owned or operated by the United States or military aircraft of any foreign nation within the area for which the Surprise Fire-Medical Department normally provides fire protection services, the chief of the Luke AFB fire department or his or her representative may assume full or unified command on arrival at the scene of the crash.

(7) Regardless of local agencies assigning an incident safety officer, an Air Force representative will be assigned to act as the incident safety officer for Luke AFB to observe Air Force operations at an incident. Local agencies are encouraged to assign a safety officer to observe the agencies support and operations at an incident on the installation.

g. Each Party hereby agrees that its intent with respect to the rendering of assistance to the other Party under this Agreement is not to seek reimbursement from the Party requesting such assistance.

(1) Notwithstanding the above, the Parties hereby recognize that pursuant to the Section 11 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. § 2210) and Federal regulations issued there under (44 Code of Federal Regulations Part 151), Surprise Fire-Medical Department is permitted to seek reimbursement for all or any part of its direct expenses and losses (defined as additional firefighting costs over normal operational costs) incurred in fighting fires on property under the jurisdiction of the United States. Furthermore, under the authority of 42 U.S.C. § 1856a, and pursuant to any applicable state or local law each Party hereby reserves the right to seek reimbursement from the other for all or any part of the costs (defined as additional firefighting costs over normal operational costs) incurred by it in providing fire protection services to the other Party.

(2) Luke AFB F&ES will not support the request or use of firefighting foams, chemicals, or other materials off the installation except where DoD assets are involved and it is required for the expedient protection and mitigation of incidents involving DoD assets, life safety, and/or the preservation of property.

h. Both Parties agree to implement the National Incident Management System during all emergency responses on and off Installations IAW *National Fire Protection Association Standard 1561*.

i. Each Party waives all claims against the other Party for compensation for any loss, damage, personal injury, or death occurring as a consequence of the performance of this Agreement. This provision does not waive any right of reimbursement pursuant to paragraph g.

j. All equipment used by Surprise Fire-Medical Department in carrying out this Agreement will, at the time of action hereunder, be owned by it; and all personnel acting for Surprise Fire-Medical Department under this Agreement will, at the time of such action, be an employee or volunteer member of Surprise Fire-Medical Department.

k. The rendering of assistance under the terms of this Agreement will not be mandatory; however, the Party receiving a request for assistance will endeavor to immediately inform the requesting Party if the requested assistance cannot be provided and, if assistance can be provided, the quantity of such resources as may be dispatched in response to such request.

l. Neither Party will hold the other Party liable or at fault for failing to respond to any request for assistance or for failing to respond to such a request in a timely manner or with less than optimum equipment and/or personnel, it being the understanding of the Parties that each is primarily and ultimately responsible for the provision of fire protection services needed within their own jurisdictions.

m. Disputes.

Parties to Negotiate. If a dispute should arise, the Parties agree to first attempt to resolve the dispute using unassisted negotiation techniques (i.e., without the assistance of a neutral third party). Either Party may request in writing that unassisted negotiations commence. As part of the unassisted negotiation, the Parties shall consider employing joint fact-finding, if material factual disputes are involved, and shall use other early resolution techniques appropriate to the circumstances. If the dispute involves material issues of fact, the Parties may employ a neutral third party to provide a confidential evaluation of the issues of fact.

n. Alternative Dispute Resolution.

1. If the dispute is not resolved within sixty (60) days after the request for unassisted negotiations, and the Parties do not mutually agree to continue the unassisted negotiations, the Parties shall employ alternative dispute resolution procedures involving nonbinding mediation of the dispute by a neutral third party. The alternative dispute resolution procedures employed shall include a confidential evaluation of both the facts and the law and the issuance of confidential recommendations by the neutral third party.

2. By entering into this Agreement, the Parties have voluntarily adopted alternative dispute resolution procedures IAW 5 United States Code. § 572(c). These procedures shall not be employed if determined by either Party to be inappropriate after taking into consideration the factors enumerated at 5 United States Code. § 572(b). A Party rejecting alternative dispute resolution as inappropriate shall document its reasons in writing and deliver them to the other Party. The Parties shall enter into a master written alternative dispute resolution Agreement governing alternative dispute resolution proceedings that may be amended as needed to fit individual proceedings. (A template of an acceptable alternative dispute resolution agreement may be found at www.adr.af.mil).

3. The Government's obligation to make any payment arising out of an agreement resolving a dispute under this Agreement is contingent upon the availability of funds proper for such payment. Surprise Fire-Medical Department's obligation to make any payment arising out of an agreement resolving a dispute under this Agreement is contingent upon the availability of funds proper for such payment.

o. All notices, requests, demands, and other communications, which may or are required to be delivered hereunder will be in writing and will be delivered by messenger, by a nationally-

recognized overnight mail delivery service or by certified mail, return receipt requested, at the following addresses:

For the Air Force:

Luke AFB

c/o Commander, 56th Fighter Wing
7222 Fighter Country Drive
Luke AFB, AZ 85309

And:

Department of the Air Force
Air Force Civil Engineer Center/CXF
139 Barnes Dr, Suite 1
Tyndall AFB FL 32403-5319

And:

Luke AFB
c/o Fire Chief
7222 Fighter Country Drive
Luke AFB, AZ 85309

For Surprise Fire-Medical Department

Surprise Fire-Medical Department
“attention to” Fire Chief
14250 W Statler Plaza, Suite 101
Surprise, AZ 85374

p. Luke AFB agrees to hold Surprise Fire-Medical Department harmless in the execution of any assistance it provides to Luke AFB.

q. This Agreement will become effective on the date of the last signature to the Agreement and will remain in effect for five years _____ from that date _____. The Parties to this agreement shall conduct an annual review for currency to respective regulatory and policy guidance and shall acknowledge review by cover letter signature from both Parties’ senior fire officers. Either Party may unilaterally terminate this Agreement during the Term by sending notification of its intent to terminate to the other Party at 180 days in advance of the proposed date of termination. Such notification will be in the form of a written submission to the other Party.

r. Upon becoming effective, this Agreement will supersede and cancel all previous agreements between the Parties concerning the rendering of assistance from one to the other for the purposes stated in this Agreement.

s. The modification or amendment of this Agreement, or any of the provisions of this Agreement, will not become effective unless executed in writing by both Parties.

t. This Agreement may be executed in one or more counterparts, each of which will be deemed an original.

IN WITNESS WHEREOF, The Parties have caused this Agreement to be executed by their duly authorized representatives on the dates shown below:

CITY OF SURPRISE
For Surprise Fire-Medical Department

THE UNITED STATES OF AMERICA
by the Secretary of the Air Force

Bob Wingenroth
City Manager
Surprise, Arizona

JASON M. RUESCHHOFF, Brig Gen, USAF
Commander, 56th Fighter Wing (AETC)
Luke Air Force Base

Date: _____

Date: _____

RESOLUTION # 2023-37

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY
OF SURPRISE, ARIZONA APPROVING AN
INTERGOVERNMENTAL AGREEMENT WITH LUKE AIR FORCE
BASE, ARIZONA FOR AUTOMATIC AID IN FIRE PROTECTION
SERVICES.**

WHEREAS, pursuant to Arizona Revised Statute §11-951, *et seq.*, the City of Surprise has the authority to enter into intergovernmental agreement with other governmental entities for the purposes set forth within;

WHEREAS, the parties hereto maintain equipment and personnel for the suppression of fires and the management of other emergency incidents occurring within areas under their respective jurisdictions; and

WHEREAS, the parties desire to enter into an intergovernmental agreement in order to be assigned fire protection capabilities available in their respective jurisdictions by entering into this Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. The Intergovernmental Agreement between the City of Surprise and the **LUKE AIR FORCE BASE, ARIZONA**, attached as Exhibit A, is approved.

Section 2. The City Manager, or his designee, is hereby authorized to execute and submit all documents and other necessary or desirable instruments in connection with said agreement.

APPROVED AND ADOPTED this ____ day of _____, 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF SURPRISE AND LUKE AIR FORCE BASE, ARIZONA

**AGREEMENT FOR AUTOMATIC AID IN FIRE AND EMERGENCY SERVICES
(F&ES)
BETWEEN
SURPRISE, ARIZONA
AND
LUKE AIR FORCE BASE, ARIZONA**

This Automatic Aid Agreement (the “Agreement”), is made and entered into this ____ day of _____ 2022, between the Secretary of the Air Force (the “Air Force”) acting by and through the Commander, 56 Fighter Wing, Luke AFB pursuant to the authority of 42 U.S.C. § 1856a and the City of Surprise (“Surprise Fire-Medical Department”). Together the Air Force and Surprise Fire-Medical Department are hereinafter referred to as the “Parties”.

WITNESSETH:

WHEREAS, each of the Parties hereto maintains equipment and personnel for the suppression of fires and the management of other emergency incidents occurring within areas under their respective jurisdictions; and

WHEREAS, as set forth in 42 U.S.C. § 1856 the term ‘fire protection’ includes personal services and equipment required for fire prevention, the protection of life and property from fire, firefighting, and emergency services, including basic medical support, basic and advanced life support, hazardous material containment and confinement, and special rescue incidents involving vehicular and water mishaps, and trench, building, and confined space extractions; and

WHEREAS, the Parties hereto desire to be assigned fire protection capabilities available in their respective jurisdictions by entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, obligations and agreements herein established, the Parties hereby agree as follows:

- a. The authority to enter into this Agreement is set forth in 42 U.S.C. § 1856a, and Title 15 United States Code Section 2210, the regulations implementing same at Title 44 Code of Federal Regulations Part 151 *Emergency Management and Assistance* and DAFI 32-2001, *F&ES Program*.
- b. This Agreement will serve as the agreement between the Parties for securing to each automatic aid in fire protection services as defined above.
- c. Automatic aid is a form of mutual aid for the automatic response by Luke AFB Fire and Emergency Services (F&ES) to pre-arranged areas outside Luke AFB and an automatic response by Surprise Fire-Medical Department inside Luke AFB for immediate joint response.

d. On request to a representative of the Luke AFB F&ES by a representative of the Surprise Fire-Medical Department, fire protection equipment and personnel of Luke AFB will be dispatched to any point within a 10-mile radius of Luke AFB as designated by the representative of the Surprise Fire-Medical Department.

e. On request to a representative of the Surprise Fire-Medical Department by a representative of the Luke AFB F&ES, fire protection equipment and personnel of the Surprise Fire-Medical Department will be dispatched to any point within the jurisdiction of the Luke AFB as designated by the representative of the Luke AFB F&ES.

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(2) The responding organization will report to the officer in charge of the requesting organization at the location to which the equipment is dispatched, and will be subject to the orders of that official.

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(4) Sharing of non-encrypted Radio Frequencies / INTEROPERABILITY capability between agencies specifically during Mutual Aids for accountability of personnel and assets, including sharing of valuable information between Incident Command and firefighters.

(5) HAZMAT incident response will include the response to, and control and containment of any release or suspected release of any material suspected to be or known to be hazardous. Where the properties of a released material are not known, it will be considered hazardous until proven otherwise by the authority having jurisdiction using all technical resources available. Cleanup and removal of contained HAZMAT will be the responsibility of the requesting organization.

(6) In the event of a crash of an aircraft owned or operated by the United States or military aircraft of any foreign nation within the area for which the Surprise Fire-Medical Department normally provides fire protection services, the chief of the Luke AFB fire department or his or her representative may assume full or unified command on arrival at the scene of the crash.

(7) Regardless of local agencies assigning an incident safety officer, an Air Force representative will be assigned to act as the incident safety officer for Luke AFB to observe Air Force operations at an incident. Local agencies are encouraged to assign a safety officer to observe the agencies support and operations at an incident on the installation.

g. Each Party hereby agrees that its intent with respect to the rendering of assistance to the other Party under this Agreement is not to seek reimbursement from the Party requesting such assistance.

(1) Notwithstanding the above, the Parties hereby recognize that pursuant to the Section 11 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. § 2210) and Federal regulations issued there under (44 Code of Federal Regulations Part 151), Surprise Fire-Medical Department is permitted to seek reimbursement for all or any part of its direct expenses and losses (defined as additional firefighting costs over normal operational costs) incurred in fighting fires on property under the jurisdiction of the United States. Furthermore, under the authority of 42 U.S.C. § 1856a, and pursuant to any applicable state or local law each Party hereby reserves the right to seek reimbursement from the other for all or any part of the costs (defined as additional firefighting costs over normal operational costs) incurred by it in providing fire protection services to the other Party.

(2) Luke AFB F&ES will not support the request or use of firefighting foams, chemicals, or other materials off the installation except where DoD assets are involved and it is required for the expedient protection and mitigation of incidents involving DoD assets, life safety, and/or the preservation of property.

h. Both Parties agree to implement the National Incident Management System during all emergency responses on and off Installations IAW *National Fire Protection Association Standard 1561*.

i. Each Party waives all claims against the other Party for compensation for any loss, damage, personal injury, or death occurring as a consequence of the performance of this Agreement. This provision does not waive any right of reimbursement pursuant to paragraph g.

j. All equipment used by Surprise Fire-Medical Department in carrying out this Agreement will, at the time of action hereunder, be owned by it; and all personnel acting for Surprise Fire-Medical Department under this Agreement will, at the time of such action, be an employee or volunteer member of Surprise Fire-Medical Department.

k. The rendering of assistance under the terms of this Agreement will not be mandatory; however, the Party receiving a request for assistance will endeavor to immediately inform the requesting Party if the requested assistance cannot be provided and, if assistance can be provided, the quantity of such resources as may be dispatched in response to such request.

l. Neither Party will hold the other Party liable or at fault for failing to respond to any request for assistance or for failing to respond to such a request in a timely manner or with less than optimum equipment and/or personnel, it being the understanding of the Parties that each is primarily and ultimately responsible for the provision of fire protection services needed within their own jurisdictions.

m. Disputes.

Parties to Negotiate. If a dispute should arise, the Parties agree to first attempt to resolve the dispute using unassisted negotiation techniques (i.e., without the assistance of a neutral third party). Either Party may request in writing that unassisted negotiations commence. As part of the unassisted negotiation, the Parties shall consider employing joint fact-finding, if material factual disputes are involved, and shall use other early resolution techniques appropriate to the circumstances. If the dispute involves material issues of fact, the Parties may employ a neutral third party to provide a confidential evaluation of the issues of fact.

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recognized overnight mail delivery service or by certified mail, return receipt requested, at the following addresses:

For the Air Force:

Luke AFB

c/o Commander, 56th Fighter Wing
7222 Fighter Country Drive
Luke AFB, AZ 85309

And:

Department of the Air Force
Air Force Civil Engineer Center/CXF
139 Barnes Dr, Suite 1
Tyndall AFB FL 32403-5319

And:

Luke AFB
c/o Fire Chief
7222 Fighter Country Drive
Luke AFB, AZ 85309

For Surprise Fire-Medical Department

Surprise Fire-Medical Department
“attention to” Fire Chief
14250 W Statler Plaza, Suite 101
Surprise, AZ 85374

p. Luke AFB agrees to hold Surprise Fire-Medical Department harmless in the execution of any assistance it provides to Luke AFB.

q. This Agreement will become effective on the date of the last signature to the Agreement and will remain in effect for five years _____ from that date _____. The Parties to this agreement shall conduct an annual review for currency to respective regulatory and policy guidance and shall acknowledge review by cover letter signature from both Parties’ senior fire officers. Either Party may unilaterally terminate this Agreement during the Term by sending notification of its intent to terminate to the other Party at 180 days in advance of the proposed date of termination. Such notification will be in the form of a written submission to the other Party.

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t. This Agreement may be executed in one or more counterparts, each of which will be deemed an original.

IN WITNESS WHEREOF, The Parties have caused this Agreement to be executed by their duly authorized representatives on the dates shown below:

CITY OF SURPRISE
For Surprise Fire-Medical Department

THE UNITED STATES OF AMERICA
by the Secretary of the Air Force

Bob Wingenroth
City Manager
Surprise, Arizona

JASON M. RUESCHHOFF, Brig Gen, USAF
Commander, 56th Fighter Wing (AETC)
Luke Air Force Base

Date: _____

Date: _____



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Trever Fleetham, PLANNER
SENIOR

Submitting Department: Community Development District: District 3

Staff Recommendations:

Consent: No

Regular: No

Public Hearing: Yes

Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to a Major Planned Area Development (PAD) Amendment to the Prasada PAD to change the land use designation from PGV-1 to PGV-E for approximately 22 gross acres to accommodate a Dignity Health West Valley Campus. The site is generally located at the southwest corner of Greenway Road and Loop 303; Ordinance #2023-06.

Motion:

I move to approve Ordinance #2023-06.

Background:

Gammage & Burnham, PLC requests a Major PAD Amendment to the Prasada PAD to change the land use designation for approximately 22 gross acres to accommodate a Dignity Health West Valley Campus. The change would result in the overall 40-acre parcel, located at the southwest corner of Greenway Road and Loop 303, designated as PGV-E within the Prasada PAD.

Objective Analysis:

This Major PAD Amendment would allow the applicant to develop the property with a medical campus.

Policy Compliant:

The requested Major PAD Amendment, as outlined and detailed in the amendment document, is consistent with the Surprise Land Development Ordinance, the Prasada PAD, and advances the goals and policies of the General Plan.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Staff Report 040423 CC
 2. 01 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Vicinity Map
 3. 02 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Zoning Map
 4. 03 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Current & Proposed Land Use
 5. 04 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Amendment Document
 6. 05 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Affidavit of Site Posting
 7. 06 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Citizen Participation Report
REDACTED
 8. 07 - FS22-1332 Dignity Health Prasada Major PAD Amendment - Ordinance
 9. FS22-1332 Dignity Health Prasada Major PAD Amendment - 040423 CC
-

MAJOR PAD AMENDMENT

REPORT TO THE CITY COUNCIL

Case: **FS22-1332**

Project Name: Dignity Health Prasada Major PAD Amendment

Council District: 3 – Mesquite

Meeting Date: **April 4, 2023**

Planner: Trever Fleetham, AICP

Owner: Suburban Land Reserve, LLC

Applicant: Gammage & Burnham, PLC

Request: Major Planned Area Development (PAD) Amendment to the Prasada PAD to change the land use designation for approximately 22 gross acres to accommodate a Dignity Health West Valley Campus.

Site Location: Generally located at the southwest corner of Greenway Road and Loop 303, within the Prasada PAD.

Site Size: 22 gross acres (approx.)

General Plan Conformance: The proposal is consistent with the Surprise General Plan 2035.

Support/Opposition: See attached Citizen Participation Report

Staff Recommendation: Staff recommends the Commission move to recommend **approval** of case **FS22-1332**, subject to stipulations 'a' through 'c'.

39 **Project Description:**

40 Manjula Vaz with Gammage & Burnham, PLC requests a Major PAD Amendment to the
41 Prasada PAD to change the land use designation for approximately 22 gross acres from
42 Prasada Gateway Village 1 (PGV-1) to Prasada Gateway Village Employment (PGV-E).
43 The change would result in the overall 40-acre parcel, located at the southwest corner of
44 Greenway Road and Loop 303, being designated as PGV-E to accommodate a future Dignity
45 Health West Valley Campus.

46
47 **Background:**

48
49 **June 22, 2006:** The Mayor and City Council approved the Prasada Planned Area
50 Development under case PAD05-465, Ordinance #06-26.

51
52 **September 14, 2006:** The subject property was annexed into the City of Surprise under
53 Ordinance #06-42.

54
55 **July 14, 2022:** The applicant met with staff to discuss the subject proposal during a
56 regularly scheduled Concept Review Meeting under case CR22-0635.

57
58 **October 3, 2022:** The applicant submitted for a Major PAD Amendment to the Prasada
59 PAD under case FS22-1332, the subject case.

60
61 **March 16, 2023:** The Planning & Zoning Commission recommended approval of FS22-
62 1332, subject to stipulations 'a' through 'c'.

63
64 **Analysis and Discussion:**

65 The subject site is located within the Gateway Village of the Prasada PAD, which includes
66 six (6) different land use designations with varying allowed uses and associated
67 development standards. Dignity Health is proposing to develop a West Valley Campus
68 on approximately 40 gross acres that currently holds two land use designations under the
69 PAD. The northern portion of the site is designated as PGV-1, while the southern portion
70 is designated as PGV-E.

71
72 According to the PAD, PGV-1 is intended to provide neighborhood level retail services
73 which may include a variety of commercial land uses as well as employment and a limited
74 amount of residential development. PGV-E provides primarily employment uses including
75 traditional office development, hospital, medical office buildings and medically related
76 employment uses as well as retail, hospitality and a limited amount of residential
77 development.

While both land use designations allow for 'Health Care Facilities', the PGV-E designation is more appropriate for, and more conducive to, the intended development. The request to change the PGV-1 area of the site to PGV-E will result in the entire site being designated as PGV-E and allow flexibility in terms of site layout and operations. The setbacks and open space requirements for PGV-1 and PGV-E are identical, but the PGV-E area allows for building heights up to 200 feet while PGV-1 limits heights to 60 feet. Additionally, the PGV-E designation allows for helipads while the PGV-1 designation does not.

The site is also located within the Prasada Gateway Village Perimeter Overlay District (PGV-POD) along the northern boundary. This area is a 300 foot deep perimeter overlay which is intended to provide protection for existing residential development located at the edges of the Prasada Gateway and Urban Villages. Development within this overlay is more restrictive with respect to heights and setbacks in order to create a sensitive transition into the Prasada Gateway Village Core. The subject application retains the PGV-POD overlay and its associated development standards which are shown below.

SECTION 5.0
82

PRASADA GATEWAY VILLAGE
Prasada Gateway Village Development Standards

	PGV-POD	PGV-1	PGV-2	PGV-3	PGV-E	PGV-RC
Minimum Building Setback from Public Streets ⁽⁴⁾⁽⁵⁾						
Arterials	30' ⁽²⁾	0'	0'	0'	0'	0'
Collectors	20'	0'	0'	0'	0'	0'
Locals	10'	0'	0'	0'	0'	0'
Building Height ⁽³⁾	30' ⁽¹⁾⁽³⁾	60'	120'	120'	200'	200'
Open Space	15%	10%	10%	10%	10%	10%

(1) PGV-POD 30' maximum building height with 1' increased height allowed for every 4' of additional building setback in excess of 30', not to exceed 60' total building height. However, the building height shall be limited to a maximum of three(3) stories within the POD on Greenway Road adjacent to the Northwest Ranch Community, along Sarival Road between Greenway Road and Waddell Road adjacent to the Legacy Parc Community and along Waddell Road across from the Legacy Parc Community within the PUV-4 zoning district.

(2) The minimum building setback on Greenway Road and Sarival Road for property within the PGV-POD adjacent to the Northwest Ranch and Legacy Parc Communities will be increased to 45 feet.

(3) Building Heights will be measured from finished grade to top of parapet on flat roof structures or to the median height on a sloped roof structure. This excludes equipment, penthouses, elevator shafts and architectural embellishments.

(4) Architectural embellishments shall be allowed on up to 25% of the building roofline.

(5) Building setback from arterial streets shall be measured from the right-of-way to the face of the building structure.

(6) Outdoor patios, dining areas, overhangs, canopies, porches, patios, trellises, architectural embellishments and fixtures shall be allowed to extend into the setbacks.

No changes to the development standards or design guidelines are being requested as part of this application. The development of this site will be subject to the Prasada Design Review Committee (DRC) review and approval process prior to City approval.

Utility and Services Table:

April 4, 2023 City Council
Case: FS22-1332
Prasada Major PAD Amendment
Page 3 of 5

Electric:	APS
Water:	EPCOR
Wastewater:	City of Surprise
School District	Dysart Unified School District

Conformance with Adopted Plans:

Surprise General Plan 2035: The Surprise General Plan 2035 shows the subject property as lying within the Commerce & Office Character Area, which can accommodate a variety of land uses. The General Plan states that these areas are “intended to provide opportunities for a mixture of commercial and retail uses, office and employment areas, higher density housing, hospitality developments, government and civic uses, educational and medical campuses, and entertainment choices to encourage a true live, work play environment.” The site is also located with the Transit Oriented Development (TOD) overlay and the 303 Corridor Employment Growth Area, which is “expected to be a prestigious corporate center and high density development area.”

As such, the proposed Major PAD Amendment demonstrates consistency with this land use category and advances the goals and policies of the General Plan.

Reviewing Agencies:

In addition to the standard city reviewing agencies, Maricopa Water District, Arizona Department of Transportation (ADOT) and Luke AFB were included in the routing of this request. These agencies indicated no objections to the request, though Luke AFB stated, “Luke AFB reserves the right to review/comment on final plans submitted to Surprise, in particular, regarding the potential for a helipad.”

Citizen Outreach:

The applicant held a neighborhood outreach meeting on December 21, 2022 at 6pm at the Cimarron Springs Middle School Media Center, with an additional virtual attendance option. The meeting was posted and noticed per the requirements of the LDO and State Statute. There were four (4) members of the public in-person and one (1) virtually. Questions posed by the attendees included topics of development timing, access, phasing, height, and future development in the area. See the attached Citizen Participation Report for a detailed summary.

Summary:

The proposed Major PAD Amendment to the Prasada PAD to change the land use designation from PGV-1 to PGV-E for approximately 22 gross acres to accommodate a Dignity Health West Valley Campus is consistent with the intent of the Prasada PAD and Surprise General Plan 2035.

Findings:

- The proposed Major PAD Amendment is consistent with, and will advance the goals and policies of, the Surprise General Plan 2035.

Staff's Recommendation:

Based on the findings noted above, staff recommends the City Council **approve Ordinance #2023-06** subject to stipulations 'a' through 'c' as follows:

- a. Development and use of the site shall be consistent with the PAD Amendment document entitled "Prasada Major Planned Area Development for Dignity Health", prepared by Gammage & Burnham, PLC, dated January 10, 2023.
- b. Developer must submit for review a Traffic Impact Analysis (TIA) at the time of Site Plan. On and off-site requirements are subject to change dependent on the results of the TIA.
- c. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the applicable provisions of the Surprise Municipal Code.

However, should the City Council wish to **deny** the request, the Council should make its own findings and base its decision on those alternative findings.

Attachments:

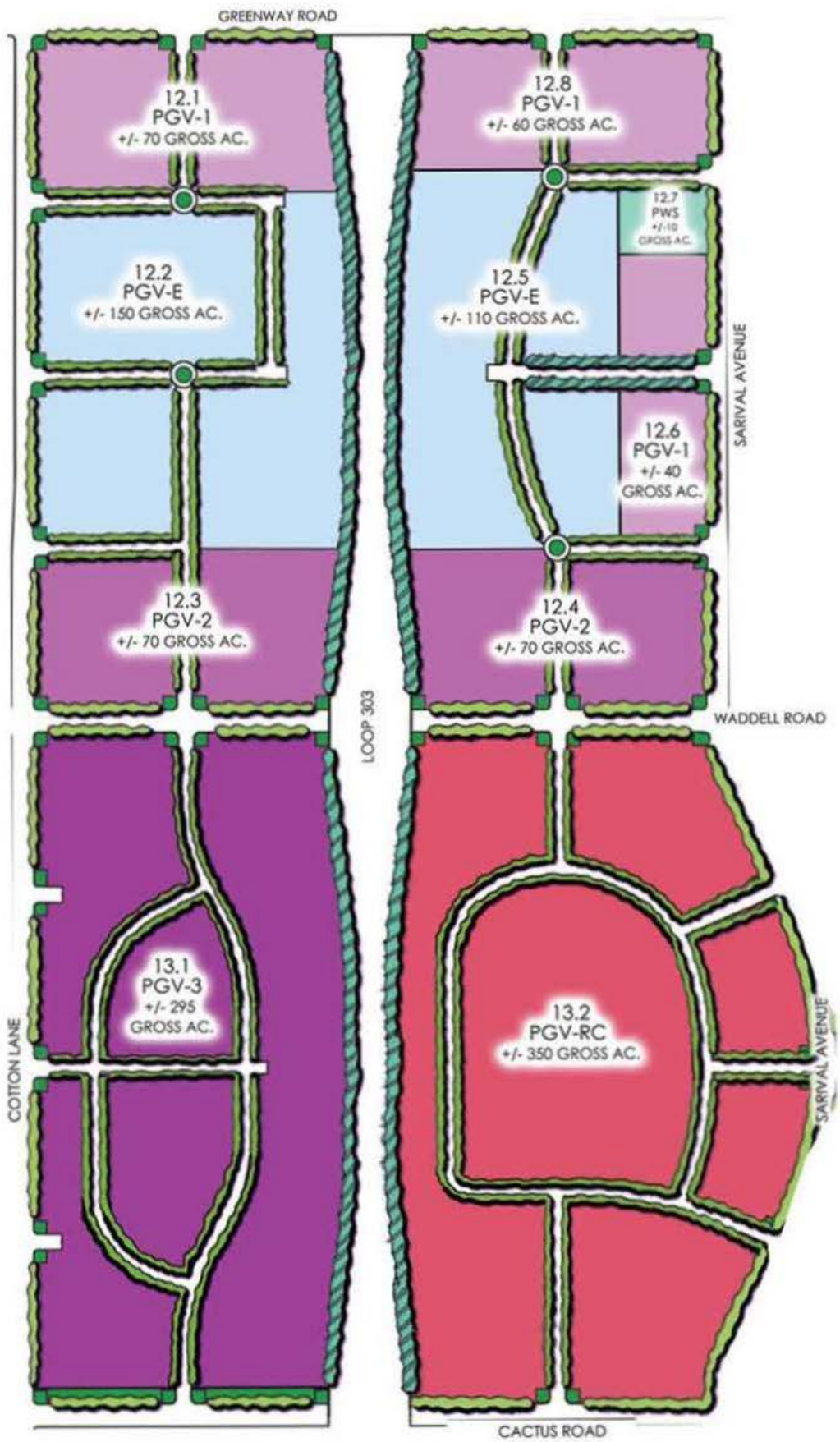
01 Vicinity Map
02 Zoning Map
03 Current & Proposed Land Use Maps
04 PAD Amendment Document
05 Affidavit of Site Posting
06 Citizen Outreach Report – REDACTED
07 Ordinance
PPT



FS22-1332 VICINITY MAP

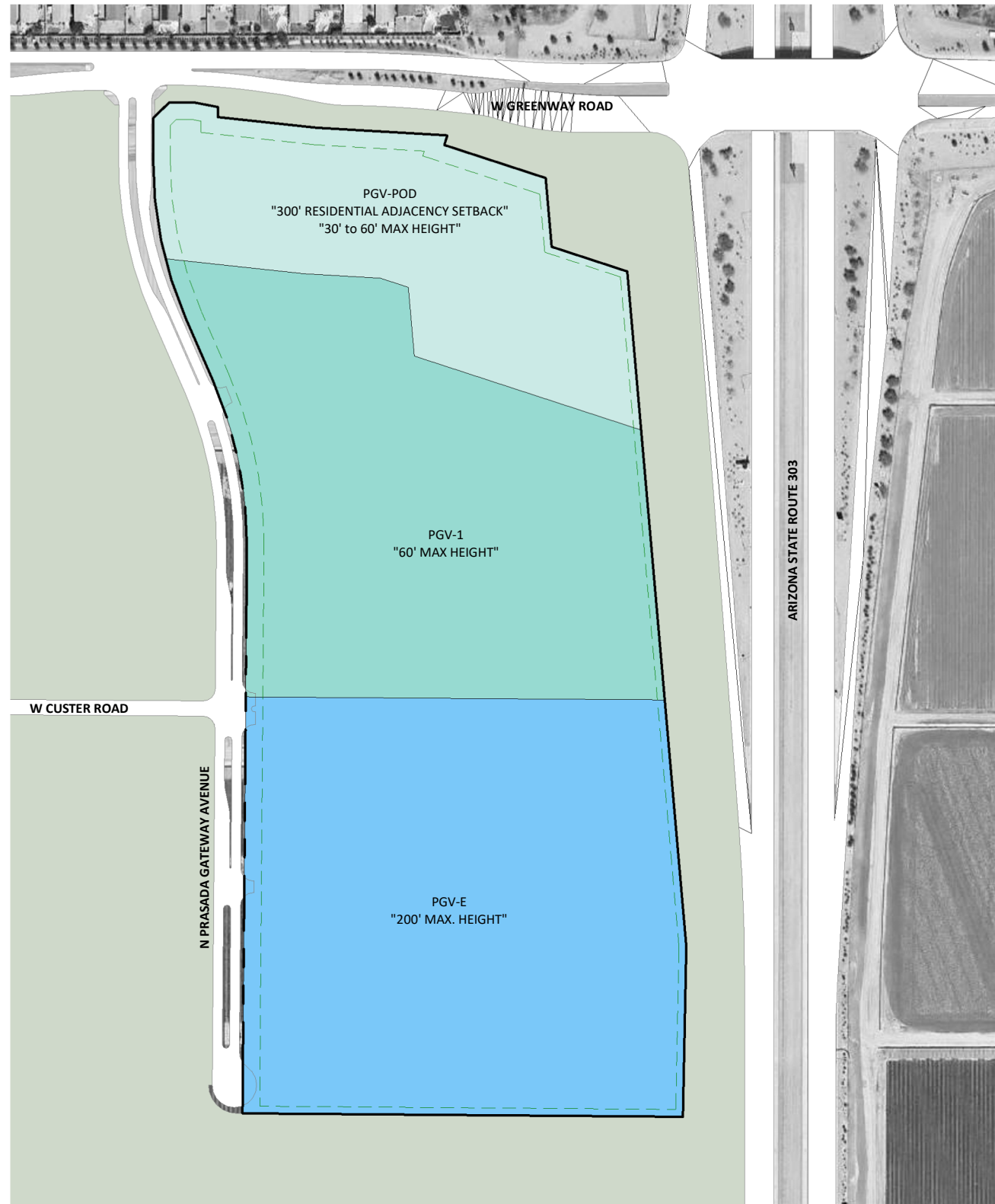


FS22-1332 ZONING MAP

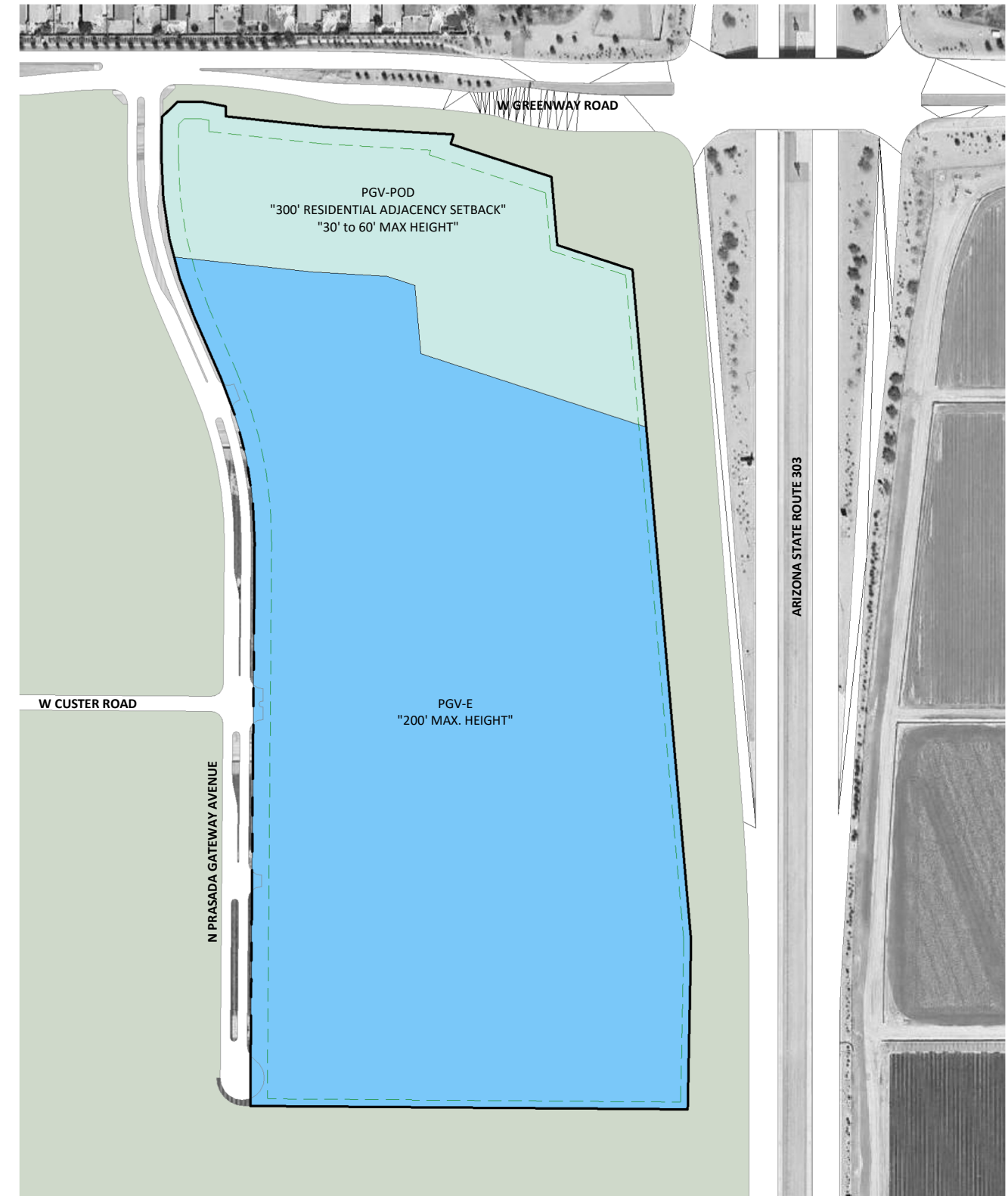


PRASADA
SURPRISE, ARIZONA

GATEWAY VILLAGE ILLUSTRATIVE LAND USE PLAN



EXISTING SITE ZONING



PROPOSED SITE ZONING

Prasada Major Planned Area Development Amendment

for

Dignity Health

Southwest corner of the 303-Freeway and Greenway Road

Submittal by:

Gammage & Burnham, PLC
Attn: Manjula M. Vaz
40 North Central Avenue, 20th Floor
Phoenix, AZ 85004
mvaz@gblaw.com
Phone: (602) 256-4461

For:

National Real Estate Services CommonSpirit Health
Attn: SSVP National Real Estate Services
Travis Messina
System Senior Vice President
198 Inverness Drive West
Englewood, CO 80112
travis.messina@commonspirit.org
Phone: (602) 294-4188

Case No.: FS22-1332

1st Submittal Date: September 29, 2022

2nd Submittal Date: January 10, 2023

TABLE OF EXHIBITS

Exhibit Letter	Description
A	Property Location Aerial Map / Legal Description of Property
B	Existing / Proposed Prasada Planned Area Development Master Plan Map w/ Prasada Gateway Village Summary Chart
C	Conceptual Site Plan, Context Plan w/Site Plan Imbedded, & Height Transition Graphic

I. INTRODUCTION

Dignity Health (“Dignity”) is proposing to develop on approximately a 40-acre property located at southwest corner of the 303-Freeway and Greenway Road (the “Site”) within the increasingly successful Prasada Planned Area Development (“Prasada PAD”) in an area identified as the Gateway Village. (See attached **Exhibit ‘A’** – Property Location Aerial Map / Legal Description of Property) Dignity has been serving the community with multiple hospitals and a comprehensive system of health care services for many years. The proposed Dignity Health – West Valley Campus Master Plan (“West Valley Campus”) is part of Dignity’s vision to develop a dynamic new medical center providing a broad range of healthcare services to serve the City of Surprise and the broader West Valley. The proposed West Valley Campus will be a destination and regional provider of health care services. This medical center may include primary and specialty care practices along with outpatient imaging, ambulatory surgery center, and other ancillary services.

It is worth noting, the City Council approved (i.e., provided direction) that approximately 400-acres of non-retail employment be located within the Prasada PAD Mixed Use Gateway area. The definition of “non-retail employment” with the Prasada PAD states the following: traditional office, research and laboratories, hospitals and other non-retail medically related employment uses such as extended care, assisted living, nursing homes and skilled nursing, which fits perfectly with the proposed medical campus’s vision. Due to its location with ease of access to the 303-Freeway, major arterial street network, and significant/continued growth will make this an optimal location for years. The medical center will focus on serving Surprise, but also will serve communities in the Northwest Valley.

II. OVERVIEW OF THE PROPOSAL

The 2006 Prasada PAD master plan/zoning, and more particularly the Prasada Gateway Village area, is ideal for this proposed West Valley Campus. The Site falls within two (2) sub-areas of the Prasada Gateway Village; they are:

1. Prasada Gateway Village - Level 1 (PGV-1) which is intended to provide neighborhood level retail services which may include a variety of commercial land uses as well as employment and a limited amount of residential development, and
2. Prasada Gateway Village – Employment (PGV-E) which provides for primarily employment uses including traditional office development, hospital, medical office buildings and medically related employment uses as well as retail, hospitality and a limited amount of residential development.

The Site is also governed by the Prasada Gateway Village Perimeter Overlay District - (“PGV-POD”). The PGV-POD is a 300-foot deep perimeter overlay which is intended to provide protection for existing residential development located at the edges of the Prasada Gateway and Urban Villages. Development within this overlay is more restrictive with respect to heights and setbacks in order to create a sensitive transition into the Prasada Gateway Village Core.

The proposal is to amend the Prasada Master Plan on the approximate 22 acres (i.e., the north-half) of the Site from Prasada Gateway Village-1 (“PGV-1”) to Prasada Gateway Village—Employment (“PGV-E”). (See attached **Exhibit ‘B’** - Existing / Proposed Prasada Planned Area Development Master Plan Map w/ Prasada Gateway Village Summary Chart) With this change, the entire 40-acres at the southwest corner of the 303-Freeway and Greenway Road will be

designated as Prasada Gateway Village PVG-E while maintaining the PGV-POD's 300-foot deep perimeter height restriction.

The PGV-E land use is intended primarily for employment uses including traditional office development, hospital, medical office buildings and medically related employment uses as well as retail, hospitality, and a limited amount of residential development. The intent of the request to change the entire Site to PGV-E is to allow Dignity flexibility in terms of site layout and operations. Dignity has not yet determined the exact layout of the hospital and the associated medical office buildings but has completed a concept site plan layout for reference. (See attached **Exhibit 'C'** – Conceptual Site Plan, Context Plan w/Site Plan Imbedded, & Height Transition Graphic) It is worth noting, the existing PGV-1 land use already permits and anticipated medical uses in this area, such as: medical centers, clinics, specialties, nursing homes/extended care, congregate living/congregate care, assisted living/skilled nursing; and emergi/surgi/urgent care facilities. It is anticipated that some of these types of medical uses (originally envisioned) will still be located in the north portion of the West Valley Campus.

The proposed conceptual site plan works towards maintaining these two (2) subareas or the “spirit,” to some degree, by transitioning/buffering development away from Greenway Road and the single-family homes north (i.e., maintaining the PGV-POD's 300-foot deep perimeter height restriction). The Dignity West Valley Campus will be built in phases to align with the growing demands of the community; thus, as stated, flexibility is key to long-term sustainability/success. While the future expansions will be dictated by the market, it is believed the campus may have a full-service hospital with over 300 patient beds. The hospital will have an extensive Emergency Department as a Trauma 1 Center serviced by dual helipads and ambulance services. Both the surgery department and emergency department will be supported by a state-of-the-art diagnostic and imaging department include MRI, CT, General Radiation, Fluoroscopy and Ultrasound services. In addition, at full buildout, it is anticipated that the Site will support up to four (4) medical office buildings, totaling approximately 300,000 square feet providing ambulatory and outpatient services.

Conceptually, the first phase of the project will develop the infrastructure necessary to connect the Site to the community. This includes the further development of Prasada Gateway Avenue to extend to the southern point of the campus with a turnaround that can easily be extended as the area continues to be developed. The main entrance to the campus will be located at the intersection of Custer Road and Prasada Gateway Avenue. A separate entrance for the emergency department, ambulances and services vehicles will be located south of the main entrance.

A more detailed Final Site Plan will be submitted to the City at a future date with additional details on the Dignity's West Valley Campus Master Plan layout, building elevations, landscaping, amenities, parking, monument signage, building signage, etc.

III. CONCLUSION

In summation, the entire 40-acre Site is well-suited for the proposed Prasada Gateway Village – Employment (PVG-E) and the Prasada Gateway Village Perimeter Overlay District - (“PGV-POD”) designation (i.e., a height restriction) along Greenway Road and the residential homes to the north is supported, reasonable, and in conformance with the City's General Plan, the Prasada PAD, and the surrounding/existing context (i.e., 303-Freeway, single-family homes, regional commercial uses, etc.). The reclassification/alignment of the land use designations within the Prasada PAD for this Site is appropriate and reasonable due to current market demand for medical/hospital, existing/planned development occurring in the area, and the proposed end user

(Dignity). The Final Site Plan/development uses for the 40-acres will fit seamlessly with the proposed commercial, retail, entertainment/hospitality, general office, multifamily, etc. to be developed west/south of this request. With that said, we look forward to working with the City of Surprise on realizing this valuable, and needed, asset to the City and look forward to receiving approval.

EXHIBIT ‘A’

LOCATION MAP



SUBJECT PROPERTY

**DIGINITY HEALTH
40 ACRE PARCEL
LEGAL DESCRIPTION**

A portion of land being situated within the Northwest quarter of Section 12, Township 3 North, Range 2 West of the Gila and Salt River Meridian, Maricopa County, Arizona, being more particularly described as follows:

COMMENCING at a found 3 inch Arizona Department of Transportation (ADOT) aluminum cap dated 2016 RLS 21782, accepted as the North quarter corner of said Section 12, from which a found City of Surprise brass cap in hand hole accepted as the Northwest corner thereof bears North 89°47'13" West, 2635.63 feet;

Thence South 00°28'35" West, 2157.32 feet along the east line of the East half of said Section 12;

Thence leaving said east line North 89°31'25" West, 178.54 feet to the west Right of Way line for State Route 303 and the **POINT OF BEGINNING**;

Thence North 89°33'16" West, 902.61 feet to the east Right of Way line of Prasada Gateway Avenue as recorded in Book 960, Page 16, records of Maricopa County, Arizona;

Thence along the east Right of Way line of said Prasada Gateway Avenue the following six (6) courses;

Thence North 00°26'44" East, 1160.97 feet to the beginning of a tangent curve, concave southwesterly, having a radius of 835.00 feet;

Thence northwesterly along said curve, through a central angle of 24°05'04", an arc length of 350.99 feet to a tangent line;

Thence North 23°38'20" West, 137.63 feet to the beginning of a tangent curve, concave northeasterly, having a radius of 800.00 feet;

Thence northerly along said curve, through a central angle of 24°05'04", an arc length of 336.28 feet to a tangent line;

Thence North 00°26'44" East, 83.91 feet;

Thence North 45°19'39" East, 45.75 feet to the southerly Right of Way line for Greenway Road as recorded in said Book 960, Page 16;

Thence South 89°47'13" East, 50.00 feet to the east line of said Book 960, Page 16, and to the westerly New Right of Way line of State Route 303, as referenced

in Second Amended Suburban Land Reserve, Inc. Condemnation, recorded in Document 2013-0562250, records of Maricopa County, Arizona;

Thence along said New Right of Way Line the following eleven (11) courses;

Thence South 79°07'03" East, 50.82 feet;

Thence South 00°12'31" West, 20.61 feet;

Thence South 83°50'30" East, 203.05 feet;

Thence South 86°39'32" East, 265.92 feet;

Thence South 71°56'20" East, 2.57 feet;

Thence South 18°03'40" West, 20.00 feet;

Thence South 71°56'20" East, 218.62 feet;

Thence South 05°00'10" East, 141.29 feet;

Thence South 71°56'20" East, 163.03 feet;

Thence South 05°00'09" East, 1388.32 feet;

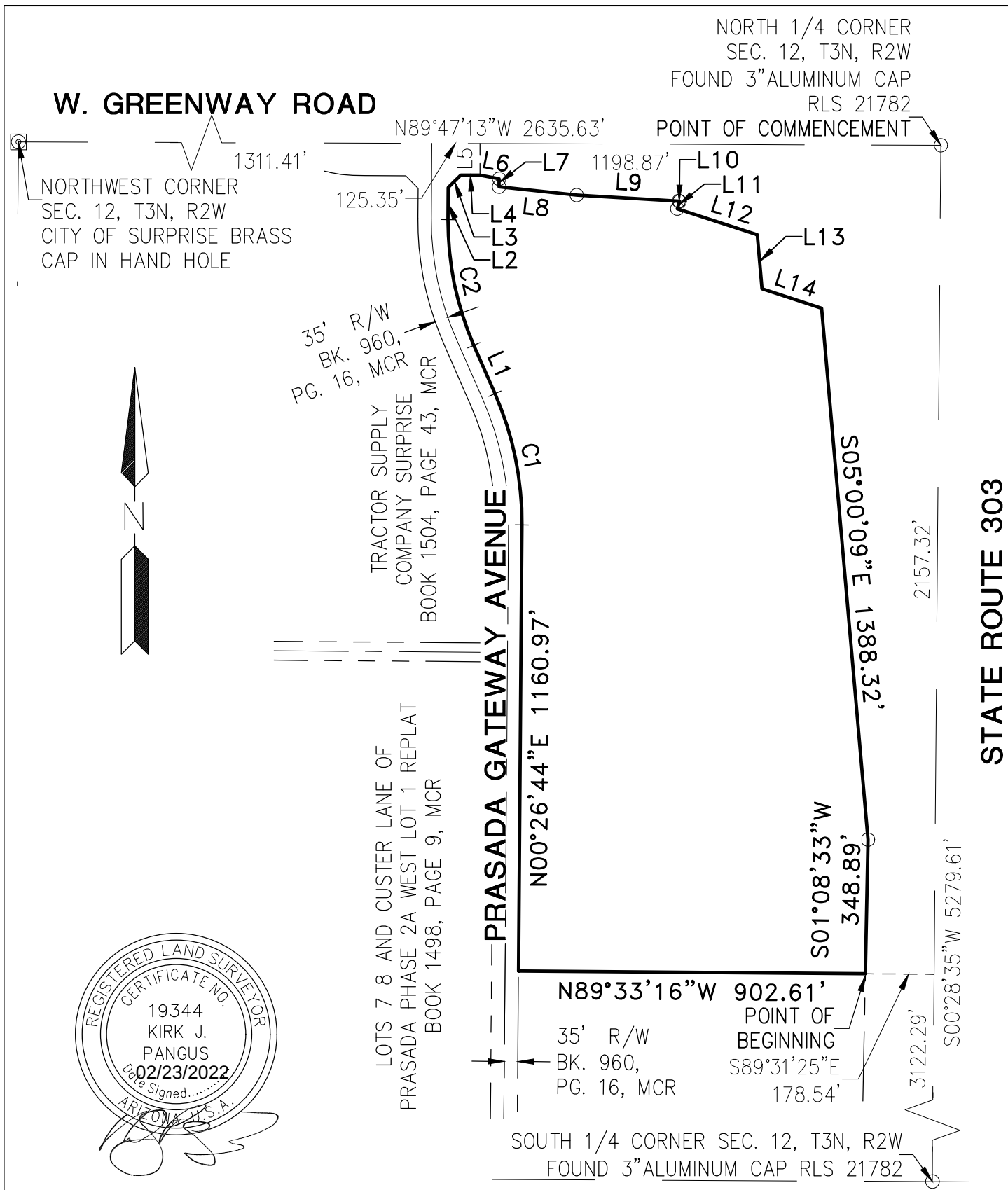
Thence South 01°08'33" West, 348.89 feet to the **POINT OF BEGINNING**.

The above described parcel contains a computed area of 1,742,491 sq. ft. (40.0021 acres) more or less and being subject to any easements, restrictions, rights-of-way of record or otherwise.

The description shown hereon is not to be used to violate any subdivision regulation of the state, county and/or municipality or any land division restrictions.

Prepared by: HILGARTWILSON, LLC
2141 E. Highland Avenue, Suite 250
Phoenix, AZ 85016
Project No. 1432
Date: February 2022

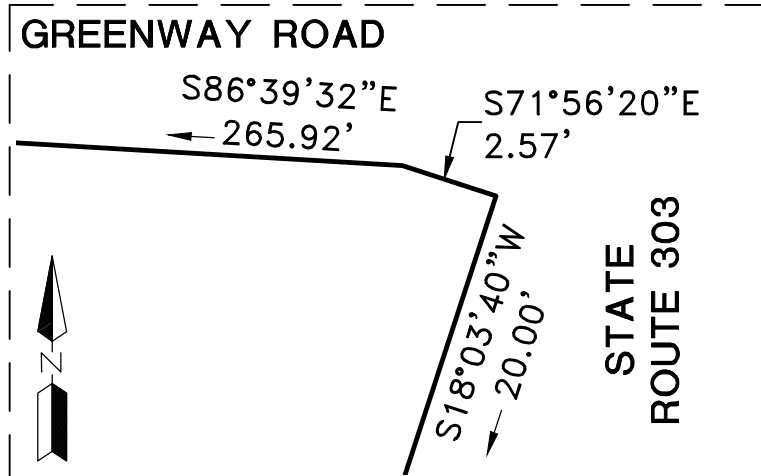
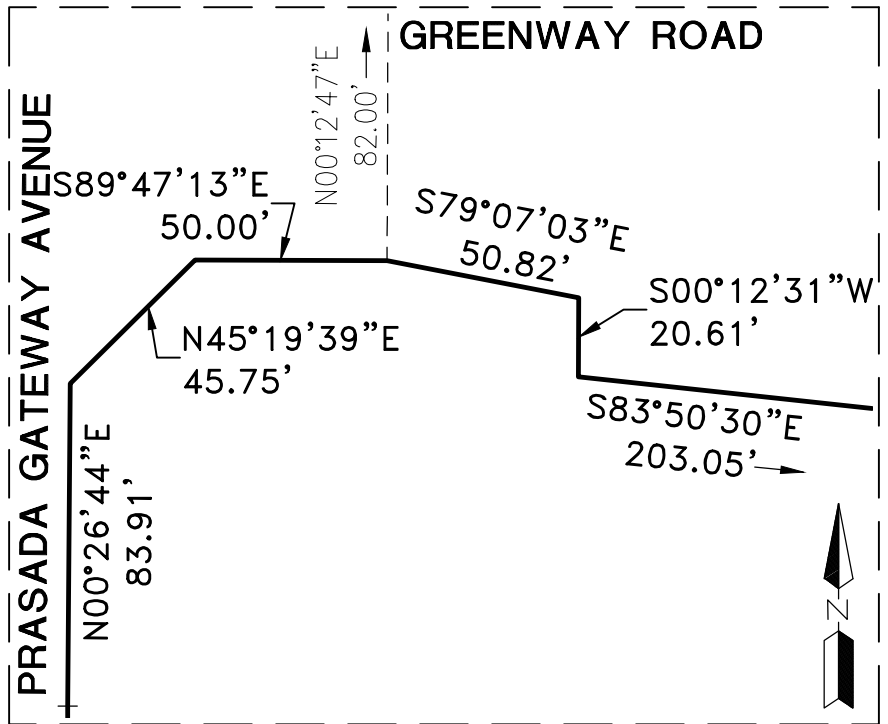




PROJ.NO.: 1432	DIGINITY HEALTH	 HILGARTWILSON 2141 E. HIGHLAND AVE., STE. 250 PHOENIX, AZ 85016 P: 602.490.0535 / F: 602.368.2436
DATE: FEB 2022	S.R. 303 AND GREENWAY ROAD	
SCALE: N.T.S.	SURPRISE., ARIZONA	
DRAWN BY: JHVD	EXHIBIT	
CHECKED BY: KJP		

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N23°38'20"W	137.63'
L2	N00°26'44"E	83.91'
L3	N45°19'39"E	45.75'
L4	S89°47'13"E	50.00'
L5	N00°12'47"E	82.00'
L6	S79°07'03"E	50.82'
L7	S00°12'31"W	20.61'
L8	S83°50'30"E	203.05'
L9	S86°39'32"E	265.92'
L10	S71°56'20"E	2.57'
L11	S18°03'40"W	20.00'
L12	S71°56'20"E	218.62'
L13	S05°00'10"E	141.29'
L14	S71°56'20"E	163.03'

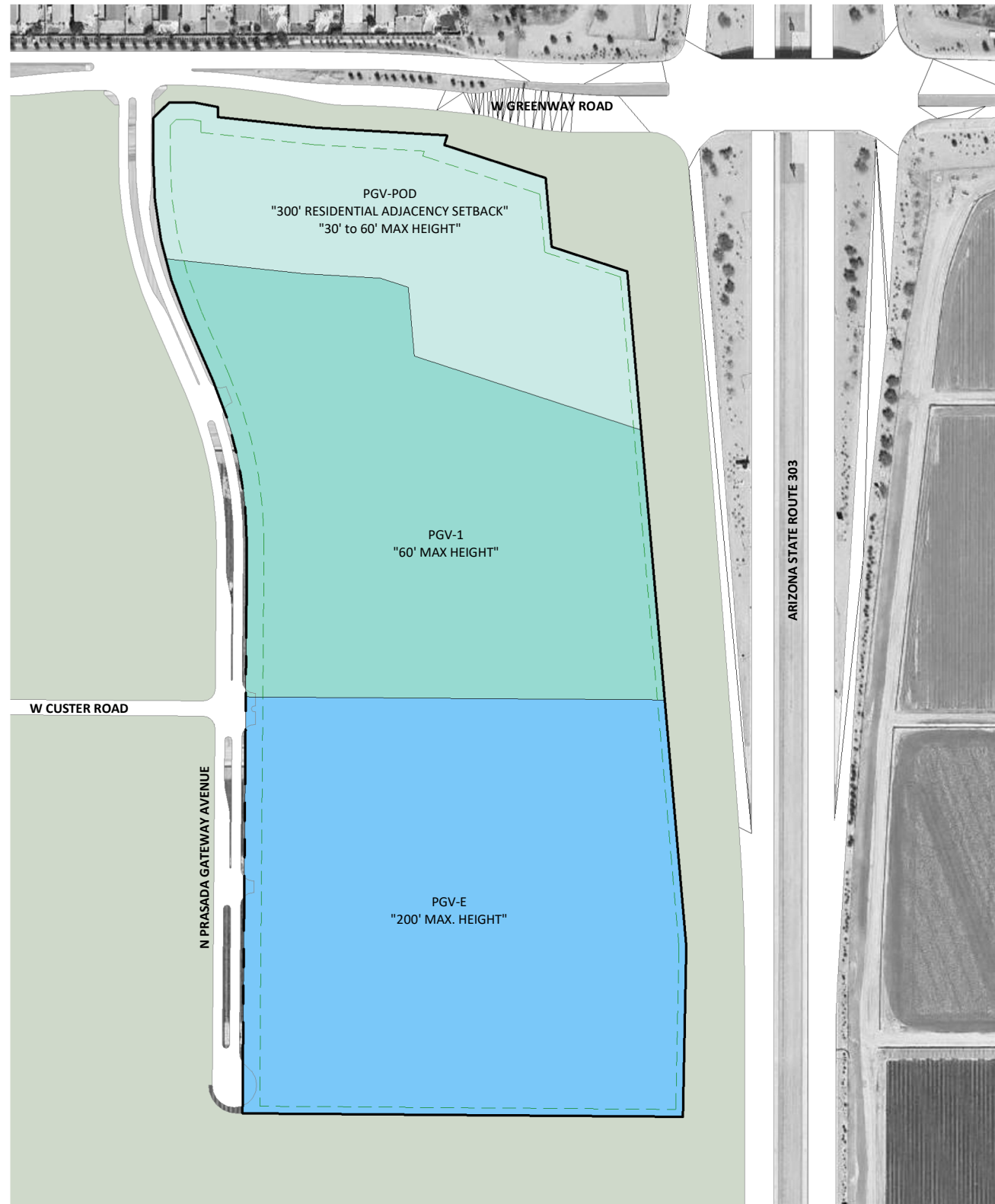
CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C1	835.00'	24°05'04"	350.99'
C2	800.00'	24°05'04"	336.28'



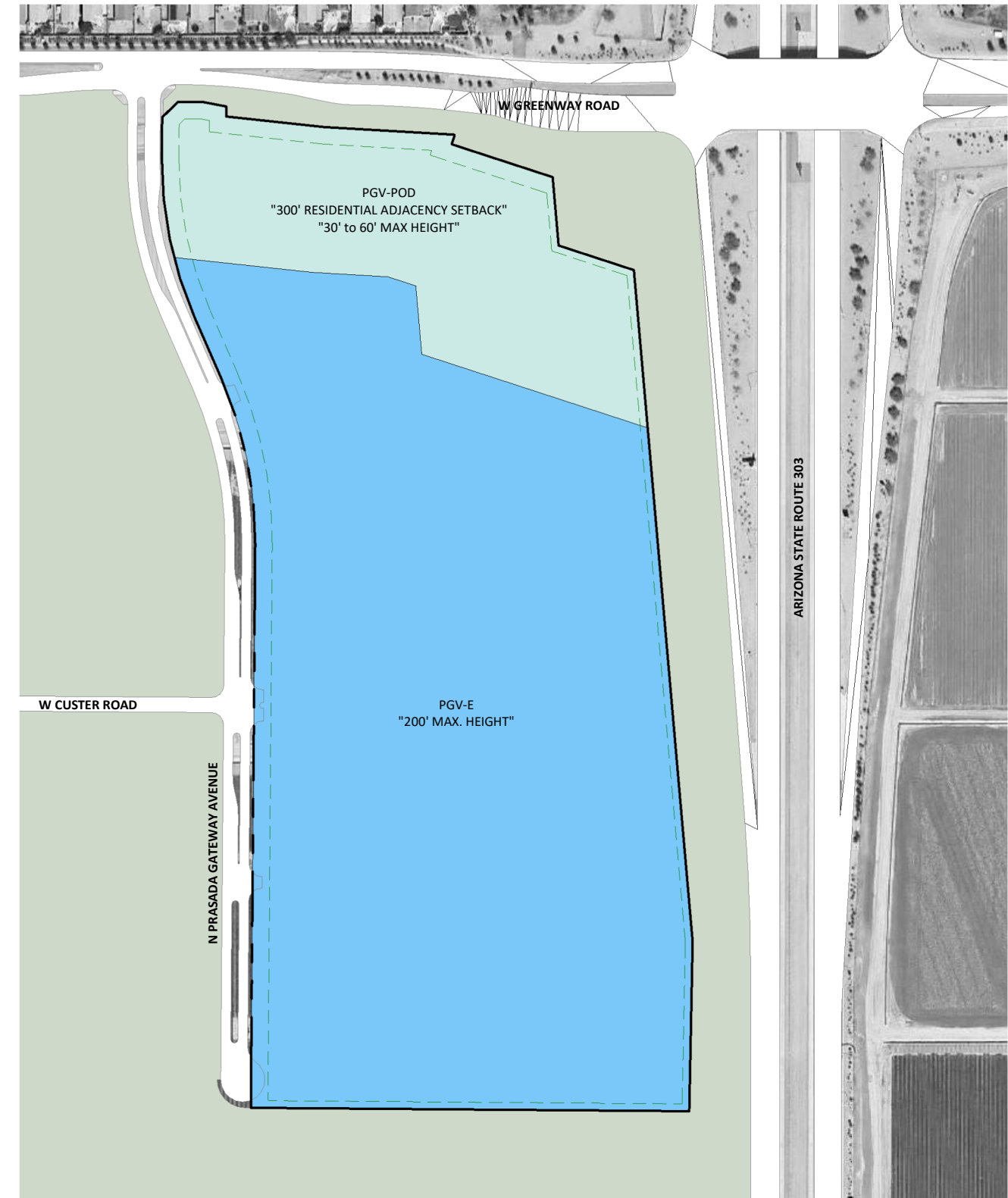
SHEET 2 OF 2

PROJ.NO.: 1432	DIGINITY HEALTH S.R. 303 AND GREENWAY ROAD SURPRISE., ARIZONA	 HILGARTWILSON 2141 E. HIGHLAND AVE., STE. 250 PHOENIX, AZ 85016 P: 602.490.0535 / F: 602.368.2436
DATE: FEB 2022		
SCALE: N.T.S.	EXHIBIT	
DRAWN BY: JHVD		
CHECKED BY: KJP		

EXHIBIT 'B'



EXISTING SITE ZONING



PROPOSED SITE ZONING

PRASADA GATEWAY VILLAGE SUMMARY

(Acreages are Approx.)

EXISTING

PARCEL	LAND USE	LAND USE DESCRIPTION	GROSS ACREAGE
12.1	PGV-1	PRASADA GATEWAY VILLAGE 1	70
12.2	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	150
12.3	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.4	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.5	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	110
12.6	PGV-1	PRASADA GATEWAY VILLAGE 1	40
12.7	PWS	PRASADA GATEWAY VILLAGE SITE	10
12.8	PGV-1	PRASADA GATEWAY VILLAGE 1	60
13.1	PGV-3	PRASADA GATEWAY VILLAGE 3	295
13.2	PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350
TOTAL			1225

PROPOSED

PARCEL	LAND USE	LAND USE DESCRIPTION	GROSS ACREAGE
12.1	PGV-1	PRASADA GATEWAY VILLAGE 1	48
12.2	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	172
12.3	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.4	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.5	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	110
12.6	PGV-1	PRASADA GATEWAY VILLAGE 1	40
12.7	PWS	PRASADA GATEWAY VILLAGE SITE	10
12.8	PGV-1	PRASADA GATEWAY VILLAGE 1	60
13.1	PGV-3	PRASADA GATEWAY VILLAGE 3	295
13.2	PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350
TOTAL			1225

	LAND USE	GROSS ACREAGE	%
PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350	28.6
PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	260	21.2
PGV-3	PRASADA GATEWAY VILLAGE 3	295	24.1
PGV-2	PRASADA GATEWAY VILLAGE 2	140	11.4
PGV-1	PRASADA GATEWAY VILLAGE 1	170	13.9
PWS	PRASADA GATEWAY VILLAGE SITE	10	0.8
TOTAL		1225	100.0

	LAND USE	GROSS ACREAGE	%
PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350	28.6
PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	282	23.0
PGV-3	PRASADA GATEWAY VILLAGE 3	295	24.1
PGV-2	PRASADA GATEWAY VILLAGE 2	140	11.4
PGV-1	PRASADA GATEWAY VILLAGE 1	148	12.1
PWS	PRASADA GATEWAY VILLAGE SITE	10	0.8
TOTAL		1225	100.0

EXHIBIT ‘C’



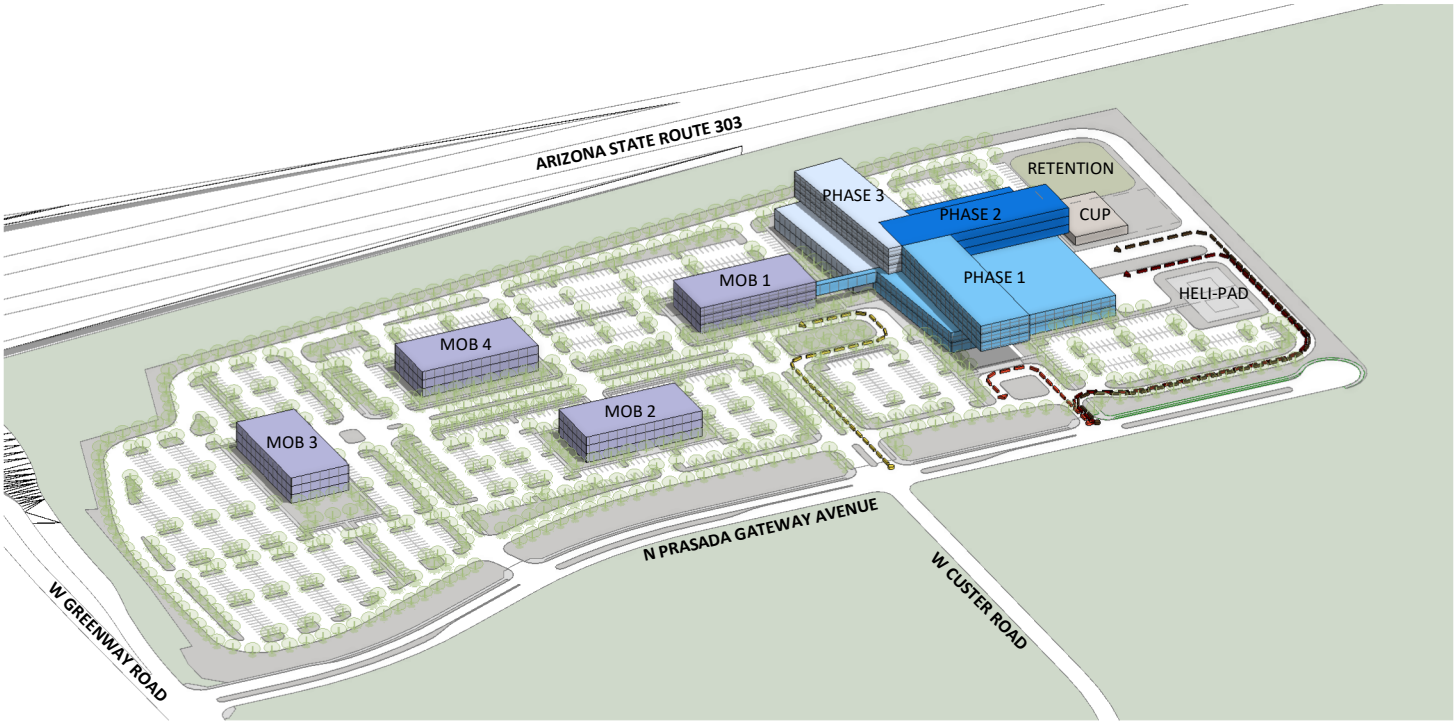
CONCEPTUAL SITE PLAN

SITE OPTION INFO

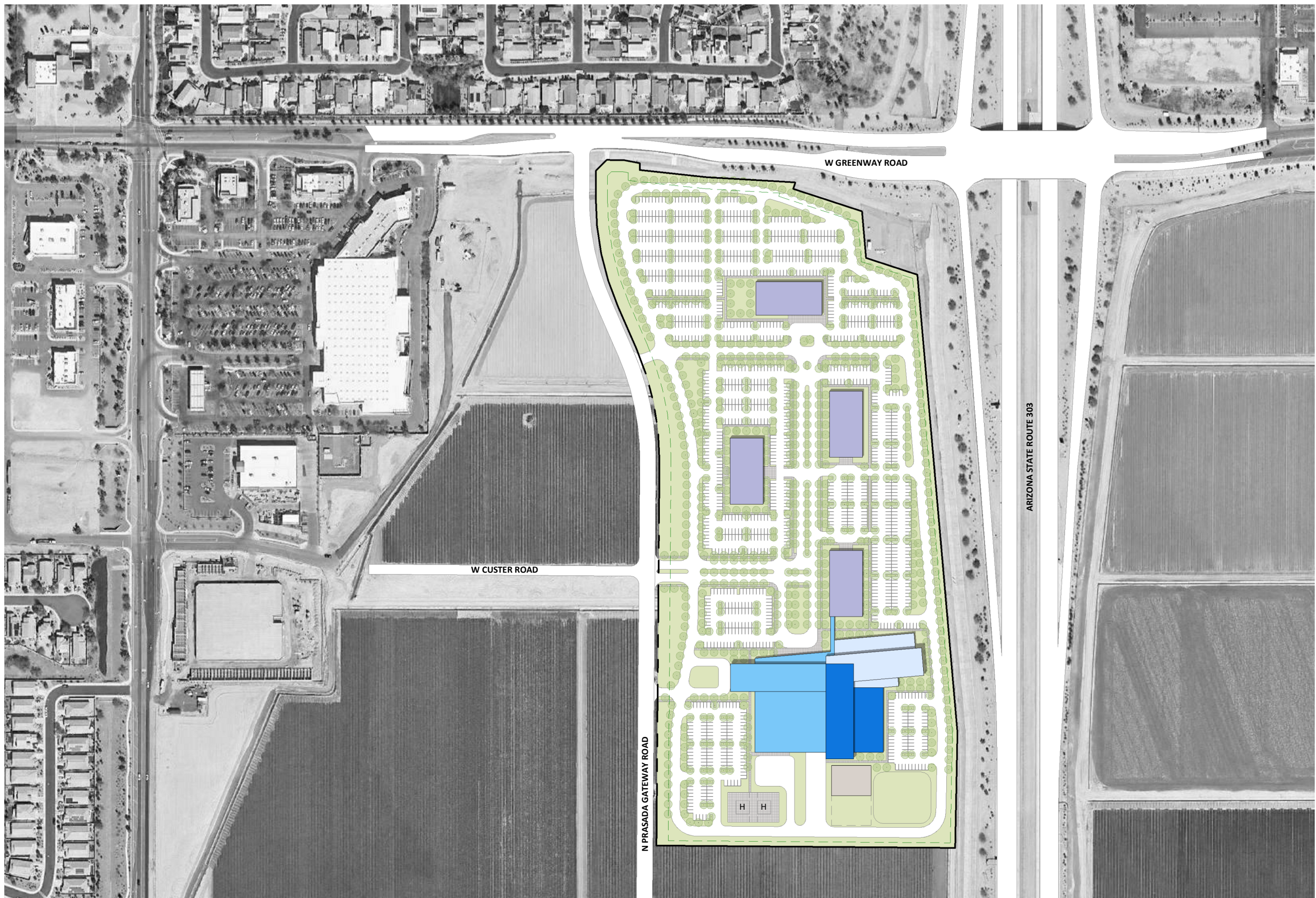
PARCEL NUMBER:	501-12-015J	PARKING REQUIRED:	
SITE AREA:	1,742,400 SF (40 ACRES)	HOSPITAL - (1/BED)	300
CURRENT ZONING:	PAD	MOB - (1/250 SF)	960
		TOTAL	<u>1,260 SPACES</u>
SQUARE FOOTAGE		CSH TYPICAL PARKING COUNT:	
HOSPITAL:		HOSPITAL - (1/400 SF)	1,257 SPACES
PHASE 1 -	198,408 SF	MOB - (1/200 SF)	1,200 SPACES
PHASE 2 -	149,760 SF	TOTAL	<u>2,457 SPACES</u>
PHASE 3 -	154,576 SF		
TOTAL -	502,744 SF	PARKING PROVIDED:	
		TOTAL	<u>1,610 SPACES</u>
MEDICAL OFFICE BUILDINGS:			
MOB 1 -	60,000 SF (3 LEVELS)		
MOB 2 -	60,000 SF (3 LEVELS)		
MOB 3 -	60,000 SF (3 LEVELS)		
MOB 4 -	60,000 SF (3 LEVELS)		
TOTAL -	240,000 SF		

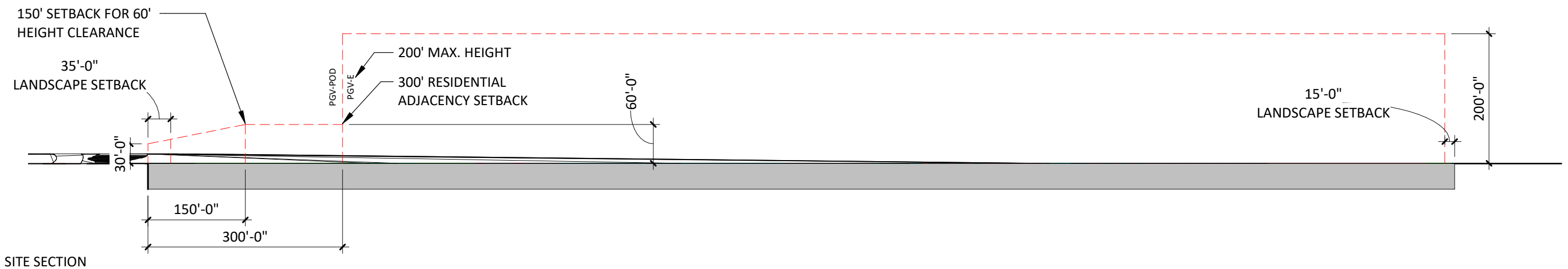
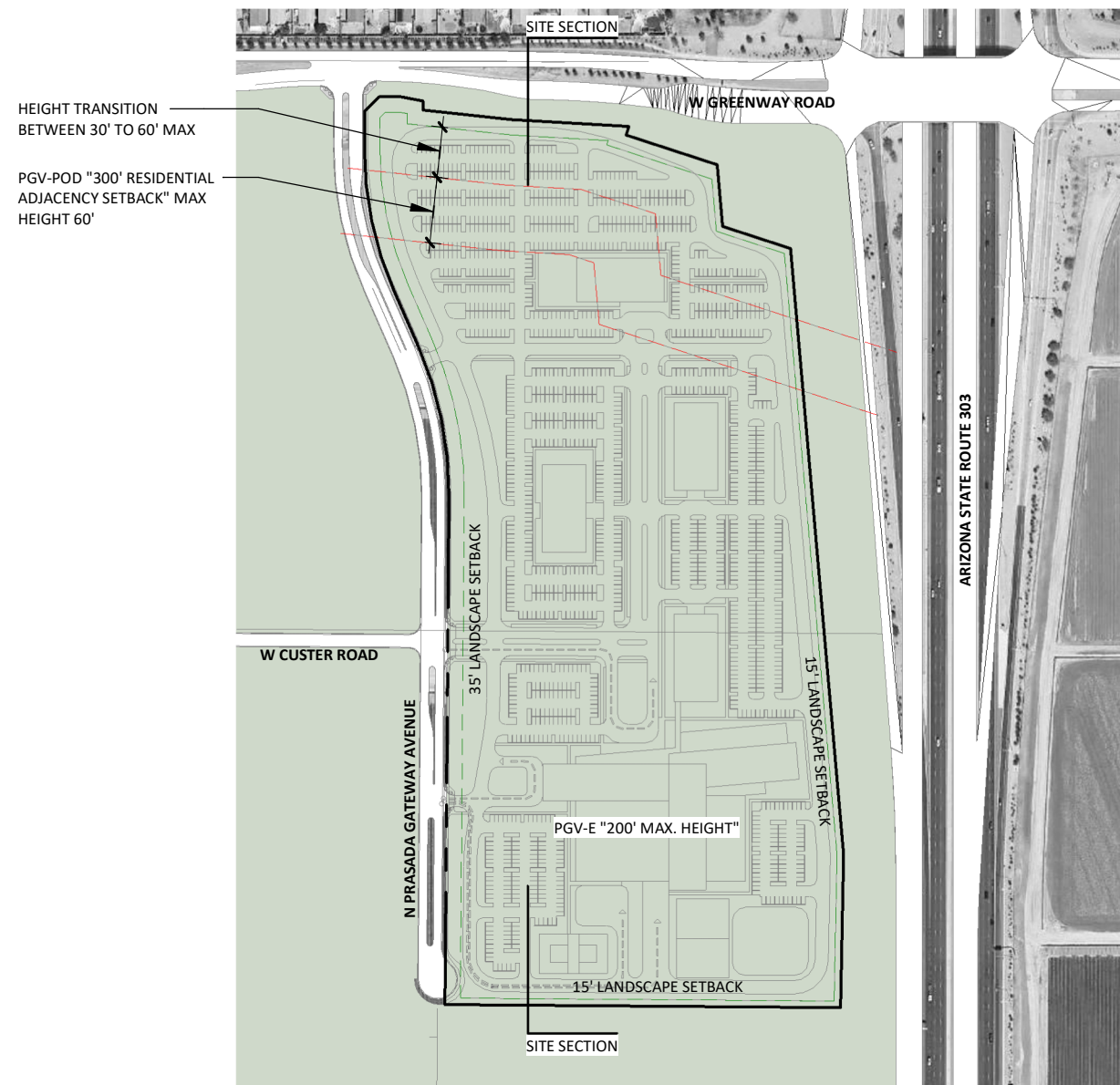
LEGEND

- PUBLIC FLOW
- EMERGENCY FLOW
- AMBULANCE FLOW
- SERVICES FLOW



AXONOMETRIC VIEW





Dignity Health™



AFFIDAVIT OF POSTING

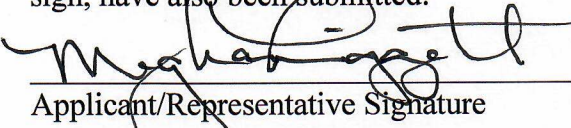
Application No: FS22-1332
Applicant Name: Gammage & Burnham
Location: SWC Loop 303 and Greenway Rd.
Date Site Posted: 02/21/23

In order to assist in providing adequate notice to interested parties, the applicant for any *type of public hearing* in the City of Surprise shall erect two (2) signs giving notice of the *date, time and place* of the scheduled hearings. These signs must be erected not less than **fifteen (15) days prior to** the date of the first hearing. The signs shall also include the nature of the request as contained on the formal zoning application. The size and format of this sign shall meet requirements established by the Planning and Zoning Department (see page 2).

Such notice shall be clearly legible and placed at a prominent location on the site – Generally adjacent and perpendicular to the public right-of-way. It shall be the *responsibility of the applicant* to erect and to maintain the sign on the subject property and to maintain the hearing information on the sign until final disposition of the case.

It shall also be the *responsibility of the applicant* to remove the signs within one week after the final disposition of the case.

I confirm that the site has been posted as required above, for the case noted above. A picture of the site posting, and photos of any subsequent changes/updates made to the sign, have also been submitted.

 2/21/23
Applicant/Representative Signature Date

This instrument was acknowledged before me on 02/21/23, by Meghan Liggett. I witness whereof I hereunto set my hand and official seal.




Notary Public
102521
My commission expires

*Return completed and notarized **affidavit** and all relevant **photos** to the Planning and Zoning Department at least fifteen (15) days **prior to** the scheduled meeting(s).*

Notice of Public Hearing City of Surprise

Neighborhood Meeting

Date: December 21, 2022

Time: 6:00 P.M.

Location: Cimarron Springs Middle School
Media Center

17032 W Surprise Farms Loop S, Surprise, AZ 85388

[or] Virtually at: <https://www.gblaw.com/dignity Surprise/>

Planning & Zoning

Date: March 16, 2023

Time: 6:00 P.M.

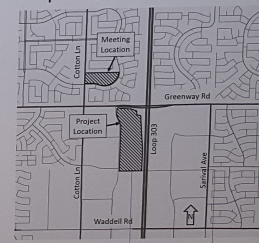
Location: 16000 N Civic Center Plaza,
Surprise, AZ 85374

City Council

Date: April 4, 2023

Time: 6:00 P.M.

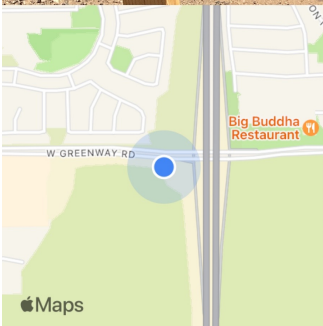
Location: 16000 N Civic Center Plaza,
Surprise, AZ 85374



Case number: FS22-1332

Request: A Major Planned Area Development (PAD) Amendment to the Prasada PAD to revise the land use plan for approximately 40 acres generally located at the southwest corner of Greenway Road and Loop 303 for Dignity Health West Valley Campus.

Please call to confirm dates: 623- 222-3011 Surpriseaz.gov



Feb 21, 2023 11:51AM
16717-16735 W Greenway Rd
Maricopa County

Notice of Public Hearing City of Surprise

Neighborhood Meeting

Date: December 21, 2022

Time: 6:00 P.M.

Location: Cimarron Springs Middle School
Media Center
17032 W Surprise Farms Loop S, Surprise, AZ 85388
[or] Virtually at: <https://www.gblaw.com/dignity Surprise/>

Planning & Zoning

Date: March 16, 2023

Time: 6:00 P.M.

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

City Council

Date: April 4, 2023

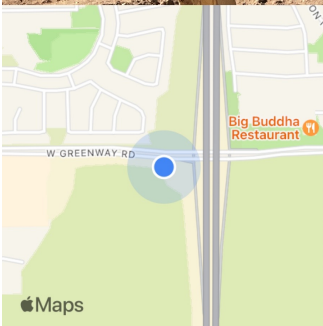
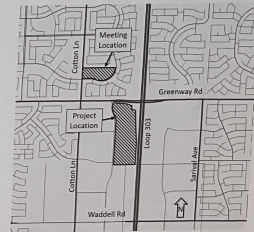
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Planning & Zoning

Date: March 16, 2023

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Location: 16000 N Civic Center Plaza,

Surprise, AZ 85374

City Council

Date: April 4, 2023

Time: 6:00 P.M.

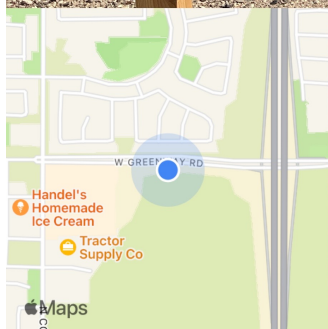
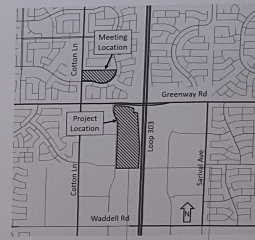
Location: 16000 N Civic Center Plaza,

Surprise, AZ 85374

Case number: FS22-1332

Request: A Major Planned Area Development (PAD) Amendment to the Prasada PAD to revise the land use plan for approximately 40 acres generally located at the southwest corner of Greenway Road and Loop 303 for Dignity Health West Valley Campus.

Please call to confirm dates: 623- 222-3011 Surpriseaz.gov



Feb 21, 2023 11:47AM
16737-16949 W Greenway Rd
Maricopa County

Notice of Public Hearing City of Surprise

Neighborhood Meeting

Date: December 21, 2022

Time: 6:00 P.M.

Location: Cimarron Springs Middle School

Media Center

17032 W Surprise Farms Loop S, Surprise, AZ 85388

[or] Virtually at: <https://www.gblaw.com/dignity Surprise/>

Planning & Zoning

Date: March 16, 2023

Time: 6:00 P.M.

Location: 16000 N Civic Center Plaza,
Surprise, AZ 85374

City Council

Date: April 4, 2023

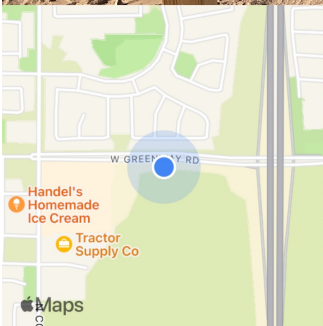
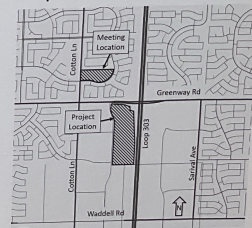
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Please call to confirm dates: 623- 222-3011 Surpriseaz.gov



Feb 21, 2023 11:46AM
16737-16949 W Greenway Rd
Maricopa County

**DIGNITY HEALTH WEST VALLEY CAMPUS
PLANNED AREA DEVELOPMENT AMENDMENT
CITY OF SURPRISE CASE NO. FS22-1332
NEIGHBORHOOD MEETING SUMMARY / CITIZEN PARTICIPATION REPORT
JANUARY 10, 2023**

OVERVIEW

Dignity Health (“Dignity”) is proposing to develop on approximately a 40-acre property located at southwest corner of the 303-Freeway and Greenway Road within the increasingly successful Prasada Planned Area Development in an area identified as the Gateway Village. The proposal is to amend the Prasada Master Plan on the approximate 22 acres (i.e., the north-half) of the Site from Prasada Gateway Village-1 (“PGV-1”) to Prasada Gateway Village—Employment (“PGV-E”). (the “Application”). With this change, the entire 40-acres at the southwest corner of the 303-Freeway and Greenway Road will be designated as Prasada Gateway Village PVG-E while maintaining the PGV-POD’s 300-foot deep perimeter height restriction.

Dignity has been serving the community with multiple hospitals and a comprehensive system of health care services for many years. The proposed Dignity Health – West Valley Campus Master Plan (“West Valley Campus”) is part of Dignity’s vision to develop a dynamic new medical center providing a broad range of healthcare services to serve the City of Surprise and the broader West Valley. The proposed West Valley Campus will be a destination and regional provider of health care services. This medical center may include primary and specialty care practices along with outpatient imaging, ambulatory surgery center, and other ancillary services.

On behalf of Dignity, our office, Gammage & Burnham P.L.C., (the “Applicant”) has completed and conducted the initial required public outreach for the Application in accordance with Sec. 102-3 of the Surprise Land Development Ordinance (“LDO”). The purpose of this Citizen Participation Report is to document how the Applicant conducted citizen participation in accordance with the provisions of the LDO.

NEIGHBORHOOD MEETING

On November 29, 2022, two (2) double-sided Notice of Neighborhood Meeting / Public Hearing signs were installed on the Property along Greenway Road. The Notice of Neighborhood Meeting / Public Hearing signs included the following information: a brief description of the request; the Application case number; the name and contact information for

the Applicant and City Planner assigned to the case; the date, time, location and attendance instructions for the hybrid neighborhood meeting, including a link to the Project website; a vicinity map of the in-person neighborhood meeting location; and a map of the Project / amendment area. The property was posted 16 days prior to the hybrid neighborhood meeting. The Affidavit of Posting and photographic evidence are attached. (See **Tab A**)

In addition, the City Staff sent a Notice of Neighborhood meeting by first class mail to property owners and City-registered homeowners associations within 300-feet of the Property. The Notice of Neighborhood Meeting included the following project information: a brief description of the request; the Application case number; the name and contact information for the Applicant and City Planner assigned to the case; the date, time, location and attendance instructions for the hybrid neighborhood meeting, including a link to the Project website; a vicinity map of the in-person neighborhood meeting location; and a map of the Project / rezone area.

The City Staff also published a legal advertisement for the hybrid neighborhood meeting in the newspaper. The legal advertisement included the same information contained in the mailed Notice of Neighborhood Meeting.

HYBRID NEIGHBORHOOD MEETING (OUTCOME)

The Applicant hosted a neighborhood meeting for the Application on December 21, 2022, that started at 6:00 PM and ended at 7:00 PM. As requested by City Staff, the meeting was a hybrid in-person and virtual format. The in-person meeting portion was held at the Cimarron Springs Middle School – Media Center 17032 W Surprise Farms Loop S, Surprise, and the virtual component was hosted via the Zoom conferencing platform.

Representatives from Dignity and Gammage & Burnham, P.L.C. attended the in-person meeting and gave a formal presentation on the Application. The formal presentation consisted of an overview of the Property, a discussion of Dignity and their vision / mission, a description of the proposal (e.g., uses, height, access, parking, etc.), a summary of the rezoning request, and the next step of the entitlement process. Following the formal presentation, there was an informal question and answer session with the in-person and virtual meeting attendees.

During the brief question and answer session, members of the development team responded to questions regarding the timing, access, phasing, height, and future development in the area. After the formal question and answer session, members of the development team remained until 7:00 PM and had informal discussions with those in attendance and to be available for late arrivals.

With that said, approximately four (4) members of the public attended the in-person meeting, and approximately one (1) member of the public attended the virtual meeting.

The sign-in sheet (i.e., the original and typed versions) from the in-person / virtual meeting is attached to this report. (See **Tab B**)

Contact information was provided prior to the meeting, during, and to those that asked.

NEIGHBORHOOD MEETING FOLLOW UP

Following the neighborhood meeting, Gammage & Burnham, P.L.C. has not received any additional inquiries or follow up requests related to the proposed case / development.

NOTICE OF PUBLIC HEARING

The Notice of Neighborhood Meeting / Public Hearing signs will be updated to include public hearing location(s), dates and times in accordance with Section 102-3.2.A(4) of the LDO.

City Staff is required to prepare and complete the Notice of Public Hearing mailing and legal advertisement in accordance with Section 102-3.2.A(1) through (3) of the LDO.

OTHER INQUIRIES / INVOLVEMENT

As of the writing of this report (January 10, 2023), we have not received any inquiries from the community. However, in the future, any substantive inquiries received by Gammage & Burnham, P.L.C. will be included as an addendum to this Citizen Participation.

TAB A

AFFIDAVIT OF POSTING

Application No: FS22-1332
Applicant Name: Gammage & Burnham
Location: SWC Loop 303 and Greenway Rd
Date Site Posted: 11/29/22

In order to assist in providing adequate notice to interested parties, the applicant for any *type of public hearing* in the City of Surprise shall erect two (2) signs giving notice of the *date, time and place* of the scheduled hearings. These signs must be erected not less than **fifteen (15) days prior** to the date of the first hearing. The signs shall also include the nature of the request as contained on the formal zoning application. The size and format of this sign shall meet requirements established by the Planning and Zoning Department (see page 2).

Such notice shall be clearly legible and placed at a prominent location on the site – Generally adjacent and perpendicular to the public right-of-way. It shall be the *responsibility of the applicant* to erect and to maintain the sign on the subject property and to maintain the hearing information on the sign until final disposition of the case.

It shall also be the *responsibility of the applicant* to remove the signs within one week after the final disposition of the case.

I confirm that the site has been posted as required above, for the case noted above. A picture of the site posting, and photos of any subsequent changes/updates made to the sign, have also been submitted.

Meghan Liggett 11/29/22
Applicant/Representative Signature Date

This instrument was acknowledged before me on 11/29/22, by Meghan Liggett. I witness whereof I hereunto set my hand and official seal.



Marybeth Conrad
Notary Public
10.25.24
My commission expires

*Return completed and notarized **affidavit** and all relevant **photos** to the Planning and Zoning Department at least fifteen (15) days **prior to** the scheduled meeting(s).*

Notice of Public Hearing City of Surprise

Neighborhood Meeting

Date: December 21, 2022

Time: 6:00 P.M.

Location: Cimarron Springs Middle School
Media Center
17032 W Surprise Farms Loop S, Surprise, AZ 85388
[or] Virtually at: <https://www.gblaw.com/dignitysurprise/>

Planning & Zoning

Date: TBD

Time: 6:00 P.M.

Location: 16000 N Civic Center Plaza,
Surprise, AZ 85374

City Council

Date: TBD

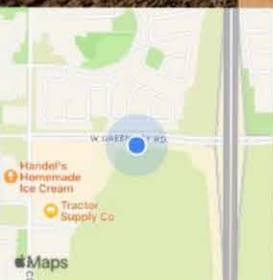
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Case number: FS22-1332

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Please call to confirm dates: 623- 222-3011 Surpriseaz.gov



Nov 29, 2022 08:58AM
16737-16949 W Greenway Rd
Maricopa County

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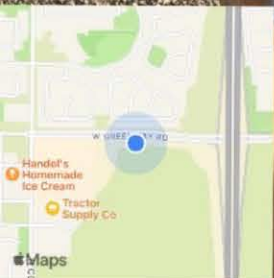
City Council

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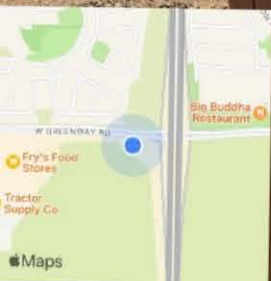
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Please call to confirm dates: 623- 222-3011 Surpriseaz.gov



Nov 29, 2022 09:27AM
16717-16735 W Greenway Rd
Maricopa County

Notice of Public Hearing City of Surprise

Neighborhood Meeting

Date: December 21, 2022
Time: 6:00 P.M.
Location: Cimarron Springs Middle School
Media Center
17032 W Surprise Farms Loop S, Surprise, AZ 85388
[or] Virtually at: <https://www.gblaw.com/dignitysurprise/>

Planning & Zoning

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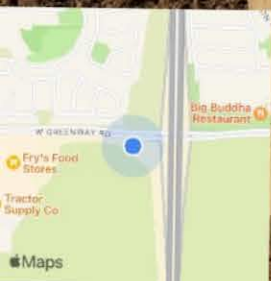
City Council

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Time: 6:00 P.M.
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Surprise, AZ 85374

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Nov 29, 2022 09:27AM
16717-16735 W Greenway Rd
Maricopa County

TAB B

DIGNITY HEALTH WEST VALLEY CAMPUS PROJECT (FS22-1332)
NEIGHBORHOOD MEETING

Cimarron Middle School, Media Center
17032 W Surprise Farms Loop S, Surprise, AZ 85388
December 21, 2022 at 6:00PM

PLEASE PRINT

NAME	ADDRESS	TELEPHONE	EMAIL
4 Hovstang			
JAMES LAWLER			
Jeanine Jerkovic			
BARRY BYRNE			

DIGNITY HEALTH WEST VALLEY CAMPUS PROJECT (FS22-1332) NEIGHBORHOOD MEETING ATTENDEE LIST

IN-PERSON

ATTENDEE	ADDRESS	CITY	STATE	ZIP	TELEPHONE	EMAIL
Yolanda Hovistang						
James Lawler						
Jeanine Jerkovic						
Barry & Wendy Byrne						
Councilman Patrick Duffy		City of Surprise				patrick.duffy@surpriseaz.gov

VIRTUAL

ATTENDEE	ADDRESS	CITY	STATE	ZIP	TELEPHONE	EMAIL
Jeanine Jerkovic		City of Surprise Economic Development Director				jeanine.jerkovic@surpriseaz.gov
Ronald Meluso						

ORDINANCE # 2023-06

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING A MAJOR PLANNED AREA DEVELOPMENT (PAD) AMENDMENT TO THE PRASADA PAD TO CHANGE THE LAND USE DESIGNATION FOR APPROXIMATELY 22 GROSS ACRES TO ACCOMMODATE A DIGNITY HEALTH WEST VALLEY CAMPUS GENERALLY LOCATED AT THE SOUTHWEST CORNER OF GREENWAY ROAD AND LOOP 303.

WHEREAS, this Ordinance was properly noticed for public hearing and the necessary hearings and opportunity for public input were completed;

WHEREAS, the subject site is located generally at the southwest corner Greenway Road and Loop 303, and is legally described in the attached ***Exhibit A*** and depicted in the attached ***Exhibit B***;

WHEREAS, the subject site is zoned Prasada PAD pursuant to PAD05-465 approved on June 22, 2006;

WHEREAS, the proposed use of the subject site requires modification of the applicable zoning regulations;

WHEREAS, this PAD amendment is in harmony with the purposes and intent of the Prasada PAD, the zoning ordinance, and the Surprise General Plan; and

WHEREAS, on March 16, 2023, the Planning and Zoning Commission recommended approval of the subject Prasada PAD amendment.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. *Major PAD Amendment.* The “Prasada PAD” is herewith amended to reflect the development changes subject to the following stipulations:

- a. Development and use of the site shall be consistent with the PAD Amendment document entitled “Prasada Major Planned Area Development for Dignity Health”, prepared by Gammage & Burnham, PLC, dated January 10, 2023.
- b. Developer must submit for review a Traffic Impact Analysis (TIA) at the time of Site Plan. On and off-site requirements are subject to change dependent on the results of the TIA.

- c. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the applicable provisions of the Surprise Municipal Code.

Section 2. *Codification.* This Ordinance is not of a general nature and shall not be codified.

Section 3. *Repeal of Conflicting Ordinances.* All ordinances or parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed, upon the effective date of this Ordinance.

Section 4. *Severability.* If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 5. *Effective Date.* This ordinance shall become effective at the time and in the manner prescribed by law.

PASSED AND ADOPTED this _____ day of _____ 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A
LEGAL DESCRIPTION FOR PROPERTY

**DIGNITY PRASADA
22 ACRES PAD ZONING
LEGAL DESCRIPTION**

A portion of the Northwest Quarter within Section 12, Township 3 North, Range 2 West of the Gila and Salt River Meridian, Maricopa County, Arizona, being more particularly described as follows:

COMMENCING at the North Quarter corner of said Section 12, marked by a found 3 inch ADOT aluminum cap, dated 2016, RLS 21782, from which the Northwest corner, marked by a found City of Surprise brass cap in hand hole, thereof bears North 89°47'13" West, 2635.63 feet;

THENCE North 89°47'13" West, 1281.28 feet along the northerly boundary of said Northwest Quarter;

THENCE leaving said Northerly boundary, South 00°12'47" West, 114.29 feet to the **POINT TO BEGINNING**;

THENCE North 45°19'39" East, 45.75 feet;

THENCE South 89°47'13" East, 50.00 feet;

THENCE South 79°07'03" East, 50.82 feet;

THENCE South 00°12'31" West, 20.61 feet;

THENCE South 83°50'30" East, 203.05 feet;

THENCE South 86°39'32" East, 265.92 feet;

THENCE South 71°56'20" East, 2.57 feet;

THENCE South 18°03'40" West, 20.00 feet;

THENCE South 71°56'20" East, 218.62 feet;

THENCE South 05°00'10" East, 141.29 feet;

THENCE South 71°56'20" East, 163.03 feet;

THENCE South 05°00'09" East, 854.39 feet;

THENCE North 89°33'16" West, 856.16 feet to the easterly right of way boundary of Prasada Gateway Avenue as recorded date December 05, 2007 and filed in Book 960, page 16, in the office of the recorder for Maricopa County, Arizona;

THENCE along said Easterly right of way boundary the following 5 courses;

THENCE North 00°26'44" East, 280.59 feet to the beginning of a tangent curve, concave southwesterly, having a radius of 835.00 feet;

THENCE northwesterly along said curve, through a central angle of 24°05'04", an arc length of 350.99 feet to a tangent line;

THENCE North 23°38'20" West, 137.63 feet to the beginning of a tangent curve, concave northeasterly, having a radius of 800.00 feet;

THENCE northeasterly along said curve, through a central angle of 24°05'04", an arc length of 336.28 feet to a tangent line;

THENCE North 00°26'44" East, 83.91 feet to the **POINT OF BEGINNING**.

The above described parcel contains 958,320 sq. ft. (22.000 acres) more or less.

Subject to any easements, restrictions, rights-of-way of record or otherwise.

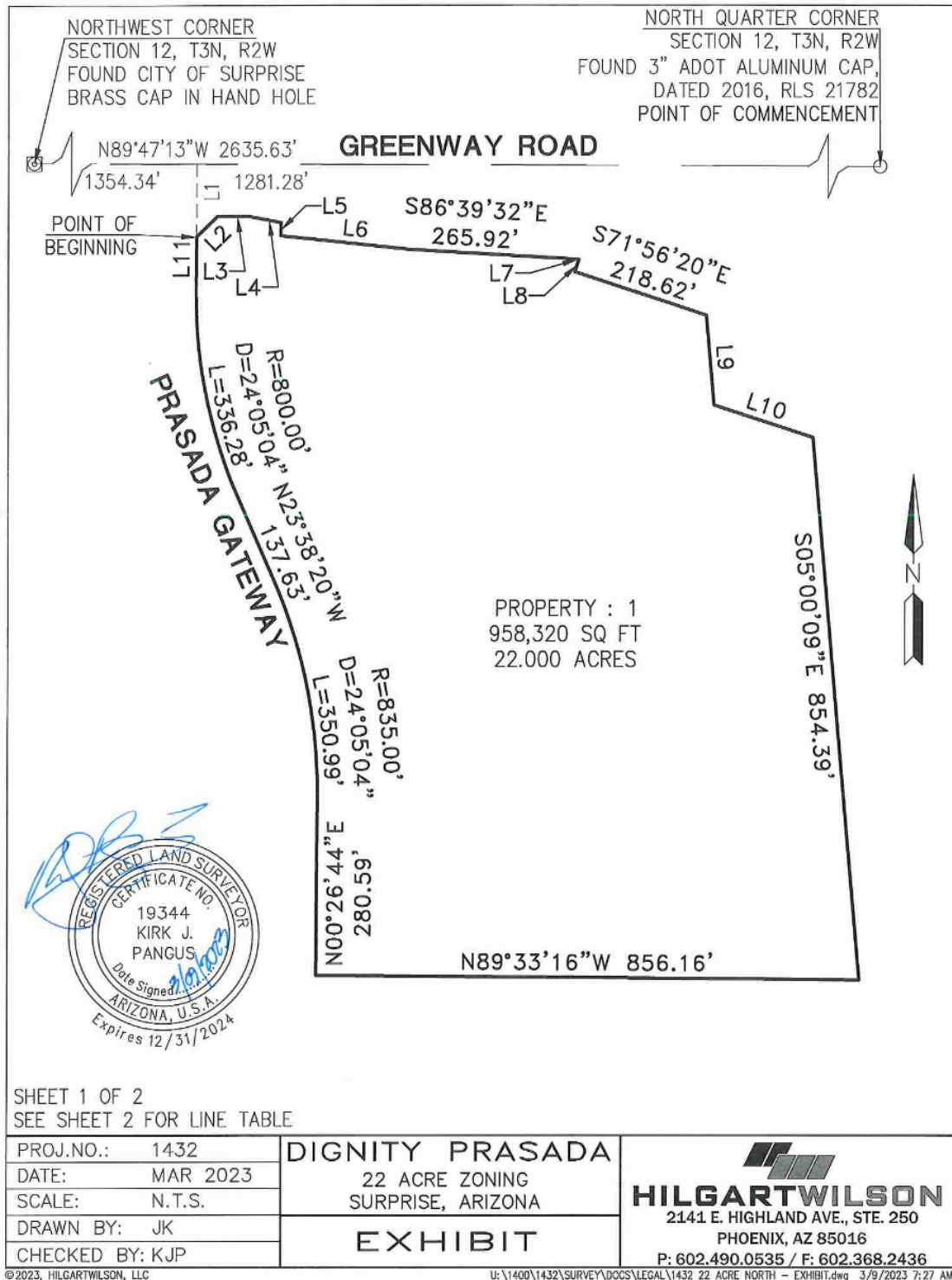
The description shown hereon is not to be used to violate any subdivision regulation of the state, county and/or municipality or any land division restrictions.

Prepared by: HILGARTWILSON, LLC
2141 E. Highland Avenue, Suite 250
Phoenix, AZ 85016
Project No. 1432
Date: March 2023



EXHIBIT B

DEPICTION OF PROPERTY SUBJECT TO THE PAD AMENDMENT



Ordinance No. 2023-06
RFLS # 8724
Rev 03/23

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	S00°12'47"W	114.29'
L2	N45°19'39"E	45.75'
L3	S89°47'13"E	50.00'
L4	S79°07'03"E	50.82'
L5	S00°12'31"W	20.61'
L6	S83°50'30"E	203.05'
L7	S71°56'20"E	2.57'
L8	S18°03'40"W	20.00'
L9	S05°00'10"E	141.29'
L10	S71°56'20"E	163.03'
L11	N00°26'44"E	83.91'



SHEET 2 OF 2

PROJ.NO.: 1432	DIGNITY PRASADA 22 ACRE ZONING SURPRISE, ARIZONA EXHIBIT	 HILGARTWILSON 2141 E. HIGHLAND AVE., STE. 250 PHOENIX, AZ 85016 P: 602.490.0535 / F: 602.368.2436
DATE: MAR 2023		
SCALE: N.T.S.		
DRAWN BY: JK		
CHECKED BY: KJP		

© 2023, HILGARTWILSON, LLC

U:\1400\1432\SURVEY\DOCS\LEGAL\1432 22 ACRE NORTH - EXHIBIT.dwg 3/9/2023 7:27 AM

Ordinance No. 2023-06
 RFLS # 8724
 Rev 03/23



SURPRISE
ARIZONA

FS22-1332
Dignity Health
Prasada Major PAD Amendment

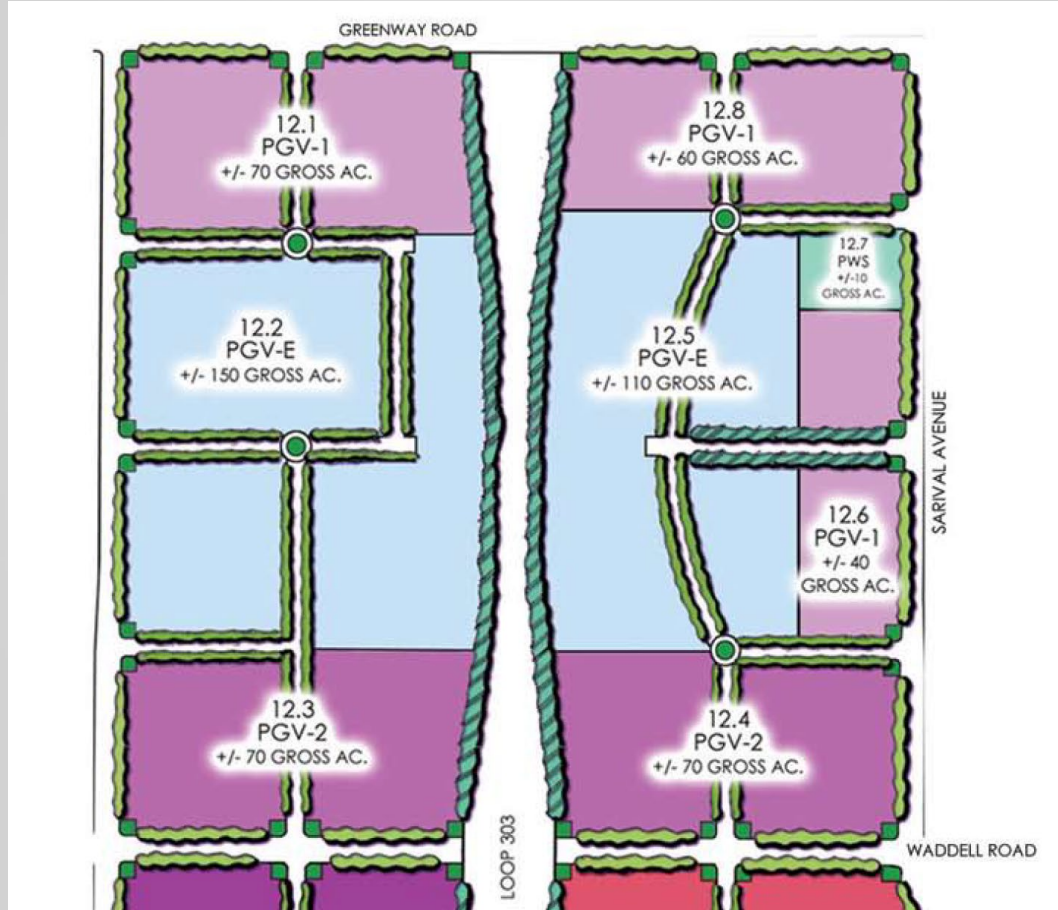
City Council
April 4, 2023



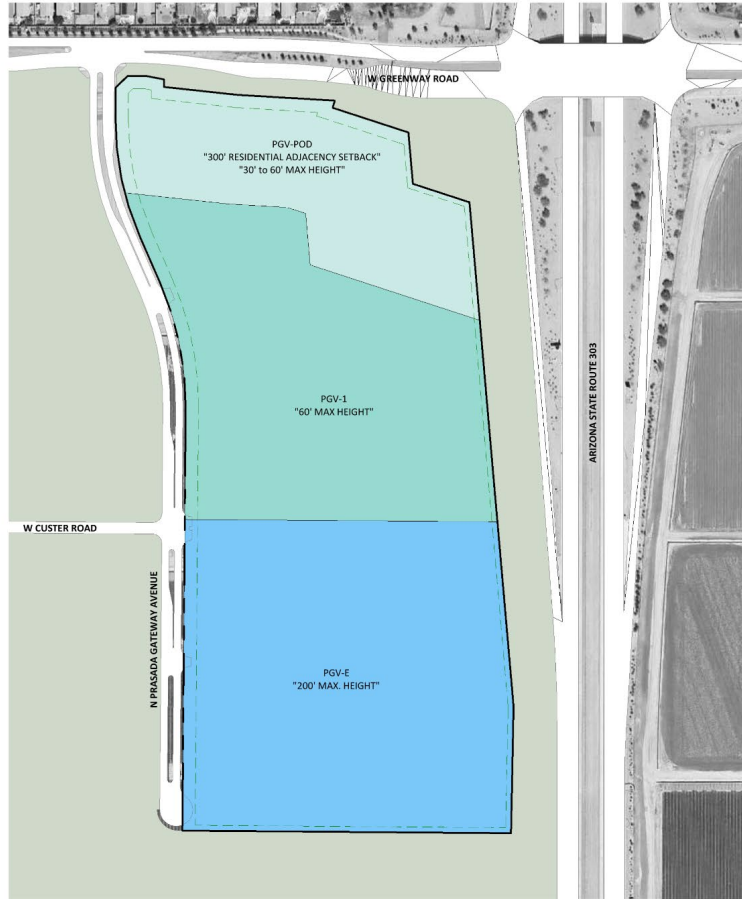
FS22-1332 VICINITY MAP



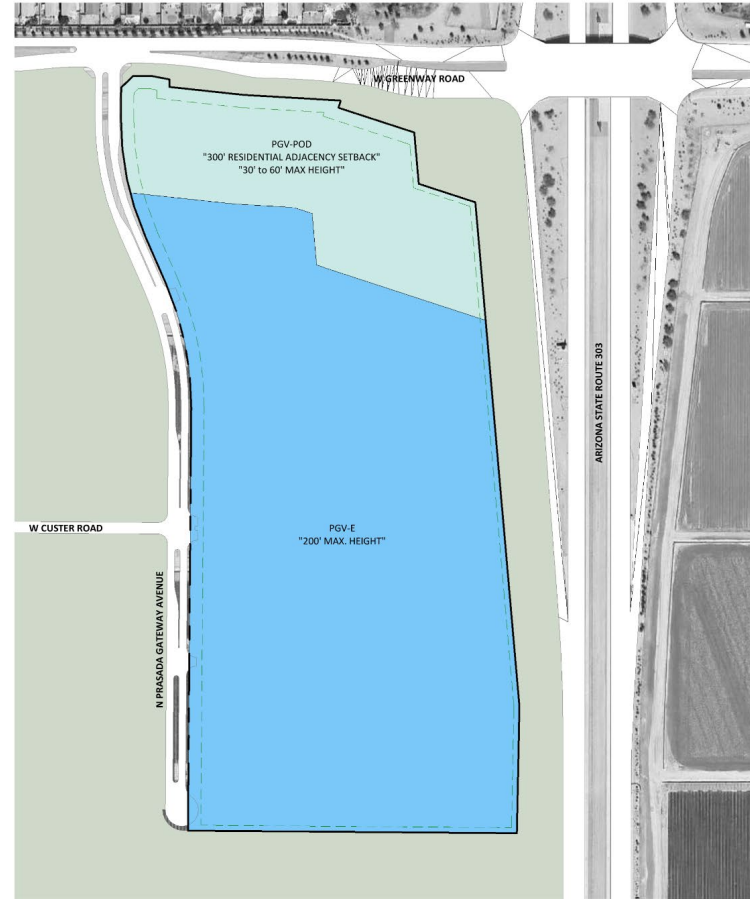
FS22-1332 ZONING MAP



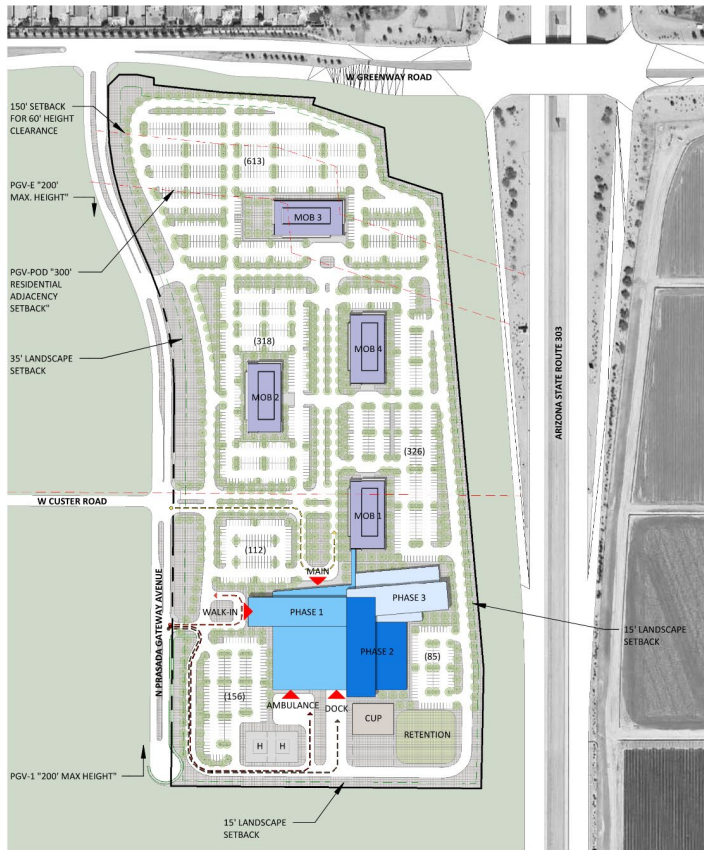
LAND USE MAPS



EXISTING SITE ZONING



PROPOSED SITE ZONING



CONCEPTUAL SITE PLAN

SITE OPTION INFO

PARCEL NUMBER: 501-12-015J
 SITE AREA: 1,742,400 SF (40 ACRES)
 CURRENT ZONING: PAD

SQUARE FOOTAGE

HOSPITAL:
 PHASE 1 - 198,408 SF
 PHASE 2 - 149,760 SF
 PHASE 3 - 154,576 SF
 TOTAL - 502,744 SF

MEDICAL OFFICE BUILDINGS:

MOB 1 - 60,000 SF (3 LEVELS)
 MOB 2 - 60,000 SF (3 LEVELS)
 MOB 3 - 60,000 SF (3 LEVELS)
 MOB 4 - 60,000 SF (3 LEVELS)
 TOTAL - 240,000 SF

LEGEND

- PUBLIC FLOW
- EMERGENCY FLOW
- AMBULANCE FLOW
- SERVICES FLOW

PARKING REQUIRED:
 HOSPITAL - (1/BED) 300
 MOB - (1/250 SF) 960
 TOTAL **1,260 SPACES**

CSH TYPICAL PARKING COUNT:
 HOSPITAL - (1/400 SF) 1,257 SPACES
 MOB - (1/200 SF) 1,200 SPACES
 TOTAL **2,457 SPACES**

PARKING PROVIDED:
 TOTAL **1,610 SPACES**



AXONOMETRIC VIEW

CONCEPTUAL SITE PLAN

PRASADA GATEWAY VILLAGE SUMMARY (Acreages are Approx.)

EXISTING

PARCEL	LAND USE	LAND USE DESCRIPTION	GROSS ACREAGE
12.1	PGV-1	PRASADA GATEWAY VILLAGE 1	70
12.2	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	150
12.3	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.4	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.5	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	110
12.6	PGV-1	PRASADA GATEWAY VILLAGE 1	40
12.7	PWS	PRASADA GATEWAY VILLAGE SITE	10
12.8	PGV-1	PRASADA GATEWAY VILLAGE 1	60
13.1	PGV-3	PRASADA GATEWAY VILLAGE 3	295
13.2	PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350
TOTAL			1225

	LAND USE	GROSS ACREAGE	%
PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350	28.6
PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	260	21.2
PGV-3	PRASADA GATEWAY VILLAGE 3	295	24.1
PGV-2	PRASADA GATEWAY VILLAGE 2	140	11.4
PGV-1	PRASADA GATEWAY VILLAGE 1	170	13.9
PWS	PRASADA GATEWAY VILLAGE SITE	10	0.8
TOTAL		1225	100.0

PROPOSED

PARCEL	LAND USE	LAND USE DESCRIPTION	GROSS ACREAGE
12.1	PGV-1	PRASADA GATEWAY VILLAGE 1	48
12.2	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	172
12.3	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.4	PGV-2	PRASADA GATEWAY VILLAGE 2	70
12.5	PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	110
12.6	PGV-1	PRASADA GATEWAY VILLAGE 1	40
12.7	PWS	PRASADA GATEWAY VILLAGE SITE	10
12.8	PGV-1	PRASADA GATEWAY VILLAGE 1	60
13.1	PGV-3	PRASADA GATEWAY VILLAGE 3	295
13.2	PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350
TOTAL			1225

	LAND USE	GROSS ACREAGE	%
PGV-RC	PRASADA GATEWAY VILLAGE REGIONAL CORE	350	28.6
PGV-E	PRASADA GATEWAY VILLAGE EMPLOYMENT	282	23.0
PGV-3	PRASADA GATEWAY VILLAGE 3	295	24.1
PGV-2	PRASADA GATEWAY VILLAGE 2	140	11.4
PGV-1	PRASADA GATEWAY VILLAGE 1	148	12.1
PWS	PRASADA GATEWAY VILLAGE SITE	10	0.8
TOTAL		1225	100.0

ACREAGE CHANGES



OUTREACH

Neighborhood Meeting: December 21, 2022

- 5 total attendees (4 in-person; 1 online)
- Questions:
 - Development timing
 - Access
 - Phasing
 - Height
 - Area development



RECOMMENDATION

P&Z Commission recommended Approval to the Mayor and City Council, subject to stipulations 'a' through 'c'.



SURPRISE
ARIZONA

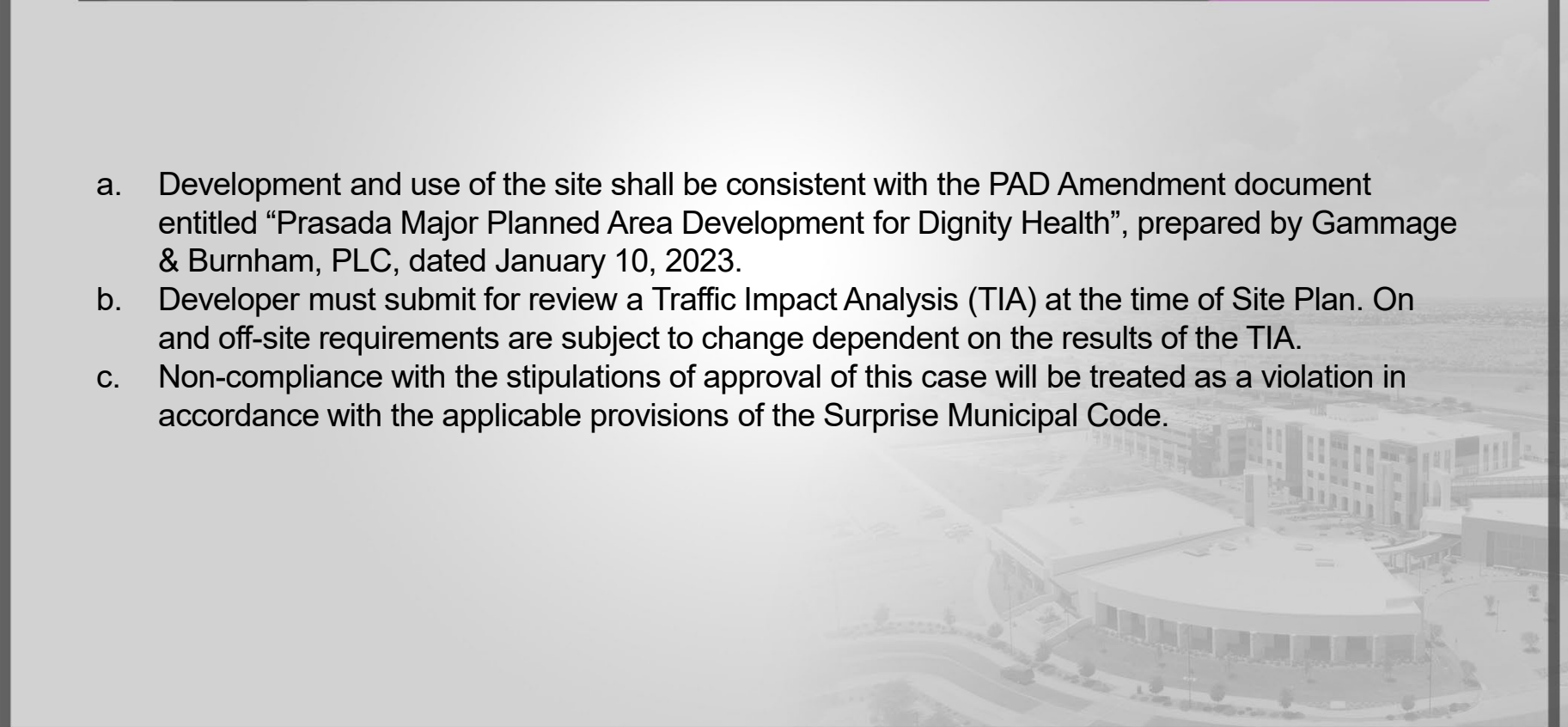
QUESTIONS OR COMMENTS?

Thank You





STIPULATIONS

- 
- a. Development and use of the site shall be consistent with the PAD Amendment document entitled “Prasada Major Planned Area Development for Dignity Health”, prepared by Gammage & Burnham, PLC, dated January 10, 2023.
 - b. Developer must submit for review a Traffic Impact Analysis (TIA) at the time of Site Plan. On and off-site requirements are subject to change dependent on the results of the TIA.
 - c. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the applicable provisions of the Surprise Municipal Code.



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Trever Fleetham, PLANNER
SENIOR

Submitting Department: Community Development District: District 1

Staff Recommendations:

Consent: No

Regular: No

Public Hearing: Yes

Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to a Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation from commercial to mixed-use and modify development standards for approximately 101 gross acres. The site is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante PAD; Ordinance #2023-03.

Motion:

I move to approve Ordinance #2023-03 [with/without] the two additional stipulations "c" and "d" recommended by the Planning and Zoning Commission.

Background:

Withey Morris, PLC, the applicant, on behalf of Kimco Barclay Surprise II, LLC, the owner, requests a Major PAD Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to mixed-use and modify development standards. The change would result in approximately 21.9 acres of C-2 commercial, 28.8 acres of C-3 commercial, and 50.3 acres of R-3 high density residential at the southwest corner of 163rd Avenue and Pat Tillman Blvd.

Objective Analysis:

This Major PAD Amendment would allow the applicant to develop the property with a mix of uses.

Policy Compliant:

The requested Major PAD Amendment, as outlined and detailed in the amendment document, is consistent with the Surprise Land Development Ordinance and advances the goals and policies of the General Plan.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00 - FS22-0517 Asante Major PAD Amendment - Staff Report 040423 CC
 2. 01 - FS22-0517 Asante Major PAD Amendment - Vicinity Map
 3. 02 - FS22-0517 Asante Major PAD Amendment - Existing Land Use Map
 4. 03 - FS22-0517 Asante Major PAD Amendment - Proposed Land Use Map
 5. 04 - FS22-0517 Asante Major PAD Amendment - Amendment Document
 6. 05 - FS22-0517 Asante Major PAD Amendment - Luke AFB Comments
 7. 06 - FS22-0517 Asante Major PAD Amendment - Affidavit of Site Posting
 8. 07 - FS22-0517 Asante Major PAD Amendment - Citizen Participation Report
 9. 08 - FS22-0517 Asante Major PAD Amendment - Support & Opposition
 10. 09a - FS22-0517 Asante Major PAD Amendment - Ordinance Alternative 1
 11. 09b - FS22-0517 Asante Major PAD Amendment - Ordinance Alternative 2
 12. FS22-0517 Asante Major PAD Amendment - 040423 CC
-

MAJOR PAD AMENDMENT

REPORT TO THE CITY COUNCIL

Case: FS22-0517

Project Name: Asante Major PAD Amendment

Council District: 1 – Acacia

Meeting Date: April 4, 2023

Planner: Trever Fleetham, AICP

Owner: Kimco Barclay Surprise II, LLC

Applicant: Withey Morris PLC

Request: Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to mixed-use and modify development standards.

Site Location: Generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante PAD.

Site Size: 101 gross acres (approx.)

General Plan Conformance: The proposal is consistent with the Surprise General Plan 2035.

Support/Opposition: See attached Citizen Participation Report

Commission Recommendation: The Planning & Zoning Commission recommended **approval** with the following additional stipulations:

- The residential area shall be capped at a total of 475 dwelling units.
- Commercial development shall be built concurrently with the residential development.

40 **Project Description:**

41 Withey Morris, PLC, the applicant, on behalf of Kimco Barclay Surprise II, LLC, the owner,
42 requests a Major PAD Amendment to the Asante PAD to change the land use designation
43 for approximately 101 gross acres from commercial to mixed-use and modify development
44 standards. The change would result in approximately 21.9 acres of C-2 commercial, 28.8
45 acres of C-3 commercial, and 50.3 acres of R-3 high density residential at the southwest
46 corner of 163rd Avenue and Pat Tillman Blvd.

47
48 **Background:**

49
50 **November 3, 1988:** The subject property was annexed into the City of Surprise under
51 Ordinance #88-24

52
53 **November 24, 2004:** The Mayor and City Council approved the Asante Planned Area
54 Development under case PAD04-124, Ordinance #04-41.

55
56 **October 28, 2021:** The applicant met with staff to discuss the subject proposal during a
57 regularly scheduled Concept Review Meeting under case CR21-567.

58
59 **April 8, 2022:** The applicant submitted for a Major PAD Amendment to the Asante PAD
60 under case FS22-0517, the subject case.

61
62 **February 16, 2023:** The subject case was heard by the Planning & Zoning Commission,
63 who recommended approval subject to stipulations 'a' through 'd'.

64
65 **Analysis and Discussion:**

66 The subject site, Parcel 1.2 of the Asante PAD, is currently designated as C-2
67 commercial. The applicant is requesting a change in the land use map to reduce the
68 amount of commercial and incorporate residential development. Initially, the applicant
69 proposed approximately 15 acres of C-2 commercial, with the remainder of the site being
70 a combination of R-2 single-family residential and R-3 multi-family residential. After
71 multiple City reviews and neighborhood outreach, the applicant elected to amend the
72 proposal.

73
74 The applicant is now requesting a combination of multi-family residential, community
75 commercial, and regional commercial, following the R-3, C-2, and C-3 standards of the
76 LDO. The north half of the site, which is carried through from the original proposal, is
77 planned as a mixed-use development. The 29.2 acre R-3 parcel is planned for a build-to-
78 rent cottage community – the site plan for which was reviewed under the same case
79 number. This development has been planned to integrate with the C-2 commercial
80 development to the east. The applicant has incorporated site design elements between
81 these two developments, such as vehicular and pedestrian connectivity, shared open
82 space, and building orientation and massing, in order to achieve a horizontal mixed-use
83 development.

These mixed-use elements have already been incorporated into the site plan for the north side multi-family currently in review with the City. Since a site plan has not been submitted for review for the C-2 commercial, specific design guidelines have been incorporated into the proposed amendment to ensure future integration. The C-2 commercial development is planned for neighborhood scale commercial uses such as retail, restaurant, and offices.

The 28.8 acre C-3 parcel on the south side of the subject site is included with the intent that it will be more employer focused, with an emphasis on healthcare, hospital, professional offices, and supporting services. The 21.1 acre R-3 parcel on the south is proposed as an additional residential component to the overall development to support the C-3 employment uses. While the R-3 zoning designation allows for high-density residential, this site will be limited to 187 dwelling units per the updated water report, unless additional capacity is provided.

Water & Wastewater

The original Asante Joint Development Agreement, and its associated water and wastewater reports, allocated water and wastewater capacity for the subject site based on its original and current land use designation of C-2 commercial. Updated water and wastewater reports were provided in association with the subject request to contemplate the change in demands due to the change in the land use plan, while remaining within the original approved capacity for the site. The reports utilized standard demands for commercial areas, and the number of known dwelling units planned for the northern R-3 area, to calculate the number of dwelling units possible in the southern R-3 area without increasing the original approved capacity. Additional capacity may be required in the future as the subject site develops.

Open Space & Trails

In order to be consistent with the Asante PAD and the Surprise General Plan, a trail network has been incorporated into this proposal. Connection points have been planned to the adjacent roadways, existing Asante trails, between each development, and to the central amenity area. The northern residential parcel has been planned with several connection points to the commercial parcel to the east for proper mixed-use integration. This residential development also includes the central open space amenity site for the overall parcel. While included in the site plan for the rental cottages development, this open space will be accessible to the public and include sports courts, playground, turf, and pedestrian amenities.

Utility and Services Table:

Electric:	APS
Water:	City of Surprise
Wastewater:	City of Surprise
School District	Dysart Unified School District

Conformance with Adopted Plans:

April 4, 2023 City Council
Case: FS22-0517
Asante Major PAD Amendment
Page 3 of 5

Surprise General Plan 2035: The Surprise General Plan 2035 shows the subject property as lying within the Commerce & Office Character Area, which can accommodate a variety of land uses. The General Plan states that these areas are “intended to provide opportunities for a mixture of commercial and retail uses, office and employment areas, higher density housing, hospitality developments, government and civic uses, educational and medical campuses, and entertainment choices to encourage a true live, work play environment.”

The proposed amendment was planned to utilize two of the development types contained within the Commerce & Office Character Area: ‘Commercial Office’ and ‘Mixed Use – Residential.’ The north half of the site is designed as a horizontal mixed use development, with a majority of the area being residential and the remainder being neighborhood level commercial. Site layout and design guidelines have been incorporated to ensure integration between the two land uses. The south half of the site utilizes the Commercial Office development type, which supports employment level commercial and supporting, stand-alone multi-family.

As such, the proposed Major PAD Amendment demonstrates consistency with this land use category and advances the goals and policies of the General Plan.

Reviewing Agencies:

In addition to the standard city reviewing agencies, Maricopa Water District, Maricopa County Department of Transportation (MCDOT) and Luke AFB were included in the routing of this request. These agencies indicated no objections to the request.

Citizen Outreach:

The applicant held neighborhood outreach meetings on June 28th and June 29th, 2022 that were properly advertised per the requirements of the LDO. One meeting was held in-person at Asante Preparatory Academy and the other was held virtually via Zoom. During these meetings, residents from the vicinity expressed their concerns regarding traffic, loss of commercial land, prospective commercial uses, parking, construction timing, and housing.

The applicant elected to amend the proposed land use plan after these neighborhood outreach meetings were held. The applicant subsequently held additional, voluntary neighborhood outreach meetings to present and receive feedback on the revised plan. See the attached Citizen Participation Report for a detailed summary of all meetings held.

Summary:

The proposed Major PAD Amendment to the Asante PAD to change the land use designation from commercial to mixed-use for approximately 101 gross acres is consistent with the Surprise General Plan 2035 and will be developed under the provisions of the LDO.

171 **Findings:**

- 172
- 173 • The proposed Major PAD Amendment is consistent with, and will advance the goals
 - 174 and policies of, the Surprise General Plan 2035.
- 175

176 **Commission Recommendation:**

177 Based on the findings noted above, staff recommended the Commission move to

178 recommend approval of case FS22-0517 to the City Council subject to stipulations 'a' and

179 'b' as follows:

180

- 181 a. Development and use of the site shall be consistent with the rezone narrative
 - 182 entitled "Asante Trails", prepared by Withey Morris, PLC, dated January 13, 2023.
 - 183
 - 184 b. Non-compliance with the stipulations of approval of this case will be treated as a
 - 185 violation in accordance with the applicable provisions of the Surprise Municipal
 - 186 Code.
- 187

188 The Planning & Zoning Commission recommended **approval** to the City Council with two

189 (2) additional stipulations as follows:

190

- 191 c. The residential area shall be capped at a total of 475 dwelling units.
 - 192
 - 193 d. Commercial development shall be built concurrently with the residential development.
- 194

195 However, should the City Council wish to deny the request, the Council should make its

196 own findings and base its decision on those alternative findings.

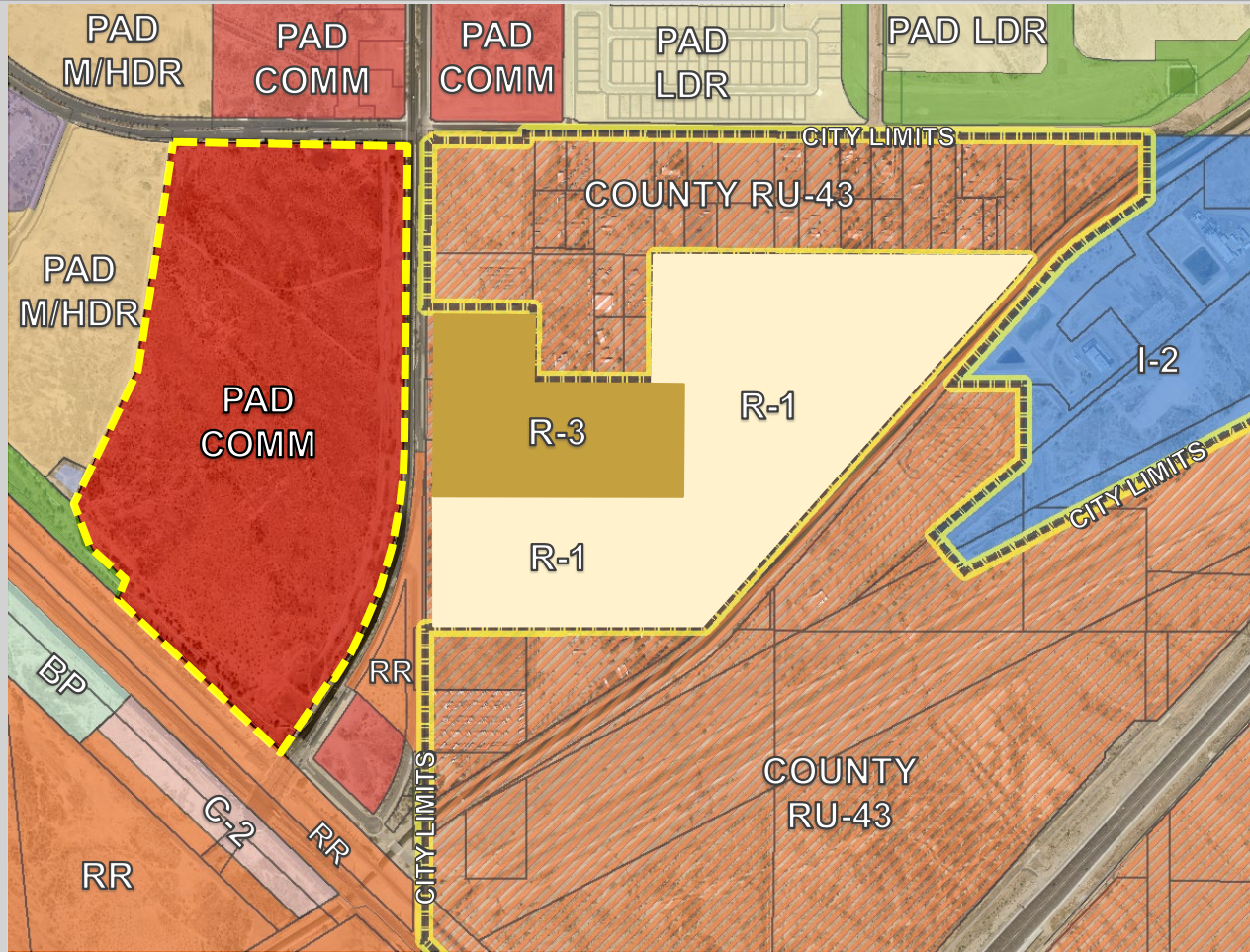
197

198 **Attachments:**

199

- 200 01 Vicinity Map
- 201 02 Existing Land Use Map
- 202 03 Proposed Land Use Map
- 203 04 PAD Amendment Document
- 204 05 Luke AFB comments
- 205 06 Affidavit of Site Posting
- 206 07 Citizen Outreach Report – REDACTED
- 207 08 Support/Opposition
- 208 09a Ordinance #2023-03 Alternative 1
- 209 09b Ordinance #2023-03 Alternative 2
- 210 PPT

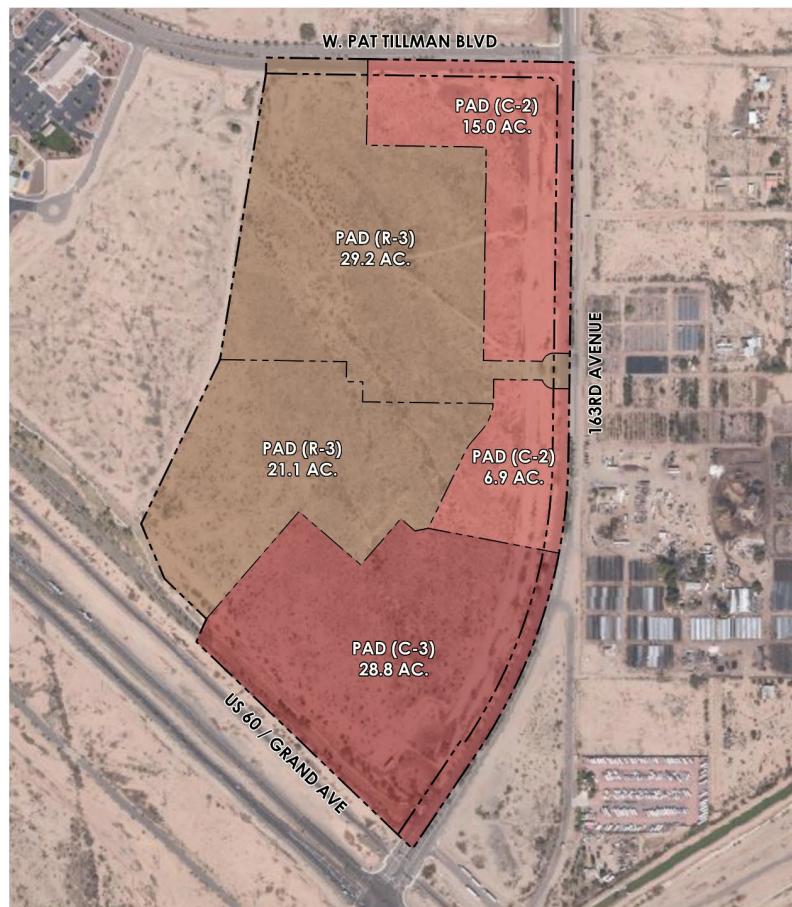




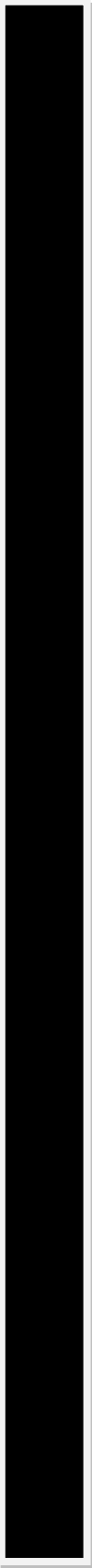
EXISTING LAND USE



EXISTING ZONING DISTRICT



PROPOSED ZONING DISTRICTS



Asante PAD

“Asante Trails”

FS22-0517

Major PAD Amendment Narrative
Amendment No. 8

Submitted: April 2022
Resubmitted: September 2022
Resubmitted: December 2022
Resubmitted: January 2023

Development Team

Applicant



Withey Morris, PLC
2525 E. Arizona Biltmore Circle Ste. A-212
Phoenix, AZ 85016
Contact: Adam Baugh
Email: adam@witheymorris.com
Phone: (602) 230-0600

Owner



Kimco Surprise II, LLC
3830 W. Pinnacle Peak
Glendale, Arizona 85310

Land Planning



RVi Planning & Landscape Architecture
120 S. Ash Avenue, Suite 201
Tempe, AZ 85281
Contact: Mark Reddie
Email: mreddie@rviplanning.com
Phone: 480-994-0994

Leasing



SRS Real Estate Partners
3131 E. Camelback Road
Phoenix, AZ 85016
Contact: Ed Beeh
Email: ed.beeh@srsre.com
Phone: 602-682-6200

Engineer



Terrascope Consulting
645 E Missouri Ave, Ste 160
Phoenix, AZ 85012
Contact: Dave Soltysik
Email: dsoltysik@terrascope.us
Phone: (480) 454-8010

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TABLE OF EXHIBITS

EXHIBIT A – SITE CONTEXT AERIAL
EXHIBIT B – EXISTING ZONING MAP
EXHIBIT C – EXISTING ASANTE PAD LAND USE PLAN
EXHIBIT D – PROPOSED ASANTE PAD LAND USE PLAN
EXHIBIT E – EXISTING AND PROPOSED ZONING MAP
EXHIBIT F – EXISTING GENERAL PLAN LAND USE MAP
EXHIBIT G – SITE PLAN
EXHIBIT H – OPEN SPACE AND TRAILS MASTER PLAN
EXHIBIT I – CONCEPTUAL COMMERCIAL IMAGERY

Introduction

This Major PAD Amendment request is for the property located at the southwest corner of Pat Tillman Pkwy & 163rd Ave, commonly known as Maricopa County Assessor's Parcel Number 503-76-803 (the "Property") (**Exhibit A**). The Property is approximately 101.1 gross acres in size. It is vacant land located within the Asante PAD. Refer to the enclosed Existing Zoning Map (**Exhibit B**).

Asante History

The Asante Planned Area Development ("PAD") was approved by the City Council in November 2004 through adoption of Ordinance #04-41. The original approval included 1,508 gross acres and has been amended several times. When it was originally approved in 2004, this subject property was initially considered for commercial (75.5 ac) and medium to high density residential (77.4 ac) uses.

In 2005, the city approved a land use revision that increased the size of the commercial area by 27 more acres and reduced the M/HDR area by an equal amount. The intent at the time was to create a large retail power center.

In 2012, the Asante PAD was changed again to modify the size of the commercial power center to 97.1 net acres and was planned as a "lifestyle" oriented commercial shopping center. M/HDR uses were still planned in the Gateway area with a target of 8.3 du/ac (1062 units), however, specific parcels were noted to range between 6 to 20 du/ac.

The existing and proposed Asante Land Use Plans are included herein at **Exhibit C** and **Exhibit D**.

Major PAD Amendment

The change in the Gateway Area commercial acreage designation represents a major amendment to the Asante PAD and is a necessity for the long-term commercial prospects at this location. Initially, the owner's acquisition of this site 16 years ago was for the purpose of developing a large retail center. However, traditional brick and mortar retail development has drastically changed since this PAD was adopted and a 97-acre retail power center is not practical nor feasible here. Based on our experience developing retail centers, coupled with guidance from commercial brokers in this area, we've learned that a neighborhood scale shopping center on the north side is more appropriate to serve local resident needs. This makes sense given the Fry's anchored commercial center directly north is already 19 acres bringing the total proposed size of commercial zoned land at this intersection to 34 gross acres. Additionally, the frontage on US 60 allows the opportunity for another 35.7 acres of additional commercial zoning that could be more focused on employment and healthcare related uses. In total, we are proposing 50.7 acres of commercial land, with the balance as residential R-3 (50.4).

The Asante PAD remains committed to a combination of commercial and residential uses planned in a comprehensive manner that will contribute to the quality of the city and provide nearby shopping and a quality residential living environment. To right-size the commercial acreage on the Property, we propose a mixed-use project that blends residential, commercial, and healthcare related uses. More than half of the site will provide commercial uses along the street frontages where it is most likely to succeed, with residential uses placed behind it. The R-3 product will add to the housing diversity in the area and create a greater demand for retail and healthcare services as well as the already committed retail uses to the north.

This change will update the allowed unit cap for the Gateway Area, which increases from 1,062 to 1,542 units consistent with the proposal. The additional units in the Gateway Area helps create a viable development plan more appropriate for this site.

Request

This amendment seeks to rezone +/- 101.1 gross acres within the Asante Planned Area Development (PAD) from Commercial (C-2) to Commercial (C-2) (21.9 gross acres), Commercial (C-3) (28.8 gross acres) and Residential High (R-3) (50.4 gross acres) (**Exhibit E**). This request also includes an update in the amount of residential units permitted in the Gateway Area from 1,062 units to 1,542 units. This is an increase of 480 units within the Gateway Area which equates to a 9.5 gross du/ac. This PAD amendment will provide a more realistic balance of commercial uses to the overall master plan concept with high-quality living options for all types of families.

General Plan Conformance

The Surprise General Plan land use map designates the property as “Commerce & Office” (**Exhibit F**), which has four subcategories, two of which apply to the site.

South Half

The southern half sub-category is Commercial Office which per the General Plan permits “office buildings...and supporting retail, restaurant, hotel and civic spaces to support the concentration of professional offices. Educational and medical campuses along with their typical support facilities may also be located within this development type. Stand-alone multi-family residential development could be integrated into the overall design, were appropriate, to offer housing options near quality jobs that shorten commute times and reduce congestion.”

The south half proposal is expected to include office, medical campus and healthcare uses, and stand-alone multi-family per the general plan. The large C-3 zoned area is intended for a healthcare user that could include a hospital, office, and medical uses. Adjacent to that area is supporting retail C-2 zoning which strengthens the employment aspect by providing commercial amenities nearby. Behind the C-3 and C-2 is R-3 zoning “to offer housing options near quality jobs that shorten commute times and reduce congestion”

North Half

The north half sub-category is Mixed Use: Residential which is the most appropriate subcategory for this site in today’s environment. The general plan text for Mixed Use Residential states that it “includes a vertical and or horizontal mixture of residential and non-residential land uses where the residential component of the project constitutes at least 75% of the overall square footage or acreage. The remaining 25% of acreage would constitute commercial retail, office, education, medical, entertainment, or civic related uses.”

In this instance, the development will provide at least 75% of its acreage for residential and will integrate with the commercial parcel through pedestrian, vehicular and modal cohesion and connectivity. We further plan to incorporate view corridors, open spaces and building massing plans to account for optimal functionality, livability and use integration as mentioned previously included in this plan.

PAGE 2

The General Plan highlights some key mixed-use planning principles that help create an integrated environment as outlined below:

P.29: “The Commerce & Office Land Use Character Area supports both a **horizontal** and vertical mixture of uses on a larger scale. However, the development pattern for this character area remains walkable and accommodates other forms of transportation including cars, bicycles, and transit to encourage a more urban style living environment.”

Response: The bubble plan illustrates how the development is walkable and bicycle friendly as demonstrated by the various dashed yellow pathways leading from the commercial to the residential. This proposal is walkable and accommodates bicycles and pedestrian access directly to the commercial area via trail systems, sidewalks, walkways, and plazas. Connection areas are intentional as they engage with the commercial use rather than turn their back to it.

Additional forms of vehicular and public transit are also available on the surrounding street network. A bus bay can be accommodated easily along the commercial frontage should the city opt to provide that service in this area.

p.30: “Where appropriate, all mixed-use developments should include active and passive open space areas designed, located and oriented to provide; high pedestrian accessibility to adjacent development.”

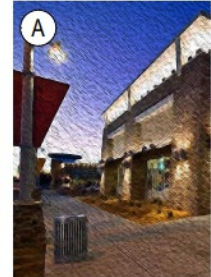
Response: The proposed plan achieves the intended pedestrian friendly integration by placing building openings and courtyards that open up to the residential area rather than closed off. This is achieved through courtyard plazas, outdoor spaces, and connection to adjacent park spaces. Additionally, the central open space area between the north/south half provides significant active open spaces for the broader Asante community. This new amenity area includes a sport court, playground, large turf area, plazas, ramada, game plaza and more along with public street parking.



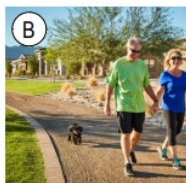
P.31: **“Stand-alone multi-family residential development could be integrated** into the overall design, where appropriate, to offer housing options near quality jobs that shorten commute times and reduce congestion.”

Response: Integration between the commercial and residential areas occur between connecting pedestrian walkways, plazas and open space areas.

The two project components combine through the use of commercial plazas and connecting courtyards. The integration of residential next to commercial helps place housing options near quality jobs and shortens commute times.



(A) NEIGHBORHOOD COMMERCIAL PLAZAS



(B) CONNECTED PEDESTRIAN TRAIL SYSTEM

p.30: “Where appropriate, all mixed-use developments should include active and passive open space areas designed, located and oriented to provide; **high pedestrian accessibility to adjacent development.**”

Response: The proposed plan achieves the intended pedestrian friendly integration by placing building openings and courtyards that open up to the residential area rather than closed off. This is achieved through courtyard plazas, outdoor spaces, and connection to adjacent park spaces.

Additionally, the central open space area between the north/south half provides significant active open spaces for the broader Asante community. This new amenity area includes a sport court, playground, large turf area, plazas, ramada, game plaza and more along with public street parking. In this manner, the central active open space creates a necessary pedestrian link to the parcels to the west, thus allowing pedestrians, cyclists, and runners a connected pathway that ties together all parts of Asante towards the commercial area along 163rd Avenue.



LANDSCAPE KEYNOTES

- ① PEDESTRIAN PLAZA
- ② BISTRO SEATING
- ③ RAISED PLANTER
- ④ PLAYGROUND
- ⑤ MOUNDED OPEN-SPACE
- ⑥ RAMADA
- ⑦ CORNHOLE
- ⑧ ARTIFICIAL TURF
- ⑨ OPEN-SPACE LAWN
- ⑩ SHADE SAIL
- ⑪ MULTI-SPORT COURT
- ⑫ BENCH SEATING
- ⑬ BENCH SEATING

The General Plan also talks about using “transition measures” like:

- Adjust densities to provide a gradual transition to surrounding uses;
- Provide similar streetscape and landscape design to surrounding uses;
- Utilize similar setbacks to surrounding uses;

- Place enhanced landscape/open space buffers between uses; additional measures should be taken to emphasize transition through integration and encourage connectivity between new development and surrounding uses.

Our land plan accomplishes these items above by providing greater density next to the commercial uses,. There is consistent landscape theming, streetscape, and design across the full project site that unifies all components together. We have placed thoughtful open spaces next to the commercial uses to emphasize transition through integration and encourage connectivity between new development and surrounding uses. Additionally, a linear park is located in the project center to create a blended space where residents, employees, and commercial users can enjoy.



(C) NEIGHBORHOOD OPENSOURCE

Mixed-Use Project Overview

The applicant proposes a balanced mixed-use community (**Exhibit G, Site Plan**) that includes a commercial shopping center, rental cottage homes, employment and active community open space areas. The key planning emphasis is integration between the commercial shopping center, employment areas, and the residential components through the use of linear parks and pathways that link the overall Asante community through the site and towards the commercial uses. The land plan creates an area with diverse housing options and lifestyle amenities incorporated with social, entertainment, and employment opportunities that create economic and social vitality and provides flexibility in the design of new developments.

Diverse housing options are provided along with integrated commercial uses offering social, entertainment, and employment opportunities. It is our intent to permit a wider variety of residential uses but a more specific range of commercial uses focused on meeting the daily needs of the residents while being compatible with and integrated into the residential neighborhoods.

Commercial

This development proposal aims to provide convenient access to commercial services in the area, employment opportunities and amenities. The proposed plan will create an intimate community designed to foster connections and caring relationships amongst other residents by a series of interconnected trails and view corridors along with gathering spaces for all residents.

This horizontally integrated mixed-use community has residential and commercial components in separate buildings that are designed to have integrated pedestrian connections, circulation system and parking concept. The plan integrates a variety of different land uses including employment areas, rental cottages, and commercial uses all linked through a comprehensive network of pedestrian trails and walkways. Onsite open space areas include amenities and safety features that enable residents to use the open space amenities within and between the land uses providing safe connectivity between the mix of uses. The plan also demonstrates an integrated circulation system and parking through shared primary entry theme roads for all three uses that features on-street parking, amenitized central open spaces, and pedestrian connections.

A variety of C-2 commercial uses are provided within a neighborhood scale site allowing for a diverse range of uses. Commercial zoning is located along the north side where there is synergy with the Fry's commercial shopping center to the north. Commercial uses then extend south along 163rd Ave to provide new retail amenities at a neighborhood scale.

Closer to US 60, an additional 28.8 acres of C-3 commercial zoning is provided to allow for additional commercial uses next to the highway corridor, as was always expected at this location. It is expected that uses in that area will have a greater degree of employment, officer, medical care, and other public service uses. In this manner, the site is able to provide both neighborhood scale retail and healthcare type uses for the long-term buildout of Asante.

The commercial site plan is conceptual at this stage but will develop consistent with the C-2 development standards within the Surprise Land Development Ordinance (LDO). The concept plan represents a likely building layout in combination with drive aisles, access points, and integrated outdoor open space areas. Future buildings will pursue their own individual site plan and architecture approval through a site plan

PAGE 7

application, pursuant to the commercial design guidelines identified with this PAD.

To that end, a variety of commercial uses are provided with a more neighborhood scaled site allowing for a diverse range of uses other than those that will be located to the site to the north. The northern commercial area will include uses such as restaurants, cleaners, spas, and childcare, as well as retail office uses such as medical and financial services. It is also the intent of these districts to create the live-work-play environment designed to promote a pedestrian scaled walkable development. Hence, a variety of residential, non-residential and open space amenities create a live-work-play environment in a pedestrian scaled walkable neighborhood.

The southern commercial (C-3) area is intended to be more employer focused, with an emphasis on healthcare, hospital, professional offices, and supporting services.



Rental Cottages

The rental cottages will be limited to a certain area of the community that is most conducive to higher density and proximate to commercial activity. The key feature of this community is interconnectivity with the adjacent commercial uses through open space amenities and pedestrian connections.

The rental cottage community will offer residences in 1-bedroom small, 1-bedroom large, 2-bedroom, 2-bedroom carriage, and 3-bedroom configurations. Each rental home will have a private rear yard. Several pocket parks are planned throughout and integrated with the adjoining commercial area. A large central park amenity is located near the primary entrance to the community and is intended to be a key amenity and identity feature for not only the rental community but the overall masterplan. The overall community open space is 11.5 acres (40.5% gross), and the private rear yard areas totals 1.8 acres (6.3% gross).

The homes will be arranged around several active and passive space areas, which may include a dog park, barbecue station, fire pit, pool, and indoor amenity areas, creating a gathering place for residents and cultivating a sense of community. Garages, covered, and uncovered parking for residents and guests will be provided for convenient access to each residential home. The proposed project will feature a lush, drought-tolerant landscape palette consistent with the area. All homes will have a private outdoor patio and backyard.

R-3 (Southeast side)

A portion of the south-eastern area (21.1 ac) is set aside to develop at R-3 standards. The residential site plan, product type and design will be a part of a future site plan application when market conditions warrant.

Community Active Open Space

A key feature of this plan is the central open space amenity between the north and south halves. This area is strategically placed to bring all plan elements together in a larger community benefit. The design for this active open space area includes

- Palm plazas at the ends of the medians providing height and gathering spaces to be consistent to the added plazas within the commercial area.
- A playground and open turf area near the eastern side so that it is accessible by all uses.
- Moving west a ramada is provided for shade and a viewing area for the playground and game plaza to the west.
- West of the ramada there is a cornhole / game plaza.
- Next is a multipurpose court.
- Public parking proximate to the open space area.
- Finally, the western median was designed to be larger open turf areas.

The benefit of this design is the way in which it ties into the broader Asante community. The central open space area creates a useful pedestrian link to the parcels to the west and the overall Asante community. Thus, pedestrians, cyclists, and runners can enjoy a connected pathway that ties together all parts of Asante towards the commercial area along 163rd Avenue.

Regional Trail and Project Connectivity

One of the key goals of the Surprise General Plan is to provide regional trail connectivity. Specifically, the General Plan suggests developing “a comprehensive greenway, trail and pocket park system along the extensive natural desert washes that also serve to promote off-street trail connections between neighborhoods and businesses in Surprise.” The General Plan also encourages residential developments to include a trail system, where appropriate, to accommodate pedestrian, bike and equestrian linkages to adjacent development.

This development proposal strives to accomplish that objective through a series of connected trails that span south to north, and west to east. As shown on the Open Space and Trails Master Plan (**Exhibit H**), the inter-connected trail system extends from within the four development areas. The overall project area is planned and designed to provide connectivity and linkage to integrated open space, pedestrian and trail systems.

The trail system also connects to regional, external trail pathways. This development provides a regional pedestrian connection to the commercial uses from the southern portion of the site along the railroad track (where a regional trail exists), through the western portion of our site within a proposed 30' trail easement, and through the middle of our site between the residential parcels to access the commercial parcel. These trail networks encourage pedestrian and bicycle travel between uses and minimize the need for motor vehicle trips within the Asante neighborhood.



Development Standards

Development of the Project shall conform to the standards set forth in the C-2, C-3 and R-3 zoning districts of the Surprise Land Development Ordinance. No deviations are requested other than the commercial design guidelines listed below which shall to apply to all C-2 zoned areas.

Commercial Design Guidelines

The commercial site plan is conceptual at this stage. Future buildings will pursue their own individual site plan and architecture approval through a site plan application, pursuant to the commercial design guidelines identified below. Conceptual imagery is included at **Exhibit I**.

General Standards

- The architectural design shall be clean and simple with exciting plaza areas and design elements.
- The materials pallet shall include exposed metal I beams, slump block and concrete block elements and suspended metal shade canopies.
- Buildings sited adjacent to public streets shall optimize the street exposure, creating a strong visual edge to the arterial roadway while buffering the required parking field from the general public view when practical.
- Throughout the site pedestrian connections shall be carefully planned to provide safe access and encourage adjacent residents to visit the center. The open pedestrian plaza between buildings will provide a common outdoor space for surrounding restaurants and shops.
- The pedestrian features shall create a focal point to the main entry drive and pedestrian connection.
- A pedestrian friendly experience should be considered along the main north-south driveway by a procession of columns with cantilevered beams, which also echo the future commercial building architecture.
- Provide tree lined “boulevard” at median break(s), with detached sidewalks and landscaping that leads directly into a pedestrian plaza or other amenity.
- Incorporate unique planter and seating features in pedestrian areas throughout site, including areas along the front of buildings.
- Develop an overall character theme that incorporates unique amenities (i.e., signage, light fixtures, screen walls/seat walls, etc.).
- Provide at least two (2) unique freestanding architectural site features that reflect the building architecture in addition to the required special features, such as entry arches, trellises, clock towers, rail fencing, etc.

Office-type buildings:

- Office buildings shall imbue a contemporary corporate vocabulary.
- The increased use of glass along the street frontage, including tinted only (non-reflective) in the primary office spaces, if any. This creates a stronger visual connection between the user occupied building and the passing motorists.
- Signature glass corner piece, with bold masonry piers supporting a cantilevered roof overhang should serve as an identifying icon statement.

- A combination of strip and punched windows, combined with multiple colors and masonry materials, will provide consistency in the design theme with the supporting commercial center while breaking down the larger building masses.

Commercial-type buildings:

- The retail buildings shall complement each other (or any office building design if planned), while incorporating additional pedestrian-oriented design features.
- Large retail buildings (buildings greater than 20,000 sf) shall be articulated to break up the building mass into smaller components which better relate to a pedestrian scale. This may be achieved by varying the plane of the front wall as well as using a variety of colors and materials.
- Metal shade canopies and I-beam trellis elements shall further define the balance of the retail buildings and enhance the pedestrian experience.
- Drive throughs, if any, shall be designed with columns and overhead trellises, tying these elements in to the overall architecture of the project.

Land Use Plan

The overall land use plan is shown in **Exhibit D**. Breakdown of the Gateway Area by use type is as follows.

Area	Use	Area (gr)	Base Zone***	Comment
1.1	Comm	6.8 AC	C-2	
1.2	Comm M/HDR	101.1	C-2 (21.9 ac) C-3 (28.8 ac) R-3 (50.4 ac)	PAD Amendment Area
1.4	Comm	19	C-2	
1.5	M/HDR	24.3	R-1, R-2, R-3	
1.6	M/HDR	28.2	R-1, R-2, R-3	
1.15	ES	16.1	R1-5	School Site
1.16	M/HDR	6.4	R-1, R-2, R-3	Church Site
1.17	M/HDR	32.8	R-1, R-2, R-3	

*Uses: Comm = Commercial; M/HDR = Medium/High Density Residential; LDR = Low Density Residential; PP/F = Public Park/Public Facility; ES = Elementary School Site

**Gross areas are approximate and subject to verification at platting.

***All base districts are for reference, zoning is PAD.

Zoning

Other than the changes to Area 1.2, there are no other changes proposed to the Gateway Area within the Asante PAD. The land use plan is implemented by City of Surprise zoning districts as shown in the following land use/zoning table.

Land Use Category	Zoning Districts*	Density Range	Target Density
-------------------	-------------------	---------------	----------------

Commercial	C-2	N/A	N/A
Commercial, Community (Grocery anchor)	C-2	N/A	N/A
Commercial, Neighborhood	C-2	N/A	N/A
Residential, Cluster Type, Townhouse, Z-lot, Zero Lot Line, Rental Cottages	R-1, R-2, R-3	6-20 DU/ac	8.0 DU/ac
Residential, Single Family	R-2, R1-5, R1-8	3-6 DU/ac	4.1 DU/ac

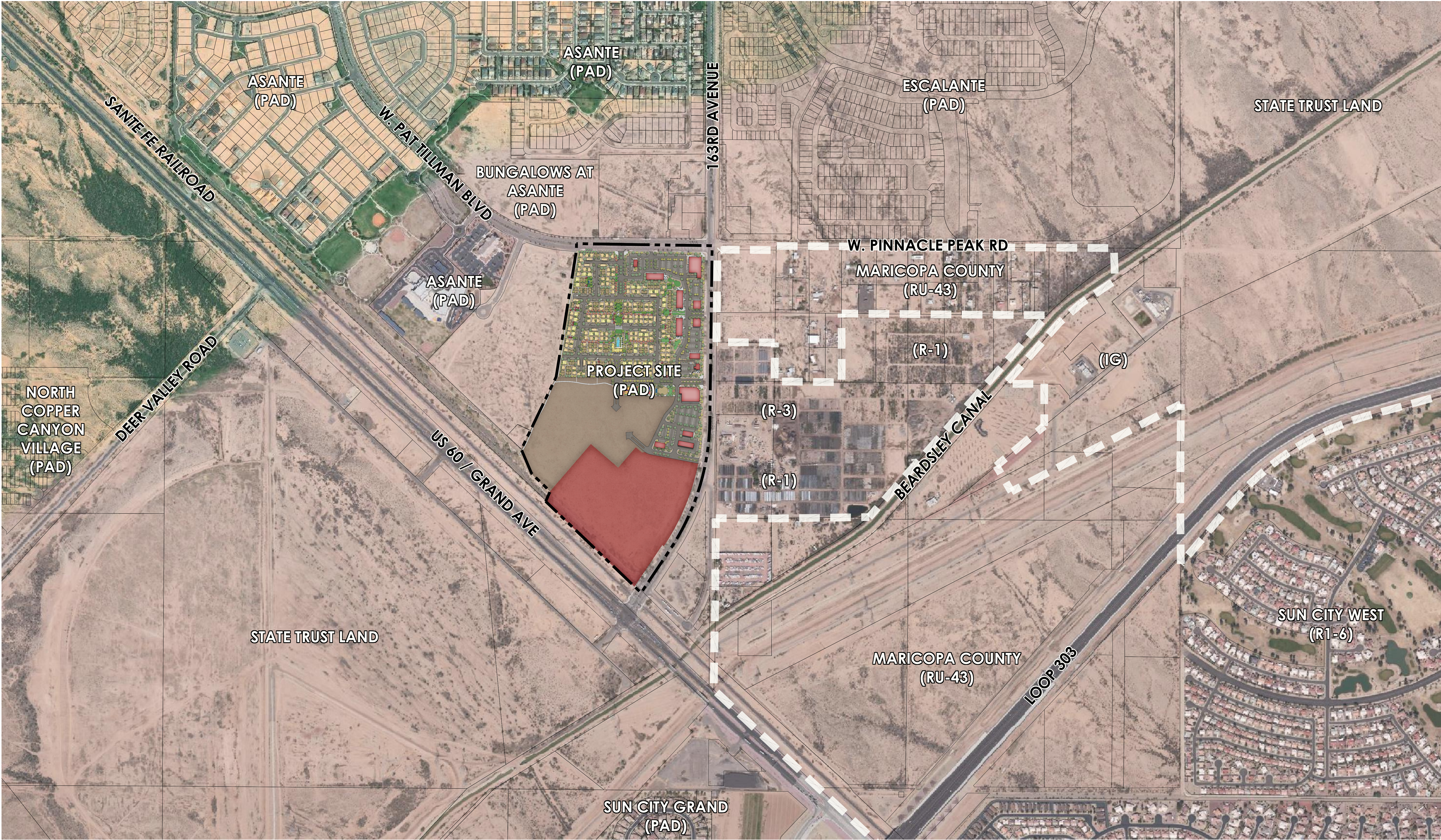
* Zoning Districts represent reference zoning. All zoning is PAD.

Conclusion

The development will be a benefit to the surrounding area and will activate a long-time vacant parcel. It will right-size the commercial portion for a more realistic commercial size reflective of today's commercial market needs. Further, this new quality development will contribute to the continued growth of the area and will provide new and unique housing opportunities and retail amenities within the northwest portion of Surprise.

Asante PAD will continue to be an exceptional community that exemplifies the best of the City of Surprise. It will contribute to the orderly growth of the city and is providing an impetus to solve regional transportation and sewer service problems. It is consistent with the Surprise General Plan and applicable regulations. The healthcare and commercial components will provide new tax revenues to the city as well as convenient shopping for local citizens. The future residents will enjoy a comprehensive parks and open space system organized around the pedestrian. A variety of housing types and prices will meet diverse housing needs. We believe that Asante will contribute to the continued planned growth of the City of Surprise and contribute to its quality of life. We respectfully request approval of this PAD amendment and look forward to moving into project implementation.

Exhibit A

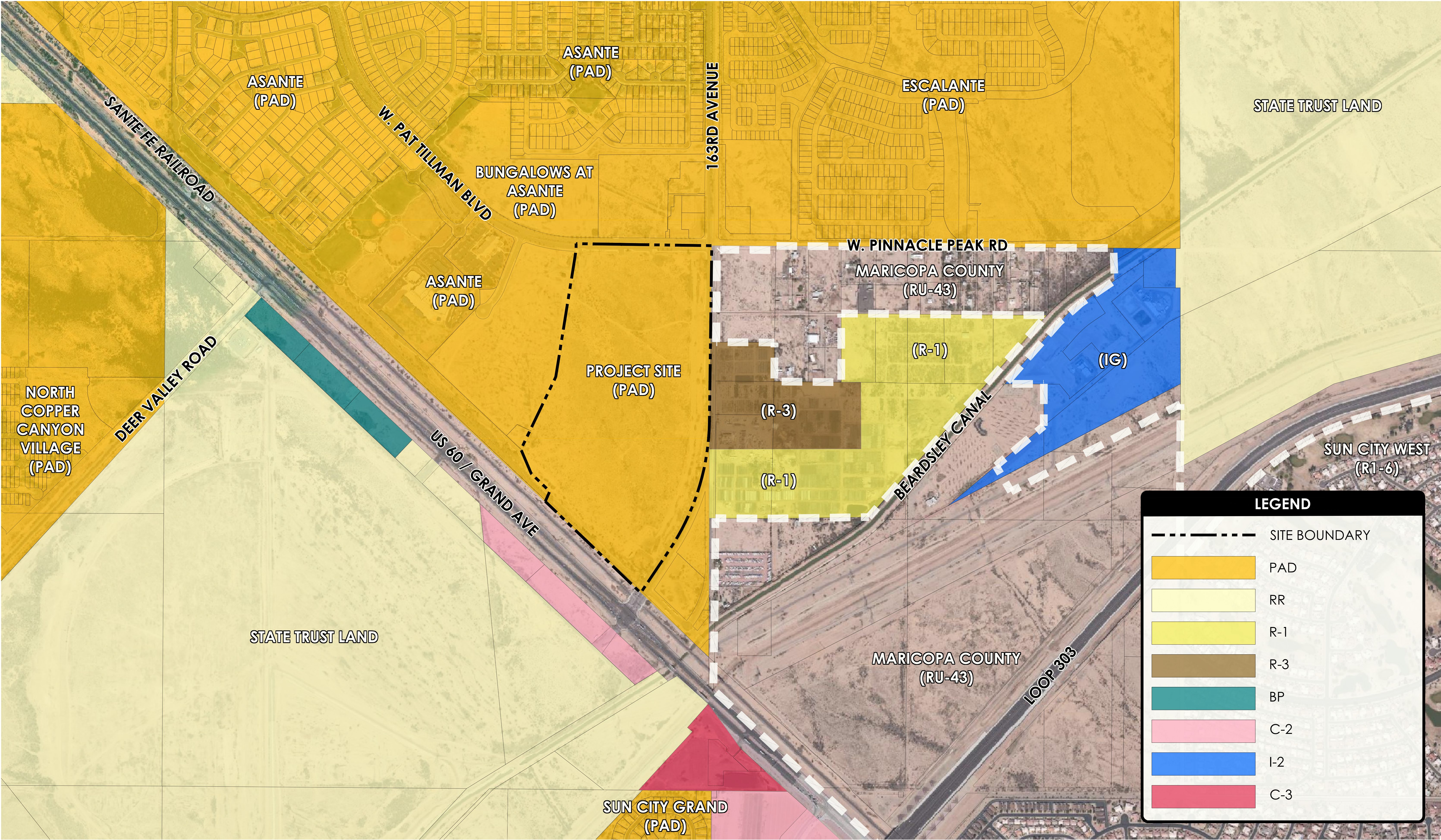


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ASANTE TRAILS • CONTEXT AERIAL

- 📍 SURPRISE
- 📅 2023-01-11
- 📞 # 21002387
- 👤

Exhibit B

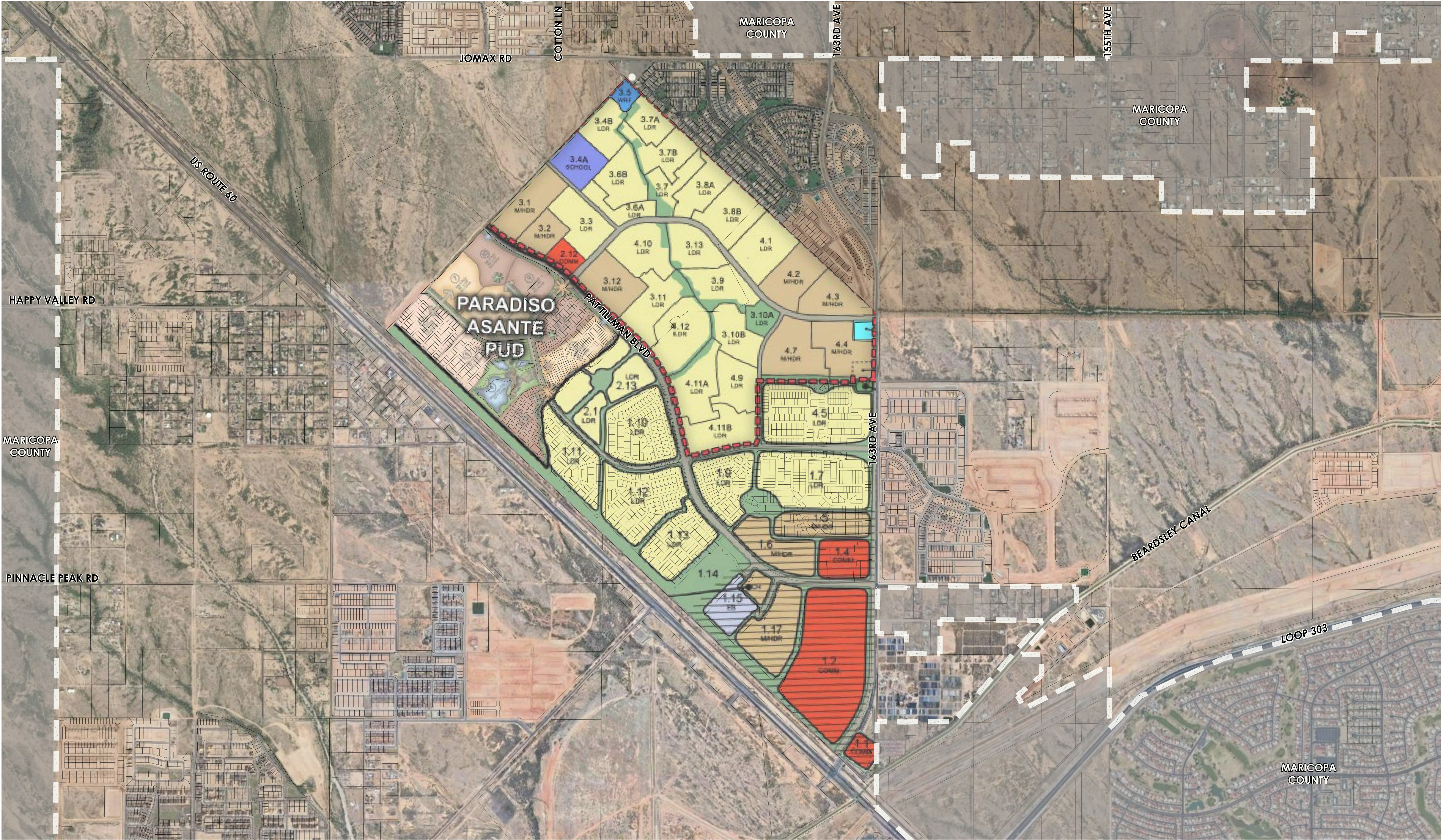


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ASANTE TRAILS • EXISTING ZONING

📍 SURPRISE
📅 2022-01-11
21002387
👤

Exhibit C

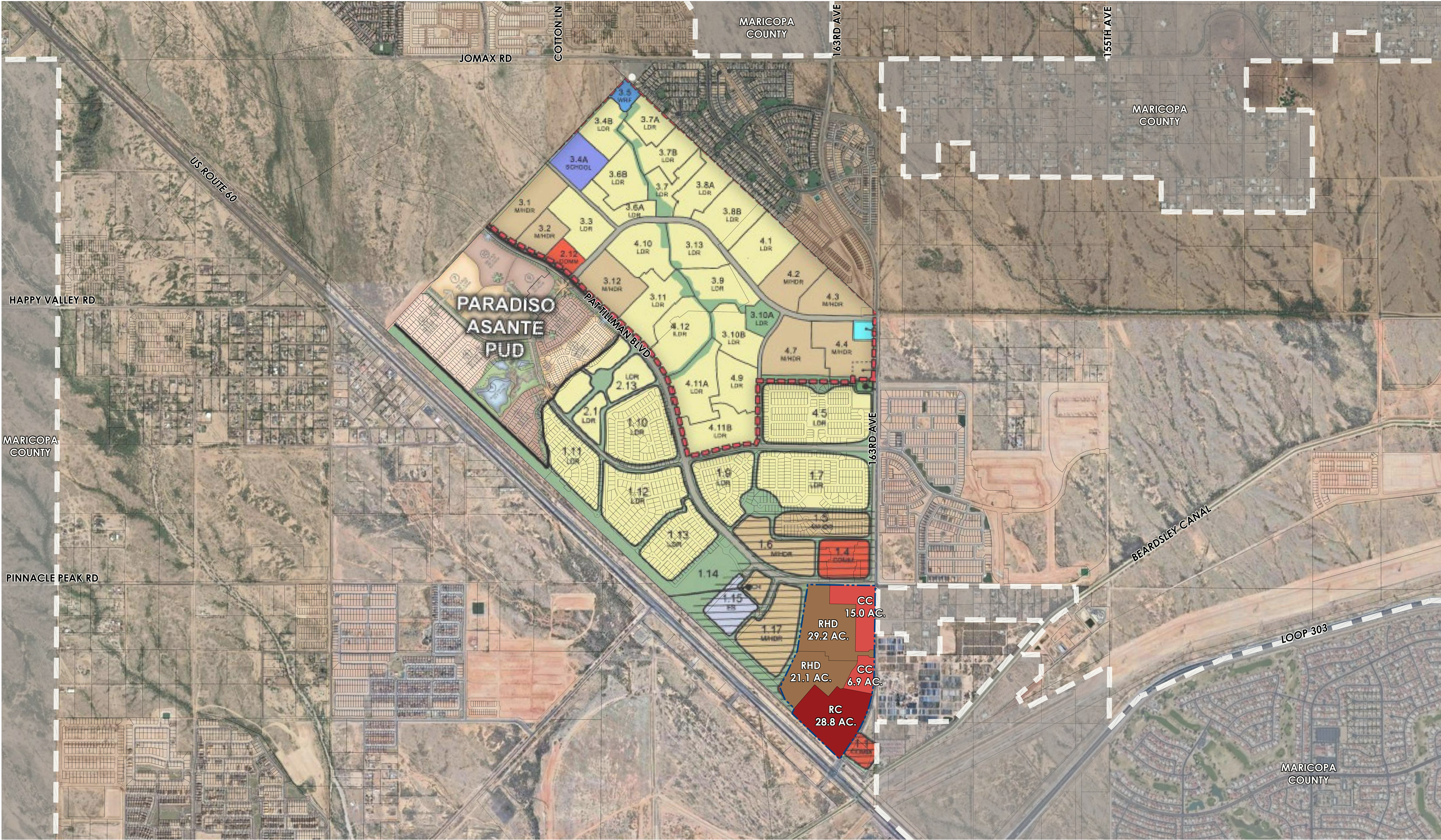


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ASANTE TRAILS • EXISTING ASANTE PAD LAND USE MAP

📍 SURPRISE, AZ
📅 2023-01-11
21002387
👤

Exhibit D



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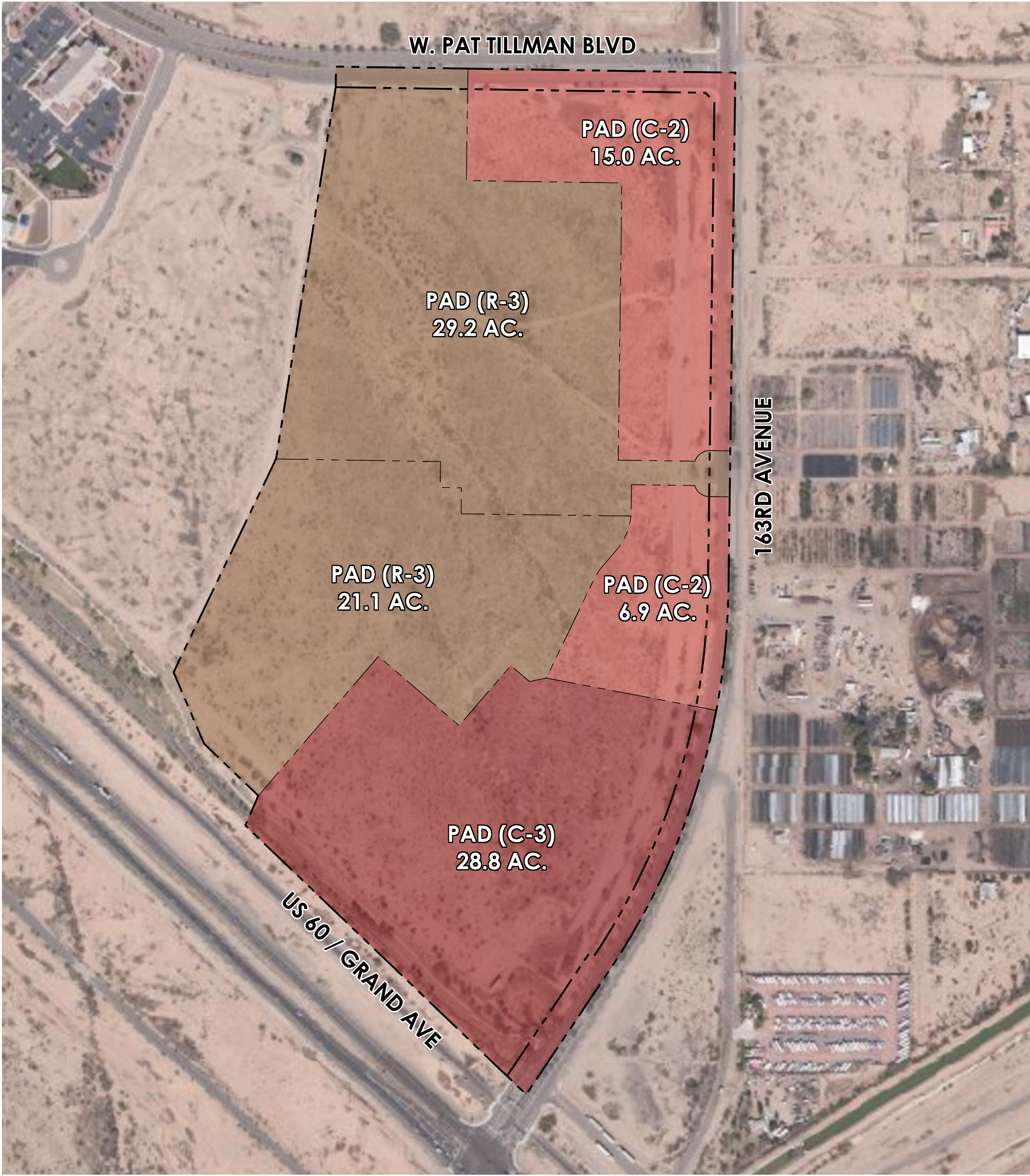
ASANTE TRAILS • PROPOSED ASANTE PAD LAND USE MAP

📍 SURPRISE, AZ
📅 2023-01-11
21002387
👤

Exhibit E



EXISTING ZONING DISTRICT

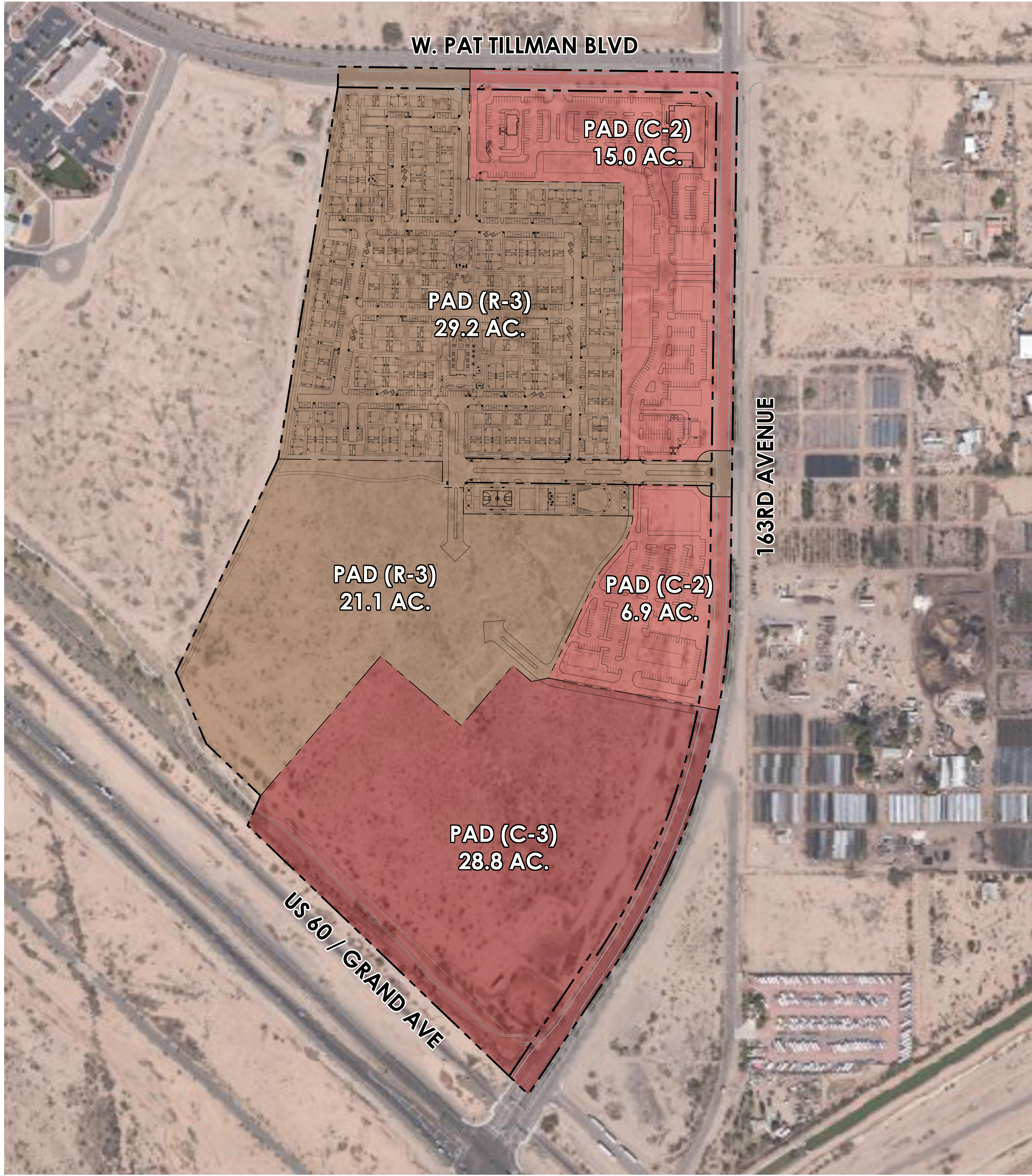


PROPOSED ZONING DISTRICTS

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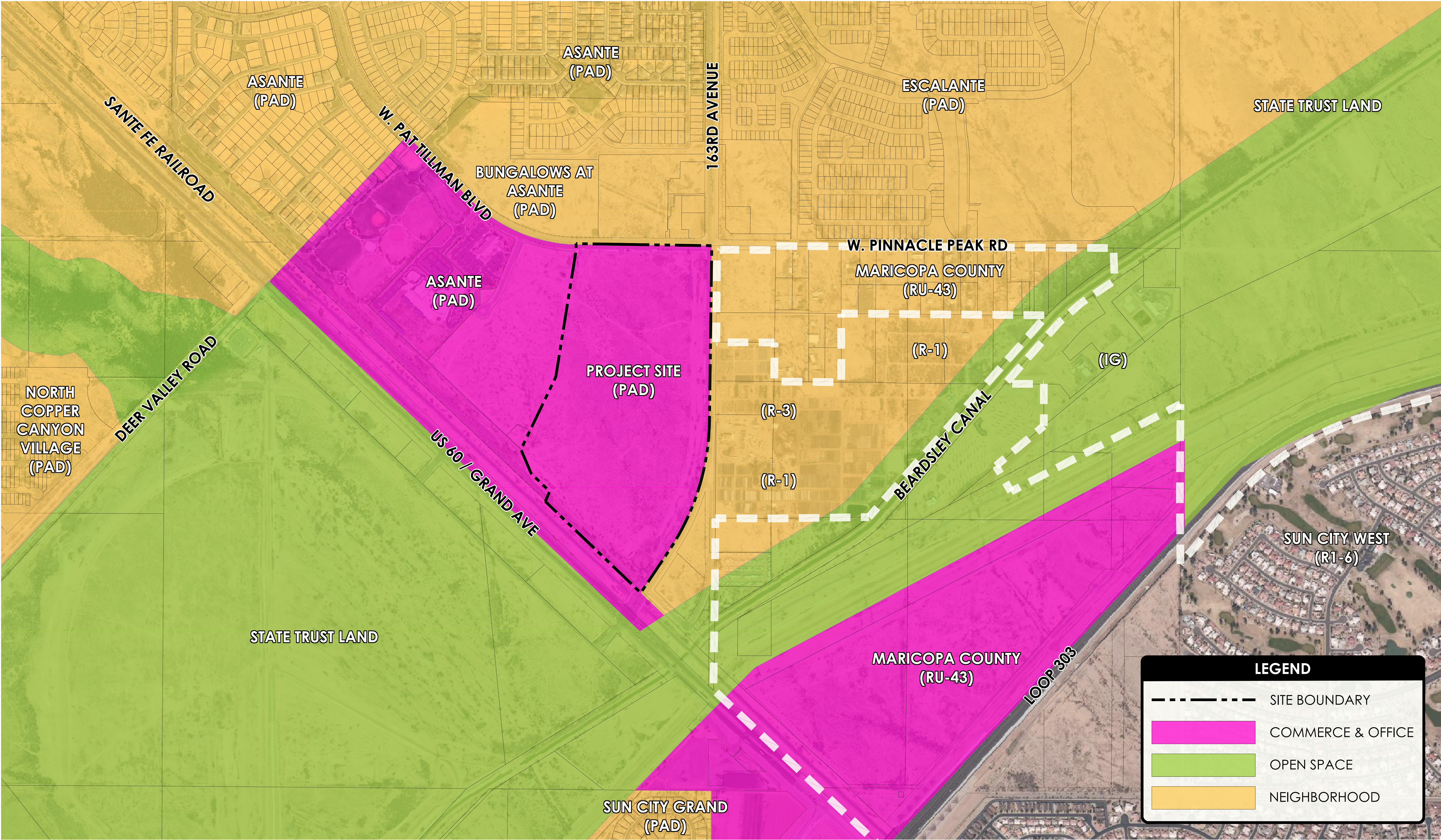
EXISTING ZONING DISTRICT



PROPOSED ZONING DISTRICTS

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Exhibit F



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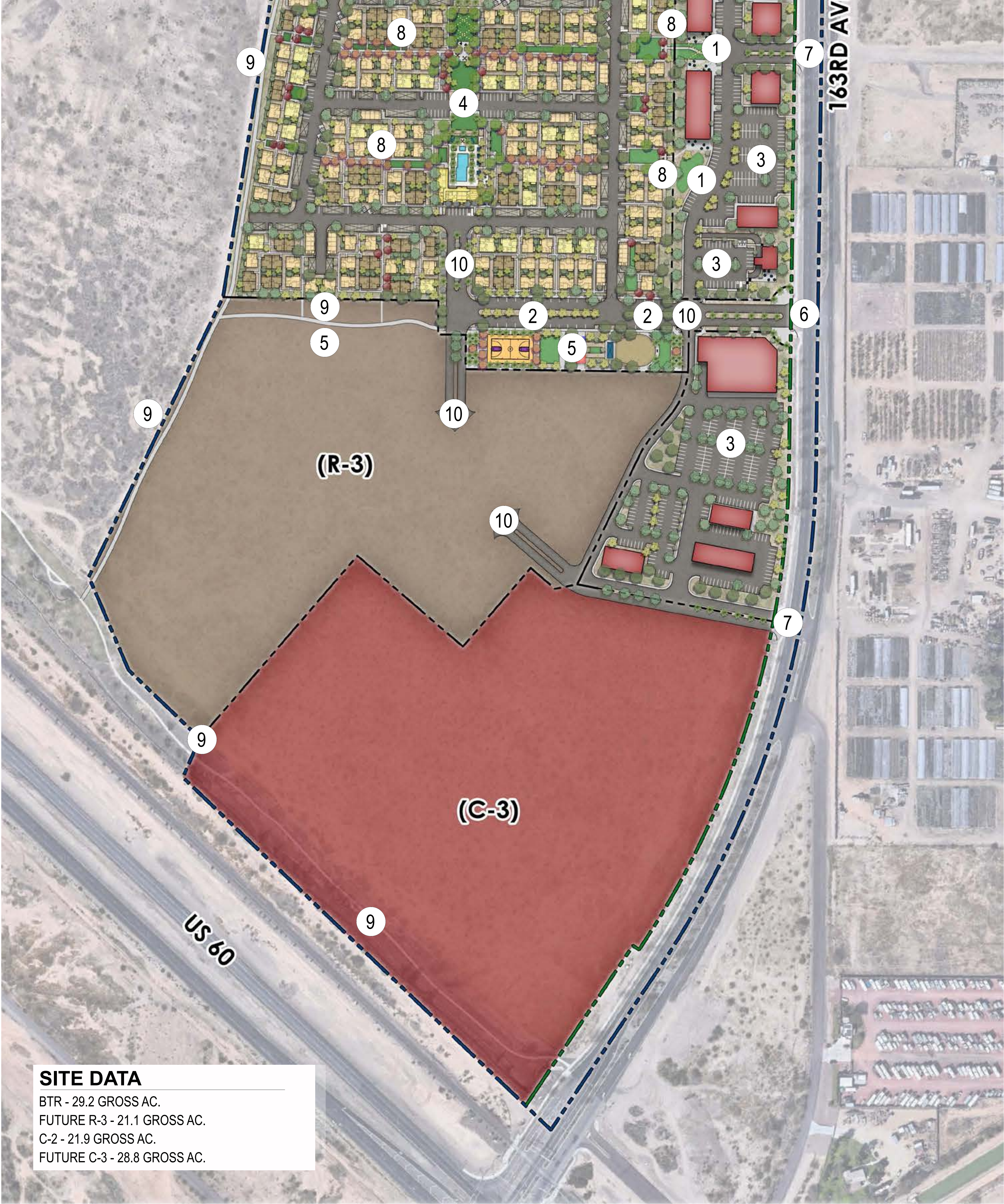
ASANTE TRAILS • GENERAL PLAN

- SURPRISE
- 2023-01-11
- # 21002387
-

Exhibit G

LEGEND

- 1.COMMERCIAL PEDESTRIAN PLAZA
- 2.ON-STREET PARKING
- 3.COMMERCIAL PARKING
- 4.PROGRAMMED AMENITY
- 5.LINEAR PARK
- 6.COMMUNITY PRIMARY ENTRY
- 7.SECONDARY ENTRY
- 8.LOCAL TRAILS
- 9.REGIONAL TRAIL
- 10. PARCEL ENTRIES



SITE DATA

BTR - 29.2 GROSS AC.
FUTURE R-3 - 21.1 GROSS AC.
C-2 - 21.9 GROSS AC.
FUTURE C-3 - 28.8 GROSS AC.

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ASANTE TRAILS LUXURY MIXED USE NEIGHBORHOOD • CONCEPTUAL SITE PLAN

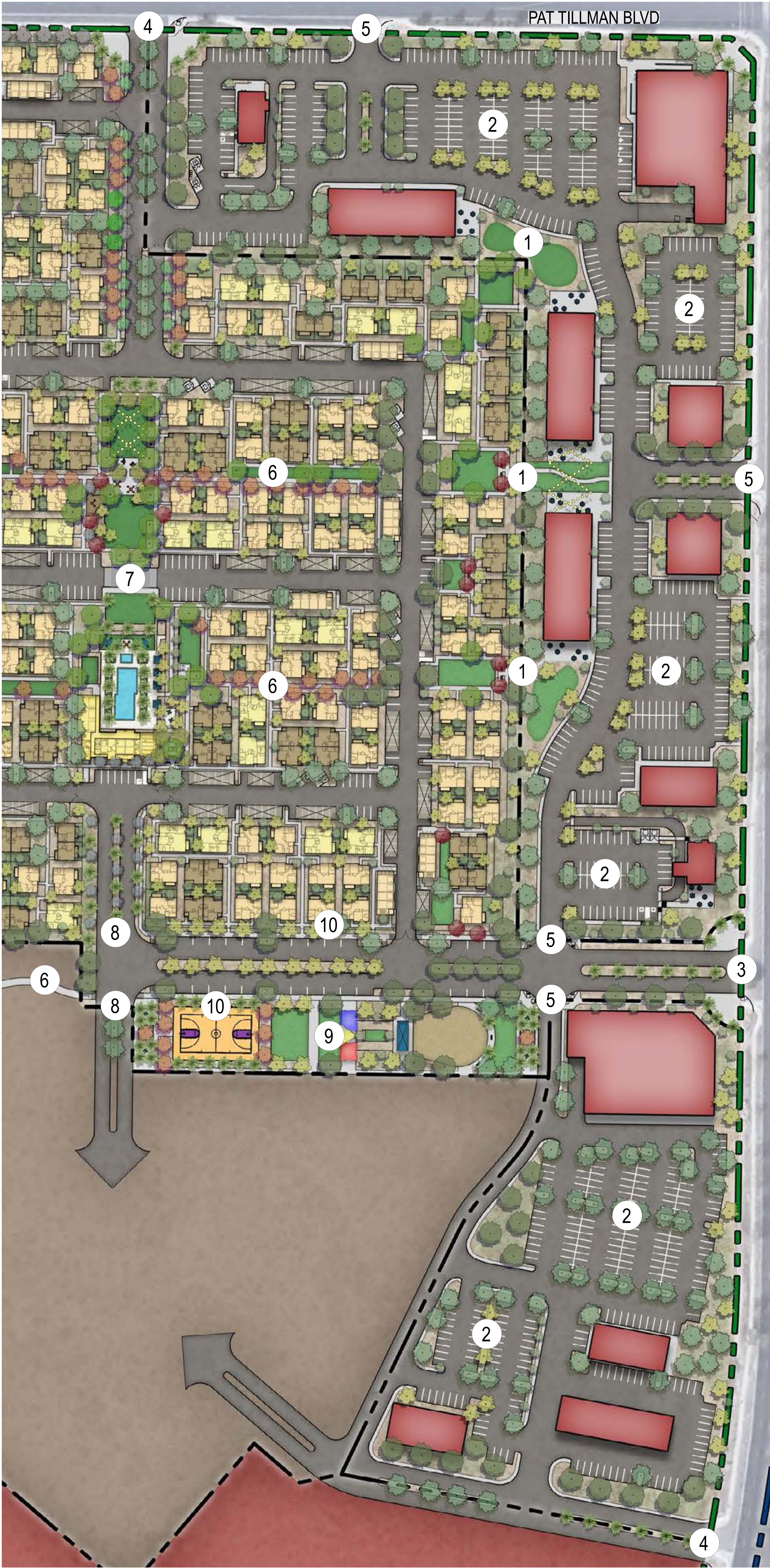
- 📍 SURPRISE, AZ
- 📅 2023-01-11
- # 21002387
- 👤



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Subject to change without notice.

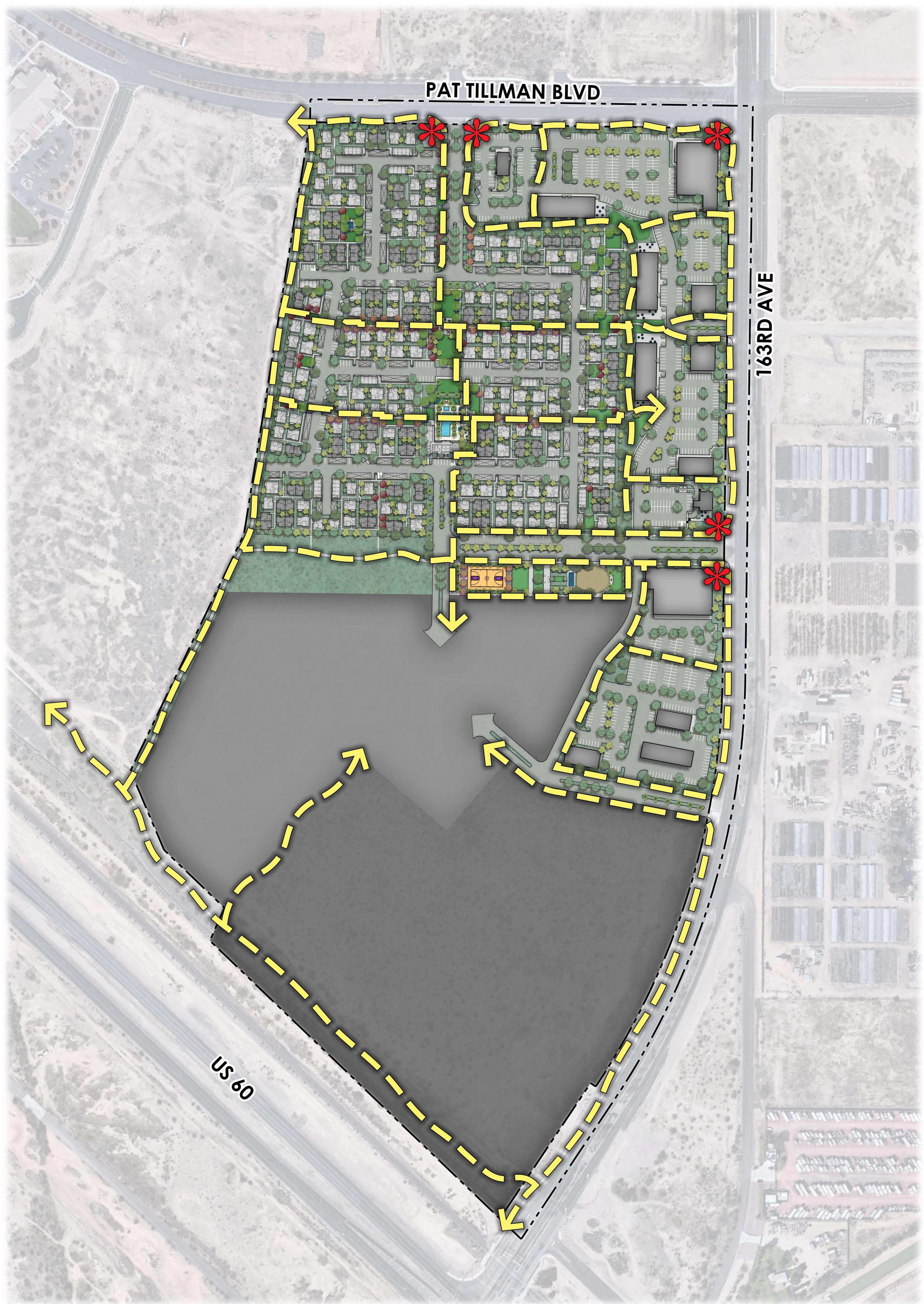
LEGEND

- 1. COMMERCIAL PEDESTRIAN PLAZA
- 2. COMMERCIAL PARKING
- 3. COMMUNITY PRIMARY ENTRY
- 4. COMMUNITY SECONDARY ENTRY
- 5. COMMERCIAL ENTRY
- 6. PEDESTRIAN TRAIL
- 7. NEIGHBORHOOD AMENITY
- 8. NEIGHBORHOOD ENTRY
- 9. LINEAR PARK
- 10. ON-STREET PARKING



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Exhibit H

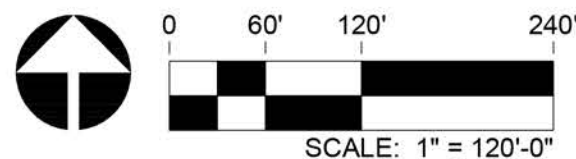


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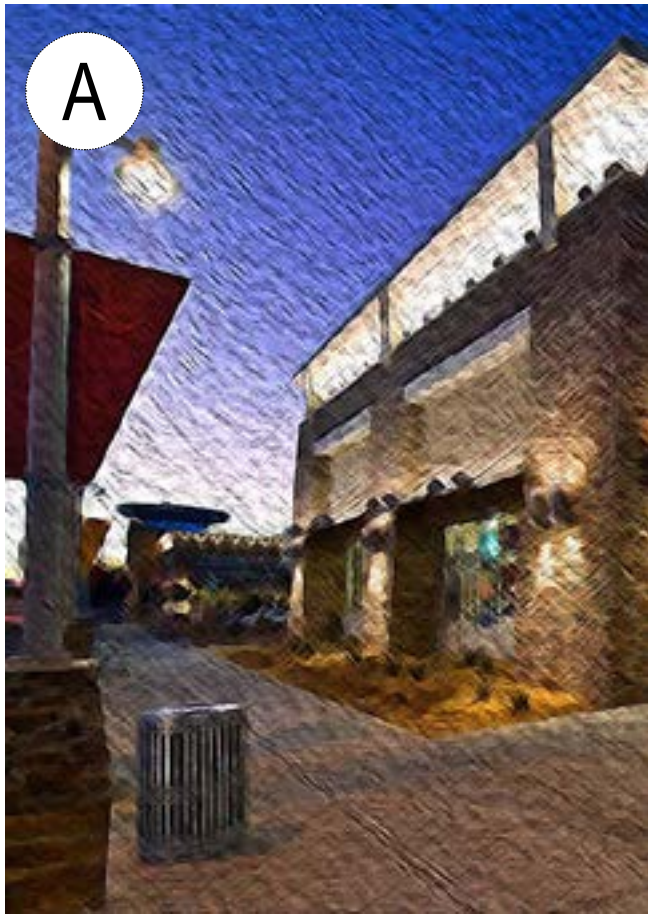
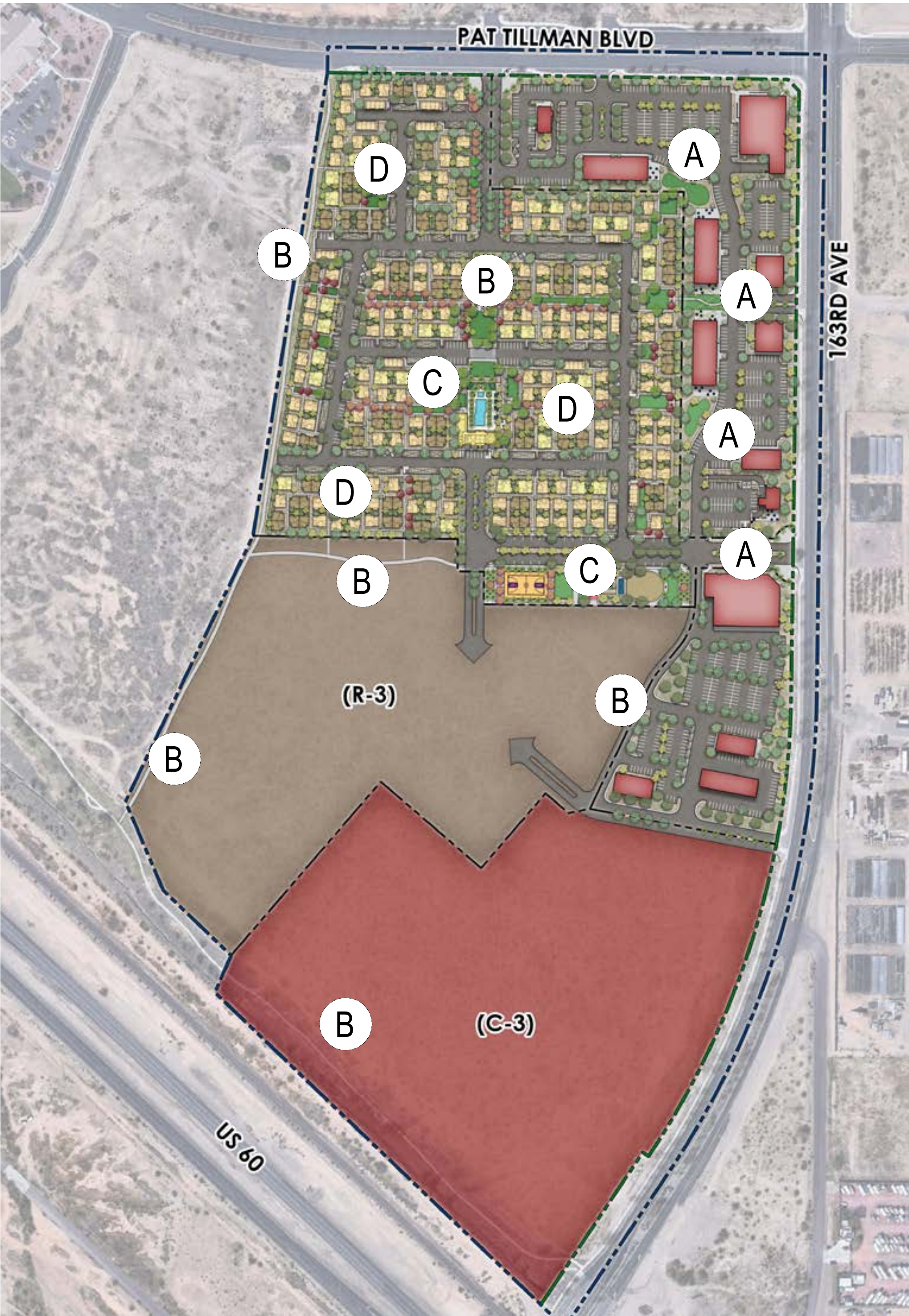
ASANTE TRAILS • OPEN SPACE & TRAILS MASTERPLAN

📍 SURPRISE, AZ
📅 2023-01-11
21002387
👤



Information furnished regarding this property is from sources deemed reliable. RVI has not made an independent investigation of these sources and no warranty is made as to their accuracy or completeness. This plan is conceptual, subject to change, and does not represent any regulatory approval.

Exhibit I



A NEIGHBORHOOD COMMERCIAL PLAZAS



B CONNECTED PEDESTRIAN TRAIL SYSTEM



C NEIGHBORHOOD OPENSAPCE



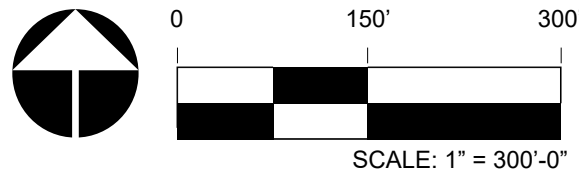
D NEIGHBORHOOD CHARACTER

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ASANTE TRAILS LUXURY MIXED USE NEIGHBORHOOD • CONCEPTUAL IMAGERY

📍 SURPRISE, AZ
📅 2023-01-11
21002387
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For illustrative purposes only. Subject to change without notice.

From: [JAMES, MARK C GS-12 USAF AETC 56 FW/CVE](#)
To: [Nichole Flores](#)
Cc: [56 FW/CIT Community Initiative](#)
Subject: RE: FS22-0517 Asante Mixed Use Residential Site Plan & Major Zoning Amendment - New Digital Submittal 04.12.22
Date: Thursday, April 14, 2022 4:06:51 PM
Attachments: [smime.p7s](#)
[ATT00001.txt](#)
[ATT00002.htm](#)

Nichole,

Thank you for allowing Luke AFB to make comments on the Asante Mixed Use Residential Site Plan & Major Zoning Amendment Application. This application requests to right-size the commercial acreage, therefore a proposal for mixed-use project that blends residential with commercial and covers a range of residential densities and product types. The site is located approximately 3.2 miles outside the Aux-1 2004 JLUS 65 Ldn, "high noise or accident potential zone" as defined by A.R.S. § 28-8461 and is inside the "territory in the vicinity of a military airport" also defined by A.R.S. § 28-8461.

As described in the application, this request will not have a negative impact on Luke AFB Flight Operations. Since the site will be located inside the "territory in the vicinity of a military airport," it will be subjected to approximately 165 over flights per day, as low as 1,500 feet above the ground. We recommend you review the sound attenuation requirements found in A.R.S. § 28-8482. In addition, a strong notification program on the part of the applicant is essential to inform the tenant about Luke AFB operations.

Respectfully,

Mark James

Planning Manager, Community Initiatives Team
Luke AFB AZ 85309
Office: 623-856-9981
DSN: 896-9981

From: Nichole Flores <Nichole.Flores@surpriseaz.gov>

Sent: Tuesday, April 12, 2022 1:33 PM

To: 56 FW/CIT Community Initiative <56FW.CIT.CommunityInitiative@us.af.mil>; Afshin Ahouraiyan (Flood Control District of Maricopa County) <Afshin.Ahouraiyan@Maricopa.Gov>; Alex Garza (Maricopa Assoc of Governments) <AGarza@azmag.gov>; Chris Cain (Maricopa Water District) <chrisc@mwdaz.com>; Debbie Trasancos (Maricopa Water District) <debbiet@mwdaz.com>; Ernest (USPS) <Ernest.L.James@usps.gov>; Eva Pierce <eva.pierce@dysart.org>; Ibeth - USPS <Ibeth.L.Roman@usps.gov>; Jerome Choy (ADOT) <jchoy@azdot.gov>; Kevin Shipman <kevin.shipman@dysart.org>; Leslie - MWD <lesliej@mwdaz.com>; Lynndsay ONeil <lynndsay.oneill@maricopa.gov>; Mark Frago <fragom@mail.maricopa.gov>; Mary Orta - Surprise Chamber <mary.orta@surpriseregionalchamber.com>; Raoul Sada - Surprise Chamber <raoul@surpriseregionalchamber.com>; Victor.Schaum <Victor.Schaum@cox.com>; Yvonne Aguirre <yvonne.aguirre@swgas.com>

Cc: Lorraine Nevarez <Lorraine.Nevarez@surpriseaz.gov>

Subject: [Non-DoD Source] FS22-0517 Asante Mixed Use Residential Site Plan & Major Zoning Amendment - New Digital Submittal 04.12.22

Good afternoon,

Attached please find the **application, narrative/PADA** and **site plan** for the above referenced project.

Please feel free to contact us with any questions.

Best regards,

Nichole Flores

Planning Project Coordinator

City of Surprise | Community Development

16000 N Civic Center Plz | Surprise AZ 85374

(623) 222-3244 Direct

This e-mail and any accompanying files transmitted are intended solely for the use of the individual or entity to whom they are addressed; if you have received this e-mail in error please delete it and notify the sender. In addition, under Arizona law, e-mail communications and e-mail addresses may be public records.
0.1

AFFIDAVIT OF POSTING

Application No: FS22-0517

Applicant Name: Withey Morris, PLC

Location: SWC 163rd & Pat Tillman Rd.

Date Site Posted: 02/28/23

In order to assist in providing adequate notice to interested parties, the applicant for any *type of public hearing* in the City of Surprise shall erect two (2) signs giving notice of the *date, time and place* of the scheduled hearings. These signs must be erected not less than **fifteen (15) days prior to** the date of the first hearing. The signs shall also include the nature of the request as contained on the formal zoning application. The size and format of this sign shall meet requirements established by the Planning and Zoning Department (see page 2).

Such notice shall be clearly legible and placed at a prominent location on the site – Generally adjacent and perpendicular to the public right-of-way. It shall be the *responsibility of the applicant* to erect and to maintain the sign on the subject property and to maintain the hearing information on the sign until final disposition of the case.

It shall also be the *responsibility of the applicant* to remove the signs within one week after the final disposition of the case.

I confirm that the site has been posted as required above, for the case noted above. A picture of the site posting, and photos of any subsequent changes/updates made to the sign, have also been submitted.

Meghan Liggett 2/28/23
Applicant/Representative Signature Date

This instrument was acknowledged before me on 02/28/23, by Meghan Liggett. I witness whereof I hereunto set my hand and official seal.



Marybeth Conrad
Notary Public
10-25-24
My commission expires

*Return completed and notarized **affidavit** and all relevant **photos** to the Planning and Zoning Department at least fifteen (15) days **prior to** the scheduled meeting(s).*

Notice of Public Hearing

City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: March 6, 2023

Date: February 16, 2023

Date: April 4, 2023

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Sonoran Heights Middle School Media Center 11405 N Greer Ranch Pkwy, Surprise, AZ 85379

Location: 16000 N Civic Center Plaza Surprise, AZ 85374

Location: 16000 N Civic Center Plaza Surprise, AZ 85374

Virtual Neighborhood Meeting

DATE: January 11, 2022

TIME: 6:00 PM

ONLINE ACCESS: <https://us02web.zoom.us/j/87438992337?pwd=MUNMQ1ZrbFdpFFUZEsrNThibk0wdz09>

CALL IN: 1 669 444 9171

MEETING ID: 874 3899 2337

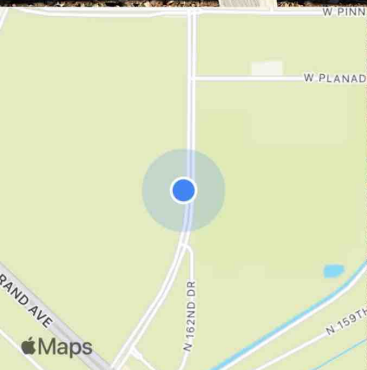
PASSCODE: 766552

Case number: FS22-0517

Request: Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to C-2 and R-2 and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803).

For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



Feb 28, 2023 08:41AM
22436-22900 163rd Ave
Maricopa County

Notice of Public Hearing City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: March 6, 2023

Date: February 16, 2023

Date: April 4, 2023

Time: 6:00 P.M.

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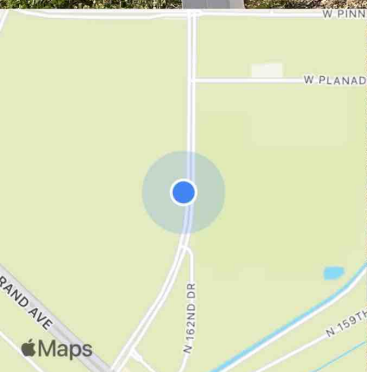
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VICINITY MAP



Feb 28, 2023 08:40AM
22436-22900 163rd Ave
Maricopa County

Notice of Public Hearing City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: March 6, 2023

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Date: April 4, 2023

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CALL IN: 1 669 444 9171

MEETING ID: 874 3899 2337

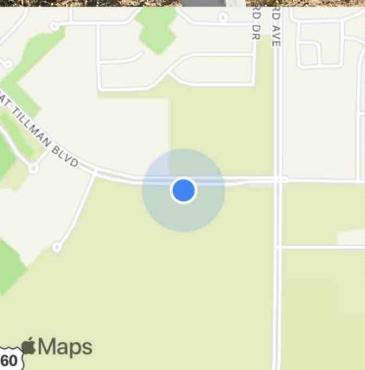
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For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



Feb 28, 2023 08:33AM
W Pat Tillman Blvd
Maricopa County

Notice of Public Hearing City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: March 6, 2023

Date: February 16, 2023

Date: April 4, 2023

Time: 6:00 P.M.

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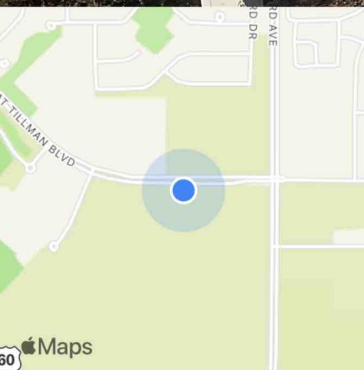
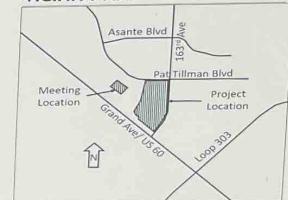
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Feb 28, 2023 08:33AM
W Pat Tillman Blvd
Maricopa County

**1. CITIZEN PARTICIPATION REPORT
FOR ASANTE TRAILS PAD
AMENDMENT
(CASE NO. FS22-0517)**

Submitted:
January 2023



2. Project Description/Request

A Major PAD Amendment has been requested for the property located at the southwest corner of Pat Tillman Pkwy & 163rd Ave, commonly known as Maricopa County Assessor's Parcel Number 503-76-803 (the "Property"). The applicant's initial request was to rezone +/- 101.1 gross acres within the Asante Planned Area Development (PAD) from Commercial (C-2) to Commercial (C-2) (15.4 gross acres), Residential Medium (R-2) (27.6 gross acres), and Residential High (R-3) (58.4 gross acres). However, in light of citizen and stakeholder feedback, as well as market changes, the applicant amended the request to request to allow: Commercial (C-2) (21.9 gross acres), Commercial (C-3) (28.8 gross acres) and Residential High (R-3) (50.4 gross acres). The proposed amendment also includes an update in the amount of residential units permitted in the Gateway Area from 1,062 units to 1,542 units. This is an increase of 480 units within the Gateway Area which equates to a 9.5 gross du/ac. The requested PAD amendment will provide a more realistic balance of commercial uses to the overall master plan concept with high-quality living options for all types of families.

3. Outreach/Notification Timeline

- **June 3, 2022:** Initial neighborhood meeting notice letters were mailed by the City to all property owners within 300 feet of the Property and all applicable registered neighborhood associations.
- **June 6, 2022:** The subject site was posted with two (2) neighborhood meeting signs.
- **June 28, 2022:** An in-person neighborhood meeting was held at 6:00 p.m. at the Asante Preparatory Academy, Cafeteria, 23251 N 166th Dr. Surprise, AZ 85387.
- **June 29, 2022:** A Virtual neighborhood meeting for the proposed project was held via Zoom software, in accordance with the City's requirements.
- **December 22, 2022:** Voluntary neighborhood meeting notice letters were mailed by the applicant to all property owners within 300 feet of the Property, all applicable registered neighborhood associations and identified stakeholders which participated in the initial neighborhood meeting process.
- **December 28, 2022:** The two (2) neighborhood meeting signs at the site were updated to include updated neighborhood meeting dates.
- **January 10, 2023:** A second, voluntary, in-person neighborhood meeting was held at 6:00 p.m. at the Asante Preparatory Academy, Media Room, 23251 N 166th Dr. Surprise, AZ 85387.
- **January 11, 2023:** A second, voluntary, virtual neighborhood meeting for the proposed project was held via Zoom software.

4. Notification Affidavits, Letters & Mailing Lists

- See Tab 1.

5. Neighborhood Meeting Summaries

A. Initial (Required) In-Person Neighborhood Meeting

Summary of Presentation, Questions and Applicant Responses

The applicant, along with the project development team and members of city staff, attended the initial in-person neighborhood meeting. In addition, approximately 27 interested individuals attended the neighborhood meeting.

The applicant commenced the neighborhood meeting by providing an introduction of the development team. The applicant then shared a presentation with neighborhood meeting attendees, which provided: an overview of the site history and context; a discussion regarding the land use pattern in the area and area changes; an overview of the proposed amendment and further specifics regarding the proposal.

Attendees had general questions regarding: prospective commercial uses, parking, commercial area, timing for construction, traffic and traffic improvements, and nature of rental units. The applicant responded to attendee comments as outlined below:

1. Prospective Commercial Uses

Residents had questions regarding prospective commercial uses. The applicant advised that early outreach to brokers had commenced, but that the development is early in the process to opine on uses. The applicant requested that attendees provide suggestions after the meeting as ideas for the broker team to pursue.

2. Parking

An attendee expressed concerns that the site plan did not include sufficient parking areas. The applicant advised that the site plan is conceptual and further site plan programming would occur at the site plan phase and that any plan would be required to conform to the City's development standard requirements.

3. Extent of Commercial Area

There was a concern that the proposed plan removed too much commercial from the area. The applicant advised that there are access considerations that preclude commercial development along certain portions of the site, depth considerations and more.

4. Timing for Construction

The applicant advised that, after the city's rezoning process, it would take approximately one year for construction to occur.

5. Traffic

Neighborhood meeting attendees expressed concerns regarding traffic. The applicant provided an analysis of the trip generation under the current approved zoning compared to the trips that would be generated by the requested development. It was also discussed that peak hours would differ for the subject uses and ultimately that development would help address traffic issues in the area given the city's improvement requirements.

6. Rental Units

There were questions during the neighborhood meeting regarding rental units versus condominium units. The applicant discussed that one of the reasons for rental units at this location is to support the proposed commercial services; but also because of TSMC and its need for employee housing in the area. The applicant further discussed the quality features of the architecture and amenities for the proposed rental homes.

Attendees also general concerns regarding the change of commercial land uses and regional traffic issues which were discussed at length.

B. Initial (Required) Virtual Neighborhood Meeting

Summary of Presentation, Questions and Applicant Responses

The applicant, along with the project development team and members of city staff, attended the virtual neighborhood meeting. In addition, approximately two (2) interested individuals attended the virtual neighborhood meeting.

The applicant commenced the neighborhood meeting by providing an introduction of the development team. The applicant then shared a presentation with neighborhood meeting attendees, which provided: an overview of the site history and context; a discussion regarding the land use pattern in the area and area changes; an overview of the proposed amendment and further specifics regarding the proposal.

The only question or comment that was raised by neighborhood meeting attendees was the timing for the development. The applicant responded with a summary of the public hearing process, further city review processes and indicated that construction may commence approximately one year (1) from approval.

In response to neighbor input and other considerations, the applicant, after several months of refining of plans, generated a revised land use plan and scheduled voluntary neighborhood meetings to share the updated plan with interested neighbors, as summarized in **Section C below.*

C. Voluntary Follow-Up In-Person Neighborhood Meeting

Number of Participants

The applicant, along with the project development team, attended the voluntary follow up in-person neighborhood meeting. In addition, approximately 24 interested individuals attended the neighborhood meeting.

Summary of Presentation, Questions and Applicant Responses

The applicant, along with the project development team, attended the follow-up in-person neighborhood meeting. In addition, approximately 24 interested individuals attended the neighborhood meeting.

The applicant commenced the neighborhood meeting by providing an introduction of the development team. The applicant then shared a presentation with neighborhood meeting attendees, which provided: an overview of the site history and context; a discussion regarding the land use pattern in the area and area changes; an overview of the initial plan that was proposed in June 2022 and changes that were made to the plan to address neighbor and stakeholder feedback from that initial meeting, as well market driven changes. The proposed changes were noted as including park open space, employment opportunities, more commercial land area, elimination of single family homes from the plan and more.

The plan revisions were very well received by neighborhood meeting attendees. The attendees had general questions regarding: residential product and type; surrounding area development; the developer and nature of the Master Developer's role with density; traffic signal improvements; construction timeline and processing; nature of employer uses; prospective retail tenants; how to support the project moving forward; and, parking. The applicant responded to attendee comments as outlined below:

1. **Residential Product and Type**

The applicant discussed that the residential use is a for-rent cottage product with high quality amenities.

2. **Surrounding Area Development**

There were several questions regarding adjacent or nearby parcels of which the applicant provided additional details where applicable.

3. **Developer and Master Developer**

The applicant discussed that the residential developer is Sonoma Communities and that the role of Lennar, the Master Developer, was initially to allocate and keep track of residential units, but that they are not the developer of the subject site.

4. **Traffic Signal Improvements**

There were questions related to the timing of the traffic signal at 163rd Ave & Pat Tilman Parkway. The applicant communicated that the improvements should occur very soon and that further information would be sought from the City.

5. **Construction Timeline / Processing**

The applicant advised that, after the city's rezoning process, there are additional site planning and plat processes to be completed, and that construction would take a couple of years.

6. Nature of Employer Uses

The applicant advised that healthcare uses are highly sought for the employment-based area on the plan.

7. Prospective Retail Tenants

Neighbors asked about the types of retail tenants that may located to the site. The applicant responded that anchors would be needed but that the hope is for not only national brands but smaller local businesses as well.

8. Parking

An attendee mentioned a concern regarding parking. The applicant responded by indicating that a future site plan would provide the appropriate review for parking and that the plan is conceptual for now. Additionally, it was noted that retailers and future tenants may have their own parking ratio minimums to locate to the site.

9. Support

Several attendees expressed strong support for the plan revisions and project moving forward; some even asked the best way to communicate support as the plan moves forward.

The follow up neighborhood meeting was very productive and the revisions were well received.

D. Voluntary Second Virtual Neighborhood Meeting

Summary of Presentation, Questions and Applicant Responses

The applicant, along with the project development team, attended the virtual neighborhood meeting. In addition, approximately three (3) interested individuals attended the virtual neighborhood meeting.

The applicant commenced the neighborhood meeting by providing an introduction of the development team. The applicant then shared a presentation with neighborhood meeting attendees, which provided: an overview of the site history and context; a discussion regarding the land use pattern in the area and area changes; an overview of the initial plan that was proposed in June 2022 and changes that were made to the plan to address neighbor and stakeholder feedback from that initial meeting, as well market driven changes. The proposed changes were noted as including park open space, employment opportunities, more commercial land area, elimination of single family homes from the plan and more. The applicant responded to attendee comments as outlined below:

Neighbors had questions regarding C-3 uses; the demand for cottage homes; timing and information for surrounding area development.

1. C-3 Uses

An attendee wondered what type of uses were targeted for the C-3 zoning district. The applicant advised that employment based users were sought for that parcel, including healthcare industry type uses.

2. Cottage Home Demand

The applicant provided an overview of cottage homes and discussed the strong demand for them, particularly in light of TSMC and its expansion. Due to its announced expansion, TSMC is in need of leased housing for its employees, and it has started to pre-lease communities including cottage-type communities.

3. Timing for Construction

The applicant advised that, after the city's rezoning process, there are additional site planning and plat processes to be completed, and that construction would take a couple of years.

4. Surrounding Area Development

The applicant provided background information on nearby properties as applicable.

Sign-in sheets for the in-person neighborhood meetings are enclosed at **Tab 2**.

6. CONCLUSION

The initial neighborhood meeting for the proposed amendment was held in June 2022 and the proposal raised several concerns and questions by neighbors. Since then, the applicant worked to refine a plan that is more palatable to the larger community in a manner which is also responsive to market trends. A series of voluntary neighborhood meetings were held and the additional meetings have been positive, with neighbors even expressing support for the project.

The applicant will continue to be available to answer questions throughout the rezoning process.

Tab 1

AFFIDAVIT OF POSTING

Application No: FS22-0517
Applicant Name: Withey Morris, PLC
Location: SWC 163rd & Pat Tillman Rd.
Date Site Posted: 06/09/22

In order to assist in providing adequate notice to interested parties, the applicant for any *type of public hearing* in the City of Surprise shall erect two (2) signs giving notice of the *date, time and place* of the scheduled hearings. These signs must be erected not less than **fifteen (15) days prior** to the date of the first hearing. The signs shall also include the nature of the request as contained on the formal zoning application. The size and format of this sign shall meet requirements established by the Planning and Zoning Department (see page 2).

Such notice shall be clearly legible and placed at a prominent location on the site – Generally adjacent and perpendicular to the public right-of-way. It shall be the *responsibility of the applicant* to erect and to maintain the sign on the subject property and to maintain the hearing information on the sign until final disposition of the case.

It shall also be the *responsibility of the applicant* to remove the signs within one week after the final disposition of the case.

I confirm that the site has been posted as required above, for the case noted above. A picture of the site posting, and photos of any subsequent changes/updates made to the sign, have also been submitted.

Meghan Liggett 6/9/22
Applicant/Representative Signature Date

This instrument was acknowledged before me on 06/09/22, by Meghan Liggett. I witness whereof I hereunto set my hand and official seal.



Marybeth Conrad
Notary Public
10-25-24
My commission expires

*Return completed and notarized **affidavit** and all relevant **photos** to the Planning and Zoning Department at least fifteen (15) days **prior to** the scheduled meeting(s).*

Notice of Public Hearing

City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: June 28, 2022

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Cafeteria
23251 N 166th Dr. Surprise, AZ 85387

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Virtual Neighborhood Meeting

DATE: Wednesday, June 29, 2022 TIME: 6:00 PM

ONLINE ACCESS: <https://us02web.zoom.us/j/84554004166?pwd=aDk0OHplRStQd2F5R1RtREdwZkRJQT09>

CALL IN: +1 669 900 9128

MEETING ID: 845 5400 4166

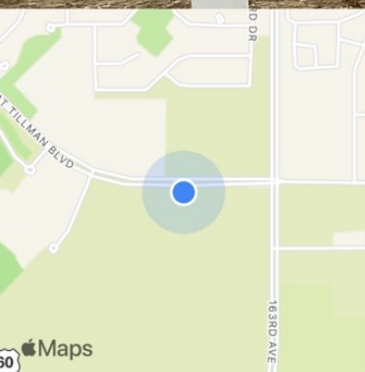
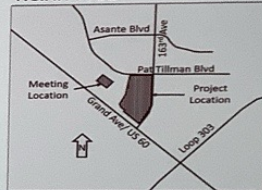
PASSCODE: 823598

Case number: FS22-0517

Request: Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to mixed-use and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803).

For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



W Pat Tillman Blvd
Surprise AZ 85387

+33.696479,-112.412399

Thursday, June 9, 2022 at 5:22:00 AM

Notice of Public Hearing

City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: June 28, 2022

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Cafeteria
23251 N 166th Dr. Surprise, AZ 85387

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Virtual Neighborhood Meeting

DATE: Wednesday, June 29, 2022 TIME: 6:00 PM

ONLINE ACCESS: <https://us02web.zoom.us/j/84554004166?pwd=aDk0OHplRStQd2F5R1RtREdwZkRJQT09>

CALL IN: +1 669 900 9128

MEETING ID: 845 5400 4166

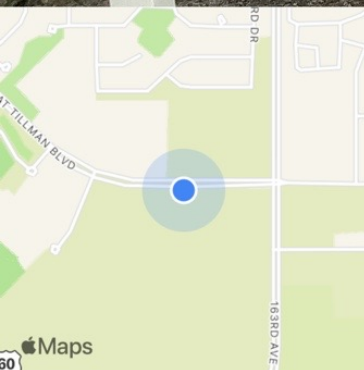
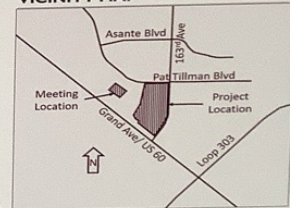
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For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



W Pat Tillman Blvd
Surprise AZ 85387

+33.696549,-112.412345

Thursday, June 9, 2022 at 5:21:38 AM

Notice of Public Hearing

City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: June 28, 2022

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Cafeteria
23251 N 166th Dr. Surprise, AZ 85387

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Virtual Neighborhood Meeting

DATE: Wednesday, June 29, 2022 TIME: 6:00 PM

ONLINE ACCESS: <https://us02web.zoom.us/j/84554004166?pwd=aDk0OHpLRStQd2F5R1RtREdwZkRjQT09>

CALL IN: +1 669 900 9128

MEETING ID: 845 5400 4166

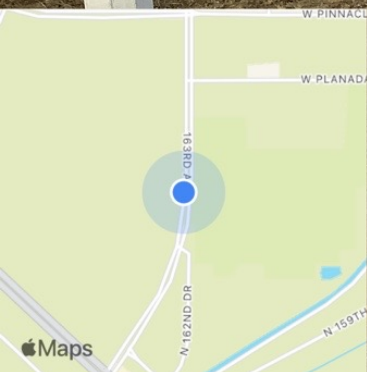
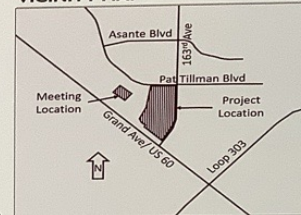
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Case number: FS22-0517

Request: Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to mixed-use and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803).

For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



22436-22900 163rd Ave

Surprise AZ 85387

+33.691885,-112.409487

Thursday, June 9, 2022 at 5:17:33 AM

Notice of Public Hearing City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: June 28, 2022

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Cafeteria
23251 N 166th Dr. Surprise, AZ 85387

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Virtual Neighborhood Meeting

DATE: Wednesday, June 29, 2022 TIME: 6:00 PM

ONLINE ACCESS: <https://us02web.zoom.us/j/84554004166?pwd=aDk0OHpLRStQd2F5R1RtREdwZkRJT09>

CALL IN: +1 669 900 9128

MEETING ID: 845 5400 4166

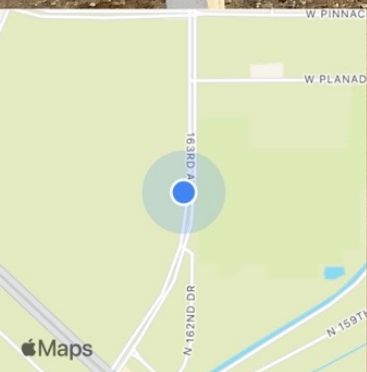
PASSCODE: 823598

Case number: FS22-0517

Request: Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to mixed-use and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803).

For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



22436-22900 163rd Ave

Surprise AZ 85387

+33.691886,-112.409598

Thursday, June 9, 2022 at 5:17:59 AM

AFFIDAVIT OF POSTING

Application No: FS22-0517

Applicant Name: Withey Morris, PLC

Location: SWC 163rd & Pat Tillman Rd.

Date Site Posted: 12/28/22

In order to assist in providing adequate notice to interested parties, the applicant for any *type of public hearing* in the City of Surprise shall erect two (2) signs giving notice of the *date, time and place* of the scheduled hearings. These signs must be erected not less than **fifteen (15) days prior** to the date of the first hearing. The signs shall also include the nature of the request as contained on the formal zoning application. The size and format of this sign shall meet requirements established by the Planning and Zoning Department (see page 2).

Such notice shall be clearly legible and placed at a prominent location on the site – Generally adjacent and perpendicular to the public right-of-way. It shall be the *responsibility of the applicant* to erect and to maintain the sign on the subject property and to maintain the hearing information on the sign until final disposition of the case.

It shall also be the *responsibility of the applicant* to remove the signs within one week after the final disposition of the case.

I confirm that the site has been posted as required above, for the case noted above. A picture of the site posting, and photos of any subsequent changes/updates made to the sign, have also been submitted.

Meghan Liggett 12/28/22
Applicant/Representative Signature Date

This instrument was acknowledged before me on 12/28/22, by Meghan Liggett. I witness whereof I hereunto set my hand and official seal.



Mary Beth Conrad
Notary Public
10-25-24
My commission expires

*Return completed and notarized **affidavit** and all relevant **photos** to the Planning and Zoning Department at least **fifteen (15) days prior** to the scheduled meeting(s).*

Notice of Public Hearing City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: January 10, 2023

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Media Room
23251 N 166th Dr. Surprise, AZ 85387

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Virtual Neighborhood Meeting

DATE: January 11, 2022

TIME: 6:00 PM

ONLINE ACCESS: <https://us02web.zoom.us/j/87438992337?pwd=MUNMQ1ZrbFdpFFUZEsrNThibk0wdz09>

CALL IN: 1 669 444 9171

MEETING ID: 874 3899 2337

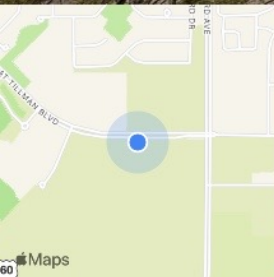
PASSCODE: 766552

Case number: FS22-0517

Request: Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to C-2 and R-2 and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803).

For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



Dec 28, 2022 11:09AM
W Pat Tillman Blvd
Maricopa County

Notice of Public Hearing

City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: January 10, 2023

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Media Room
23251 N 166th Dr. Surprise, AZ 85387

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

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CALL IN: 1 669 444 9171

MEETING ID: 874 3899 2337

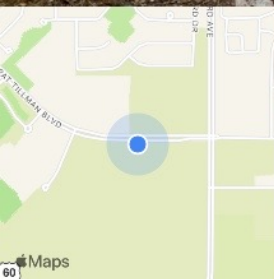
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For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



Dec 28, 2022 11:09AM
W Pat Tillman Blvd
Maricopa County

Notice of Public Hearing City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: January 10, 2023

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Media Room
23251 N 166th Dr. Surprise, AZ 85387

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Surprise, AZ 85374

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

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CALL IN: 1 669 444 9171

MEETING ID: 874 3899 2337

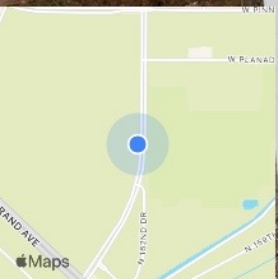
PASSCODE: 766552

Case number: FS22-0517

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For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



Dec 28, 2022 10:46AM
22436-22900 163rd Ave
Maricopa County

Notice of Public Hearing City of Surprise

In-Person and Virtual

Neighborhood Meeting

Planning & Zoning

City Council

Date: January 10, 2023

Date: TBD

Date: TBD

Time: 6:00 P.M.

Time: 6:00 P.M.

Time: 6:00 P.M.

Location: Asante Preparatory Academy - Media Room
23251 N 166th Dr. Surprise, AZ 85387

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Location: 16000 N Civic Center Plaza
Surprise, AZ 85374

Virtual Neighborhood Meeting

DATE: January 11, 2022

TIME: 6:00 PM

ONLINE ACCESS: <https://us02web.zoom.us/j/87438992337?pwd=MUNMQ1ZrbFdpFFUZEsrNThibk0wdz09>

CALL IN: 1 669 444 9171

MEETING ID: 874 3899 2337

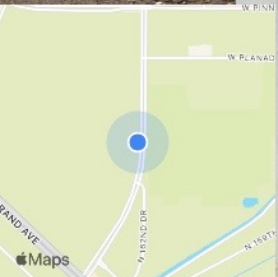
PASSCODE: 766552

Case number: FS22-0517

Request: Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to C-2 and R-2 and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803).

For more information, call: 623-222-3011 Surpriseaz.gov

VICINITY MAP



Dec 28, 2022 10:46AM
22436-22900 163rd Ave
Maricopa County

DEVELOPMENT PROJECT NEIGHBORHOOD MEETINGS

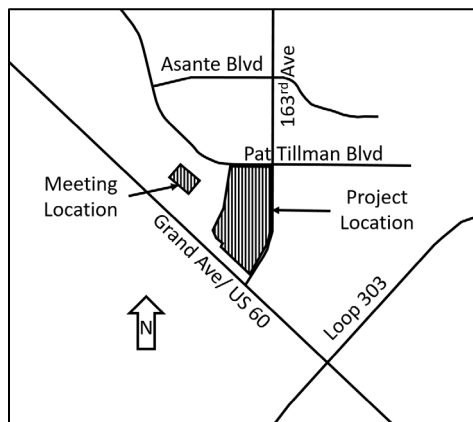
Please be advised, Withey Morris, PLC, on behalf of Kimco Barclay Surprise II, LLC, will host voluntary follow up Neighborhood Meetings to discuss the project referenced below. One meeting will be conducted in person, and a second meeting will be conducted virtually. Any member of the public may participate in the conversation as it pertains to this project. Please note, the City of Surprise is not the host of these meetings, however, the assigned City Planner may be contacted to provide information as needed in response to inquiries received from residents.

Applicant: Adam Baugh with Withey Morris, PLC, 602.230.0600, adam@witheymorris.com
City of Surprise Planner: Trever Fleetham, 623.222.3156, trever.fleetham@surpriseaz.gov

NEIGHBORHOOD MEETING DETAILS

In-Person Meeting	Virtual Meeting
DATE: Tuesday, January 10, 2023	DATE: Wednesday, January 11, 2023
TIME: 6:00 PM	TIME: 6:00 PM
LOCATION: Asante Preparatory Academy – Media Room 23251 N. 166 th Dr. Surprise, AZ 85387	ONLINE ACCESS: https://us02web.zoom.us/j/87438992337?pwd=MUNMQ1ZrbFdpcFFUZEsrNThibk0wdz09
	CALL IN: +1 669 444 9171
	MEETING ID: 874 3899 2337
	PASSCODE: 766552

PROJECT & MEETING LOCATION



PROJECT DESCRIPTION:

Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to Commercial (C-2) and Residential High (R-2) and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803). Surprise Planning Case FS22-0517.

DEVELOPMENT PROJECT NEIGHBORHOOD MEETINGS

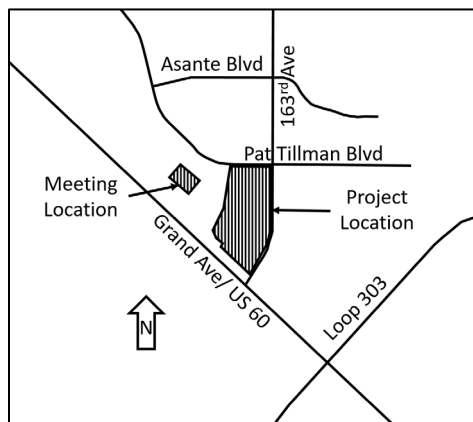
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Applicant: Adam Baugh with Withey Morris, PLC, 602.230.0600, adam@witheymorris.com
City of Surprise Planner: Trever Fleetham, 623.222.3156, trever.fleetham@surpriseaz.gov

NEIGHBORHOOD MEETING DETAILS

In-Person Meeting	Virtual Meeting
DATE: Tuesday, June 28, 2022	DATE: Wednesday, June 29, 2022
TIME: 6:00 PM	TIME: 6:00 PM
LOCATION: Asante Preparatory Academy – Cafeteria 23251 N. 166 th Dr. Surprise, AZ 85387	ONLINE ACCESS: https://us02web.zoom.us/j/84554004166?pwd=aDk0OHpLRStQd2F5RlRtREdwZkRJQT09 CALL IN: +1 669 900 9128 MEETING ID: 845 5400 4166 PASSCODE: 823598

PROJECT & MEETING LOCATION



PROJECT DESCRIPTION:

Major Planned Area Development (PAD) Amendment to the Asante PAD to change the land use designation for approximately 101 gross acres from commercial to mixed-use and modify development standards. The subject property is generally located at the southwest corner of 163rd Avenue and Pat Tillman Blvd, within the Asante Planned Area Development (APN 503-76-803). Surprise Planning Case FS22-0517.

Tab 2

SIGN-IN

CLYDE CAPITAL

SOUTHWEST CORNER OF 163RD AVENUE AND PAT TILLMAN BOULEVARD

NEIGHBORHOOD OPEN HOUSE MEETING

JUNE 28TH, 2022 – ASANTE PREPARATORY ACADEMY CAFETERIA – 23251 N 166TH DRIVE, SURPRISE, AZ – 6:00 PM

NAME (Please Print)	ADDRESS	PHONE NO.	E-MAIL ADDRESS
21. Barbara Krasa	[REDACTED]	[REDACTED]	[REDACTED]
22. Tess Krajci	[REDACTED]	[REDACTED]	[REDACTED]
23. Mike + Janet Arbogast	[REDACTED]	[REDACTED]	[REDACTED]
24. Matt Keating	[REDACTED]	[REDACTED]	[REDACTED]
25. Larry Hawrock	[REDACTED]	[REDACTED]	[REDACTED]
26. Rodney Cluff 2	[REDACTED]	[REDACTED]	[REDACTED]
27.			
28.			
29.			
30.			
31.			

SIGN-IN

CLYDE CAPITAL

SOUTHWEST CORNER OF 163RD AVENUE AND PAT TILLMAN BOULEVARD

NEIGHBORHOOD OPEN HOUSE MEETING

JUNE 28TH, 2022 – ASANTE PREPARATORY ACADEMY CAFETERIA – 23251 N 166TH DRIVE, SURPRISE, AZ – 6:00 PM

NAME (Please Print)	ADDRESS	PHONE NO.	E-MAIL ADDRESS
1. Brenda Lewis	[REDACTED]	[REDACTED]	[REDACTED]
2. Andy Cegon	[REDACTED]	[REDACTED]	[REDACTED]
3. Karen Fanton	[REDACTED]	[REDACTED]	[REDACTED]
4. Steve & Lisa French	[REDACTED]	[REDACTED]	[REDACTED]
5. Bob & Connie Warren	[REDACTED]	[REDACTED]	[REDACTED]
6. Danilo F. Winters	[REDACTED]	[REDACTED]	[REDACTED]
7.			
8.			
9.			
10.			

SIGN-IN

CLYDE CAPITAL

SOUTHWEST CORNER OF 163RD AVENUE AND PAT TILLMAN BOULEVARD

NEIGHBORHOOD OPEN HOUSE MEETING

JUNE 28TH, 2022 – ASANTE PREPARATORY ACADEMY CAFETERIA – 23251 N. 166TH DRIVE, SURPRISE, AZ – 6:00 PM

NAME (Please Print)	ADDRESS	PHONE NO.	E-MAIL ADDRESS
51. Gina Larr	[REDACTED]	[REDACTED]	[REDACTED]
52. Beth Gorrogi	[REDACTED]	[REDACTED]	[REDACTED]
53. Don't Debbie Turner	[REDACTED]	[REDACTED]	[REDACTED]
54. Al Pot Martin	[REDACTED]	[REDACTED]	[REDACTED]
55. DAVE MARTIN	[REDACTED]	[REDACTED]	[REDACTED]
56. VONNA + JIM BARKER	[REDACTED]	[REDACTED]	[REDACTED]
57. Brenda & Jim Overturf	[REDACTED]	[REDACTED]	[REDACTED]
58.			
59.			
60.			

SIGN-IN

CLYDE CAPITAL

SOUTHWEST CORNER OF 163RD AVENUE AND PAT TILLMAN ROAD, SURPRISE, AZ.

NEIGHBORHOOD OPEN HOUSE MEETING

JANUARY 11TH, 2023-ASANTE PREPARATORY ACADEMY MEDIA ROOM - 23251 NORTH 166TH DRIVE, SURPRISE, AZ 85387

NAME (Please Print)	ADDRESS	PHONE NO.	E-MAIL ADDRESS
21. Robert Petrey			
22. Paul VanderWerf			
23. Amy Wilson			
24. DEAN WILSON d Mike			
25. Karen Fenton			
26. Connie Warren			
27. Jennifer Hill			
28. Dillon Gung			
29. Kim Bell			
30.			

*

SIGN-IN

CLYDE CAPITAL

SOUTHWEST CORNER OF 163RD AVENUE AND PAT TILLMAN ROAD, SURPRISE, AZ.

NEIGHBORHOOD OPEN HOUSE MEETING

JANUARY 11TH, 2023-ASANTE PREPARATORY ACADEMY MEDIA ROOM - 23251 NORTH 166TH DRIVE, SURPRISE, AZ 85387

NAME (Please Print)	ADDRESS	PHONE NO.	E-MAIL ADDRESS
31. ROBERT WAALEN	[REDACTED]	[REDACTED]	[REDACTED]
32. Bob FRANZ	[REDACTED]	[REDACTED]	[REDACTED]
33. Don Zimmerman	[REDACTED]	[REDACTED]	[REDACTED]
34. DEBBIE Zimmerman	[REDACTED]	[REDACTED]	[REDACTED]
35. Russell BULLERT	[REDACTED]	[REDACTED]	[REDACTED]
36. Michelle Haselwood	[REDACTED]	[REDACTED]	[REDACTED]
37.			
38.			
39.			
40.			

SIGN-IN

CLYDE CAPITAL

SOUTHWEST CORNER OF 163RD AVENUE AND PAT TILLMAN ROAD, SURPRISE, AZ.

NEIGHBORHOOD OPEN HOUSE MEETING

JANUARY 11TH, 2023-ASANTE PREPARATORY ACADEMY MEDIA ROOM - 23251 NORTH 166TH DRIVE, SURPRISE, AZ 85387

NAME (Please Print)	ADDRESS	PHONE NO.	E-MAIL ADDRESS
1. MIKE MACEIUKO	[REDACTED]		
2. ALAN PAT MARET	"		
3. Steve & Twila French	[REDACTED]		
4. Garry & Betty French	[REDACTED]		
5. DONNA & ZARINA	[REDACTED]		
6. BRENDA OVERTIER	[REDACTED]		
7.			
8.			
9.			
10.			

Planning & Zoning Commission Comment Form

07/18/2022 3:12 PM (EDT)

Call to the Public

For people wishing to address the Planning & Zoning Commission, please fill out the form below:

First Name	Michael
Last Name	Kallo
Address 1	
City	Surprise
State	AZ
Zip Code	85387
Meeting Date	07/18/2022
Phone Number	
Email	
Please Choose One	Non-Agenda Item
Comment or Reason for Addressing the Commission	There have been community posts about a rezoning proposal for the plot of land on the northwest corner of 163rd ave and grand. Right now it is set aside for a large shopping plaza but the current rezoning proposal is looking to fill it with more housing, rentals, and leave a small retail lot in the northeast corner. Residents of this area are concerned that there are already too many homes than can be supported by the roads, schools, and complete lack of retail in the area. There are also other lots that are still zoned for residential, and mixed use, as well as neighborhoods that have just begun construction. What are our options as residents to oppose this rezoning?

Individuals wishing to address the Planning and Zoning Commission on specific terms, during public meetings or at the Call-to-the-Public segment of the public meeting shall be required to abide by the following rules:

1. Citizens wishing to be heard will be required to fill out a Call to the Public request form and turn it into the Planning and Zoning Commission Secretary before the meeting begins.
2. Each individual will be allowed to speak only once. Each speaker will be restricted to 3 minutes. The Chair will announce any time adjustments at the beginning of the meeting. Organized groups with one spokesperson may be allowed double time by the Chair, time permitting.
3. Speakers will begin by providing their name and address for the record. You will be required to complete your statement prior to the commission responding. This will assure the speaker their full time. Should the speaker ask questions, the questions will be responded to following the completion of the statement and directed by the Chair.
4. Respect the rights of the parties speaking whether you support or disagree with them. Parties failing to abide by these rules will be removed from the meeting.

ORDINANCE # 2023-03

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING A MAJOR PLANNED AREA DEVELOPMENT (PAD) AMENDMENT TO THE ASANTE PAD TO CHANGE THE LAND USE AND DEVELOPMENT STANDARDS FOR APPROXIMATELY 101 GROSS ACRES GENERALLY LOCATED AT THE SOUTHWEST CORNER OF 163RD AVENUE AND PAT TILLMAN BOULEVARD.

WHEREAS, this Ordinance was properly noticed for public hearing and the necessary hearings and opportunity for public input were completed;

WHEREAS, the subject site, as legally described on **Exhibit A** and depicted on **Exhibit B**, is located generally at the southwest corner of 163rd Avenue and Pat Tillman Blvd;

WHEREAS, the subject site is zoned Asante PAD pursuant to PAD04-124 approved on November 24, 2004;

WHEREAS, the proposed use of the subject site requires modification of the applicable zoning regulations;

WHEREAS, this PAD amendment is in harmony with the purposes and intent of the Asante PAD, the zoning ordinance, and the Surprise General Plan; and

WHEREAS, on February 16, 2023, the Planning and Zoning Commission recommended approval of the subject Asante PAD amendment.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. Major PAD Amendment. The “Asante PAD” is herewith amended to reflect the development changes subject to the following stipulations:

- a. Development and use of the site shall be consistent with the rezone narrative entitled “Asante Trails”, prepared by Withey Morris, PLC, dated January 13, 2023.
- b. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the applicable provisions of the Surprise Municipal Code.

Section 2. Codification. This Ordinance is not of a general nature and shall not be codified.

Section 3. *Repeal of Conflicting Ordinances.* All ordinances or parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed, upon the effective date of this Ordinance.

Section 4. *Severability.* If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 5. *Effective Date.* This ordinance shall become effective at the time and in the manner prescribed by law.

PASSED AND ADOPTED this _____ day of _____ 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A
LEGAL DESCRIPTION FOR PROPERTY

**Legal Description
For
Zoning Boundary
GTIS - Asante**

Located in the Northeast Quarter of Section 13, Township 4 North, Range 2 West, Gila and Salt River Meridian, Maricopa County, Arizona.

Beginning at the Northeast corner said Section 13;

Thence South 00°45'24" West, along the East line of said Northeast Quarter, a distance of 1,695.70 feet, to the beginning of a 2,291.83 feet radius curve, concave Northwesterly;

Thence departing said East line, Southwesterly along the arc of said curve, along the centerline of 163rd Avenue as shown on the Map of Dedication for "Asante Phase One", recorded in book 875, Page 17, Maricopa County records, through a central angle of 33°01'18", an arc distance of 1,320.86 feet;

Thence South 33°46'42" West, a distance of 497.79 feet to the North line of the AT & SF Railroad Right of Way;

Thence departing said centerline North 46°13'34" West, along said Right of Way, a distance of 1,276.10 feet to the West line of Lot Comm-2,3,5, per the Final Plat of Asante Phase I, recorded in Book 938, Page 32, Maricopa County Records;

Thence along said West line the following (5) five courses:

Thence North 23°32'06" East, a distance of 106.58 feet;

Thence North 46°13'34" West, a distance of 246.92 feet;

Thence North 23°04'27" West, a distance of 254.34 feet;

Thence North 25°38'16" East, a distance of 776.73 feet;

Thence North 09°06'47" East, a distance of 1,235.69 feet;

Thence departing said West line, North 00°52'02" East, a distance of 67.51 feet, to the centerline of Pat Tillman Blvd. as shown on the Map of Dedication for "Asante Phase One", recorded in book 857, Page 17, Maricopa County records, and the beginning of a 1,500.00 feet radius, non-tangent curve, whose center bears North 01°45'07" East;

Thence Easterly along said centerline and curve, through a central angle of 00°51'53", an arc distance of 22.64 feet;

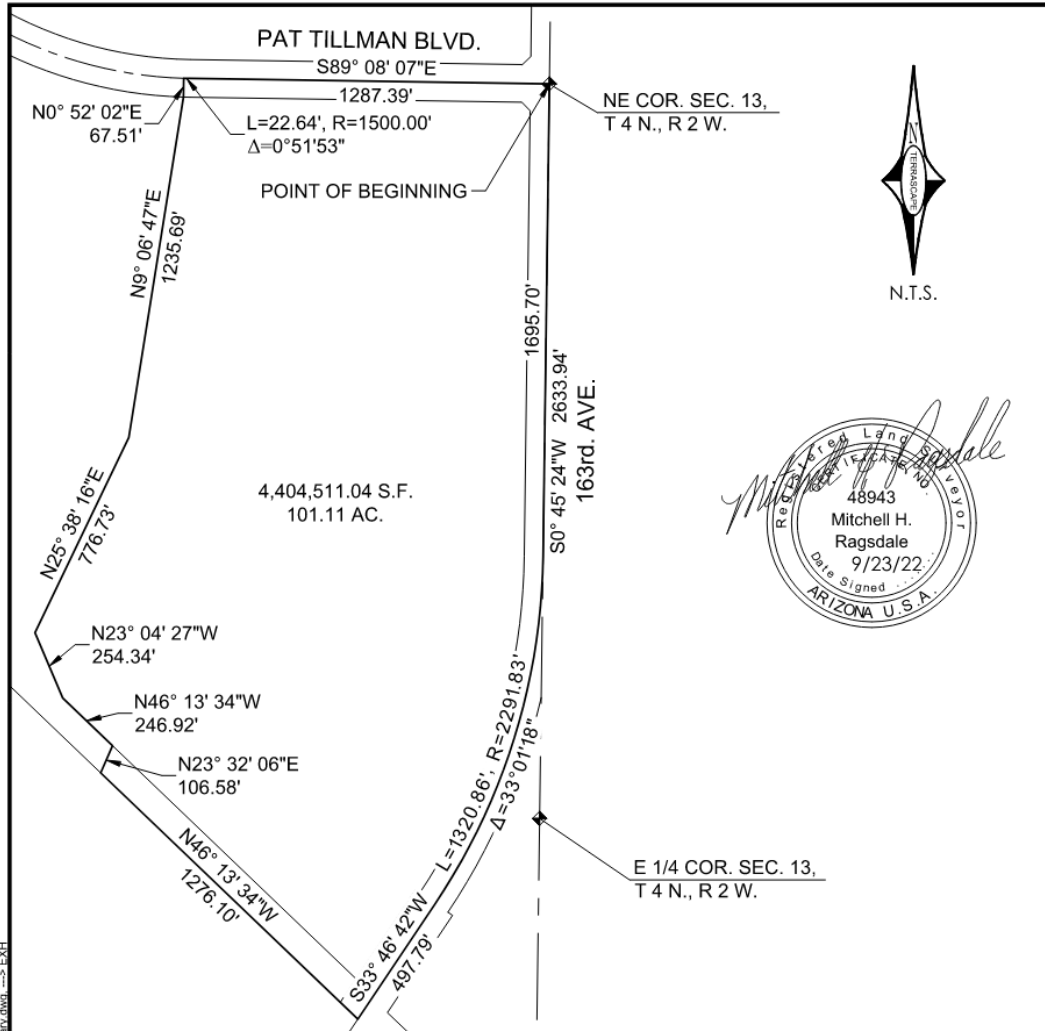
Thence continuing along said centerline, South 89°08'07" East, a distance of 1,287.39 feet to the Point of Beginning.

Containing 4,404,511.04 square feet or 101.11 acres, more or less.



EXHIBIT B

DEPICTION OF PROPERTY SUBJECT TO THE PAD AMENDMENT



Plotted: 09/23/22 - 9:27 AM By: mragdale
File: M1183-GTIS-Asante-Survey1183_EXH_Zoning Boundary.dwg --> EXH



645 E. MISSOURI AVE., STE. 420
PHOENIX, ARIZONA 85012

P:602.297.8732 • F:602.230.8458

EXHIBIT

ZONING BOUNDARY

GTIS - ASANTE
CITY OF SURPRISE

Project No. 1183
Sheet 1 of 1

Date : 9/23/22

Ordinance No. 2023-03
RFLS # 8701
Rev 02/23

ORDINANCE # 2023-03

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- b. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the applicable provisions of the Surprise Municipal Code.
- c. The residential area shall be capped at a total of 475 dwelling units.

- d. Commercial development shall be built concurrently with the residential development.

Section 2. *Codification.* This Ordinance is not of a general nature and shall not be codified.

Section 3. *Repeal of Conflicting Ordinances.* All ordinances or parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed, upon the effective date of this Ordinance.

Section 4. *Severability.* If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 5. *Effective Date.* This ordinance shall become effective at the time and in the manner prescribed by law.

PASSED AND ADOPTED this _____ day of _____ 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

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For
Zoning Boundary
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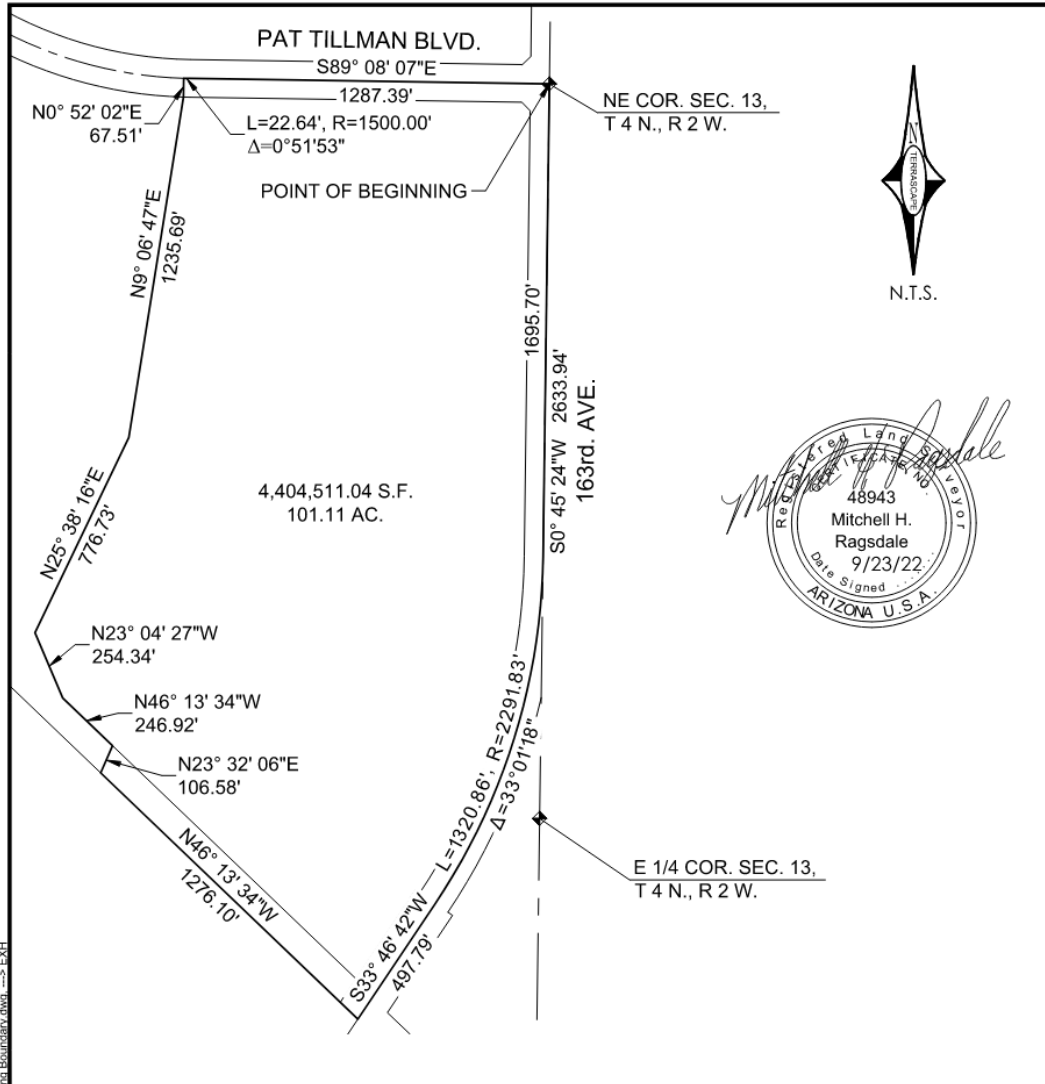
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DEPICTION OF PROPERTY SUBJECT TO THE PAD AMENDMENT



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645 E. MISSOURI AVE., STE. 420
PHOENIX, ARIZONA 85012

P:602.297.8732 • F:602.230.8458

EXHIBIT

ZONING BOUNDARY

GTIS - ASANTE
CITY OF SURPRISE

Project No. 1183
Sheet 1 of 1

Date : 9/23/22

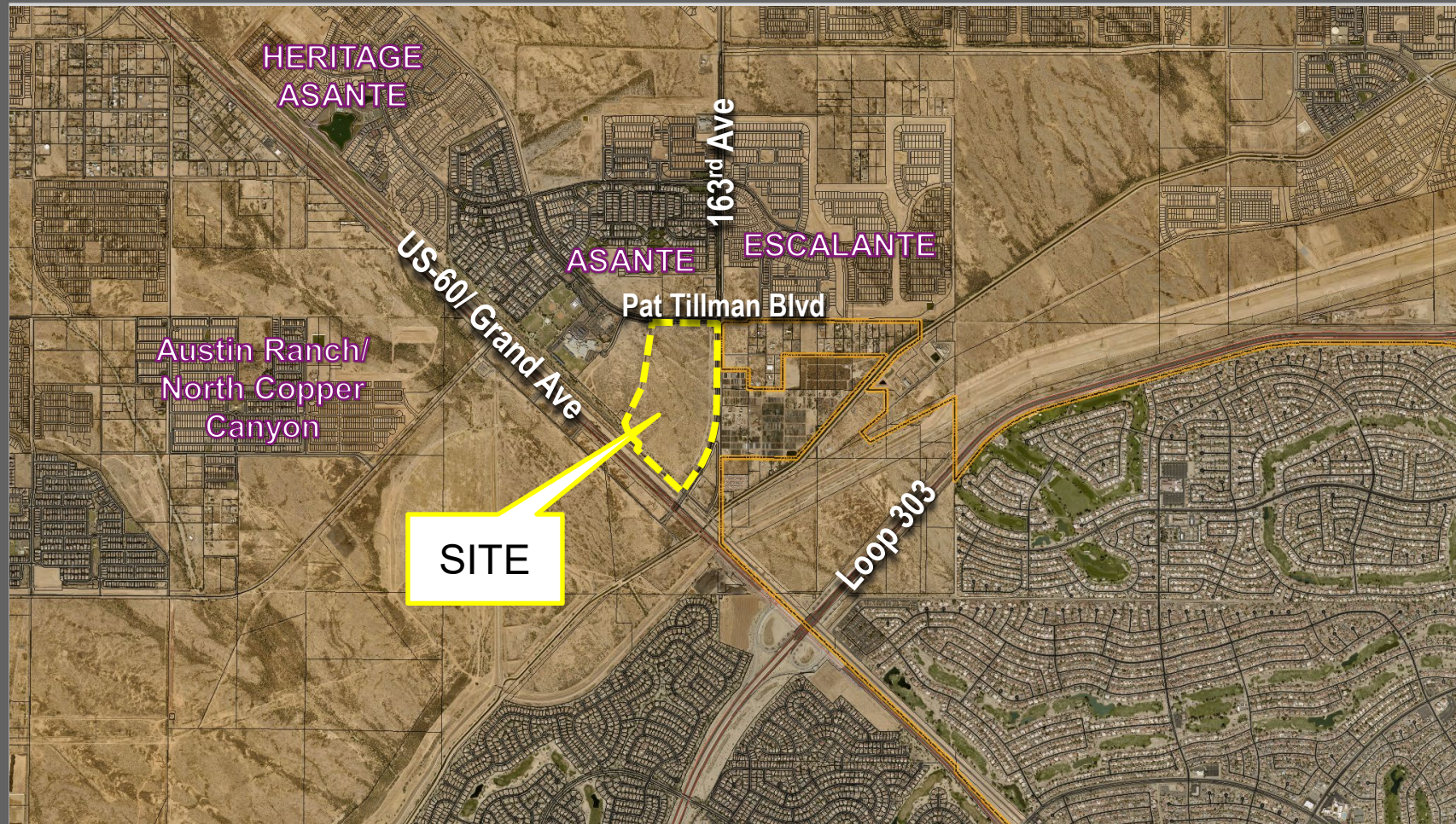
Ordinance No. 2023-03
RFLS # 8701
Rev 02/23



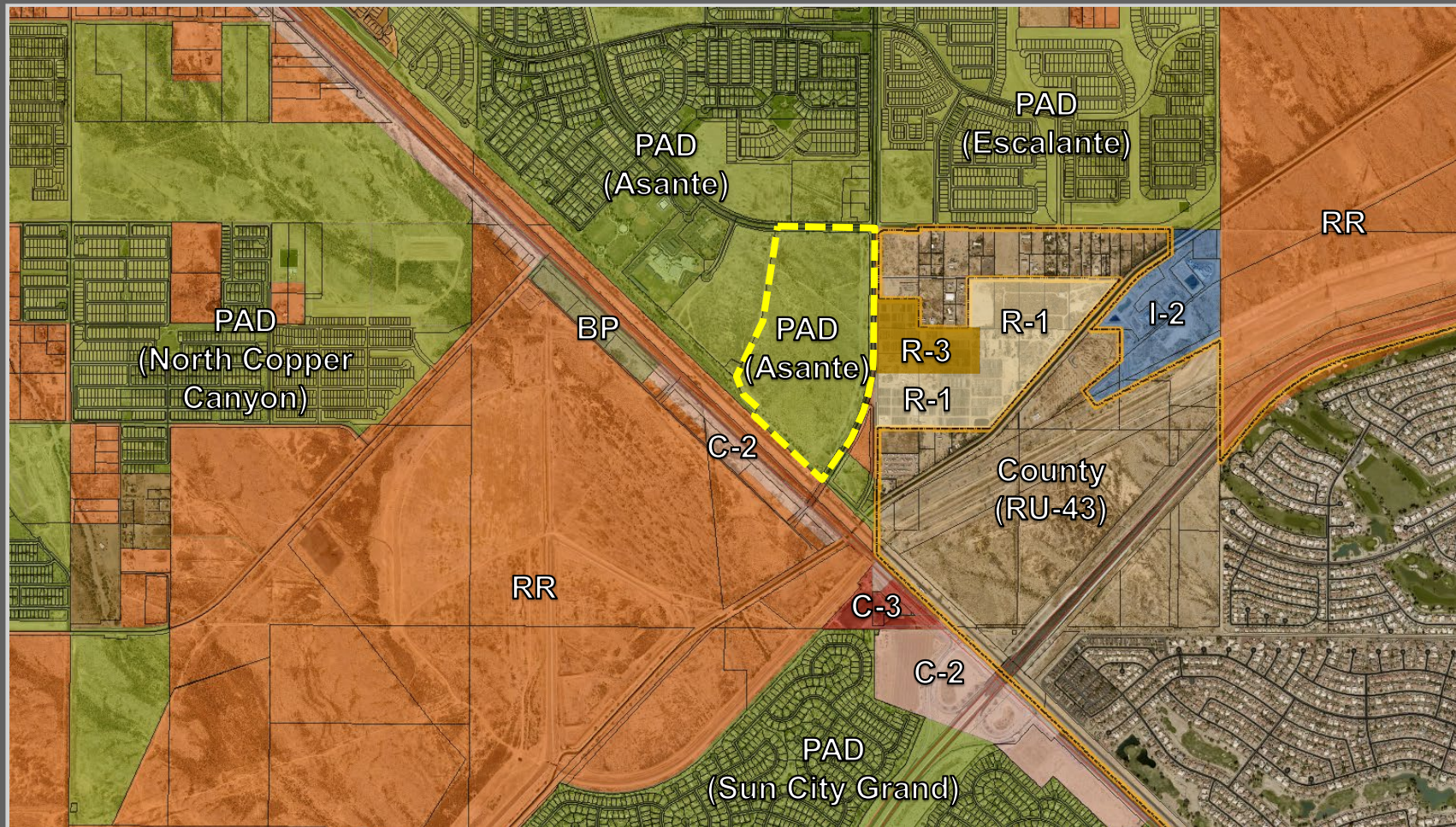
FS22-0517

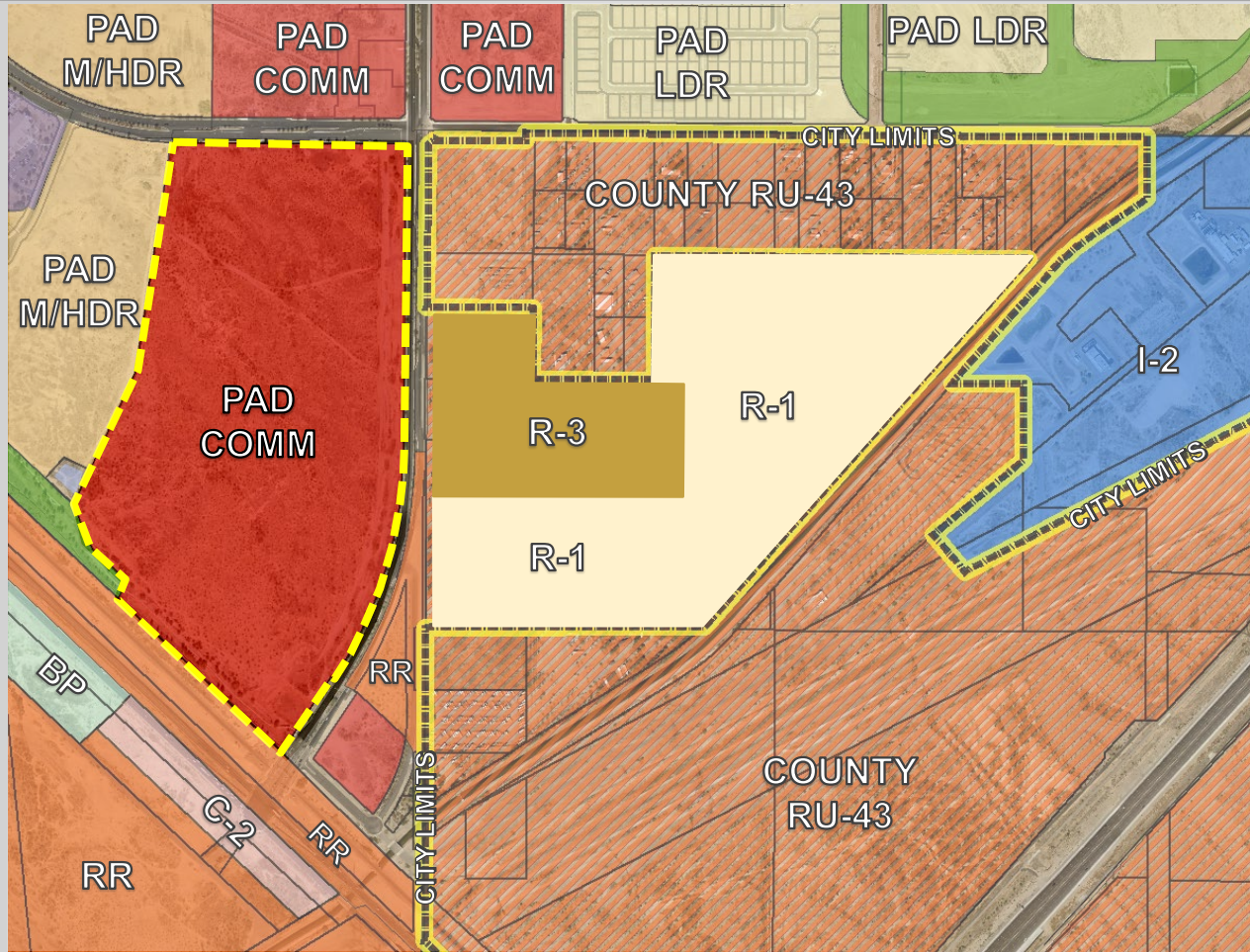
Asante Major PAD Amendment

City Council
April 4, 2023



VICINITY MAP

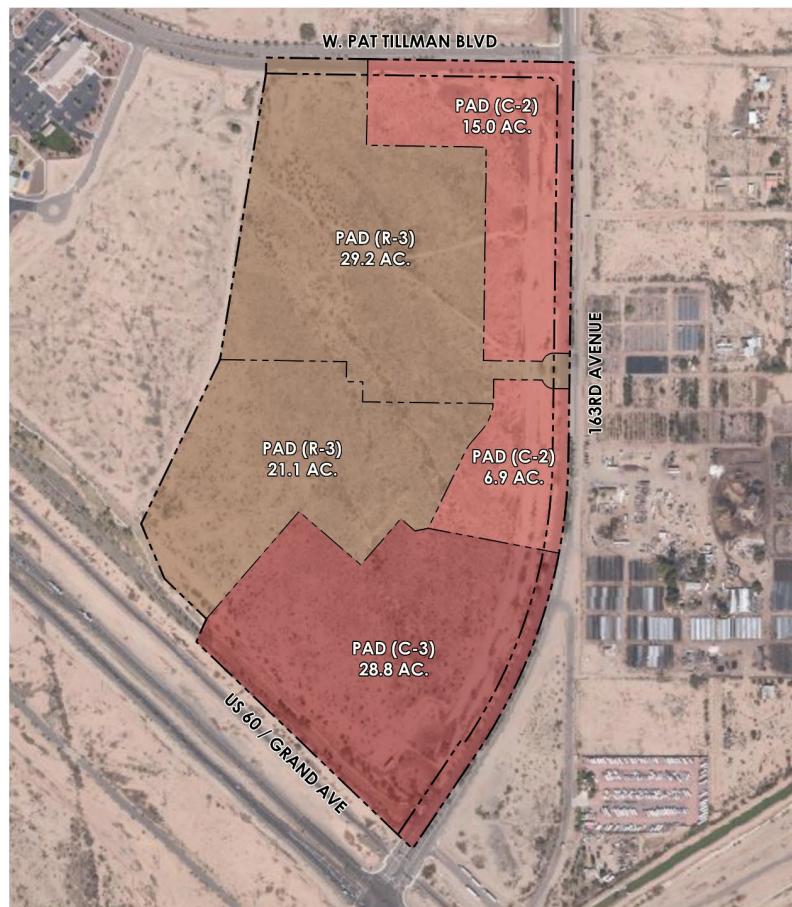




EXISTING LAND USE

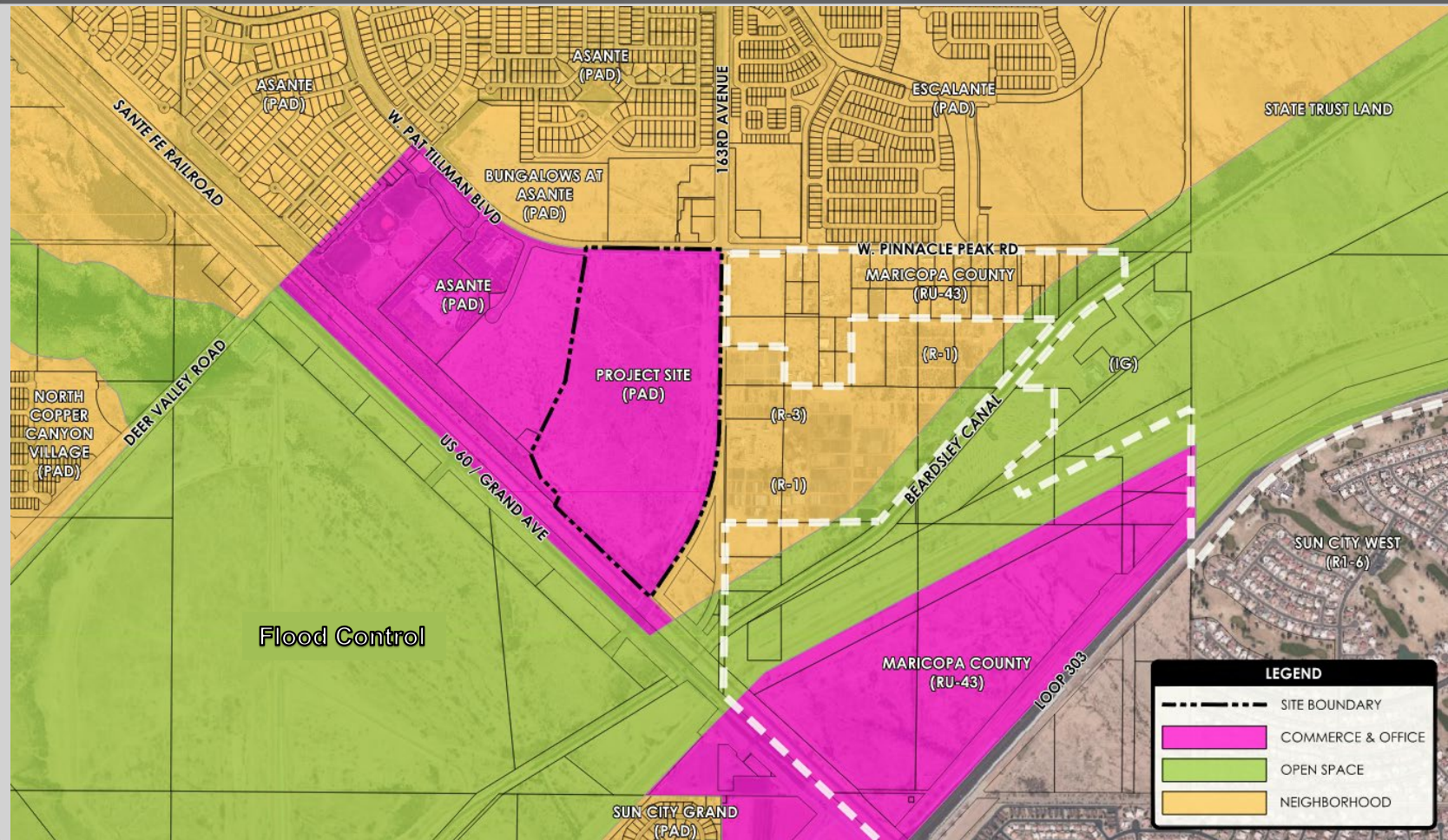


EXISTING ZONING DISTRICT



PROPOSED ZONING DISTRICTS





GENERAL PLAN LAND USE

- LEGEND**
1. COMMERCIAL PEDESTRIAN PLAZA
 2. ON-STREET PARKING
 3. COMMERCIAL PARKING
 4. PROGRAMMED AMENITY
 5. LINEAR PARK
 6. COMMUNITY PRIMARY ENTRY
 7. SECONDARY ENTRY
 8. LOCAL TRAILS
 9. REGIONAL TRAIL
 10. PARCEL ENTRIES

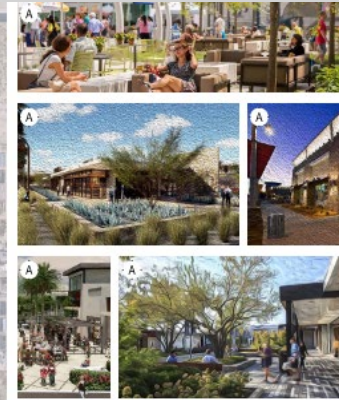


SITE DATA
 BTR - 29.2 GROSS AC.
 FUTURE R-3 - 21.1 GROSS AC.
 C-2 - 21.9 GROSS AC.
 FUTURE C-3 - 28.8 GROSS AC.

- LEGEND**
1. COMMERCIAL PEDESTRIAN PLAZA
 2. COMMERCIAL PARKING
 3. COMMUNITY PRIMARY ENTRY
 4. COMMUNITY SECONDARY ENTRY
 5. COMMERCIAL ENTRY
 6. PEDESTRIAN TRAIL
 7. NEIGHBORHOOD AMENITY
 8. NEIGHBORHOOD ENTRY
 9. LINEAR PARK
 10. ON-STREET PARKING



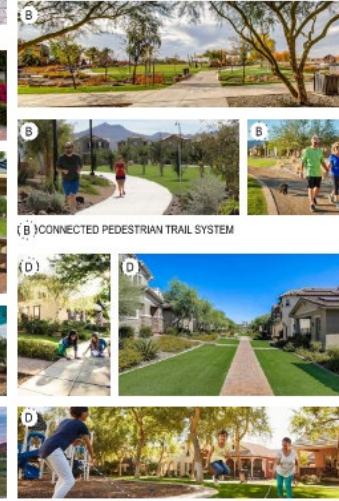
CONCEPTUAL SITE PLAN



(A) NEIGHBORHOOD COMMERCIAL PLAZAS



(C) NEIGHBORHOOD OPENS SPACE



(D) NEIGHBORHOOD CHARACTER

CONCEPTUAL OPEN SPACE



OUTREACH

Neighborhood Meetings: June 28th & 29th, 2022

- Concerns:
 - Traffic
 - Loss of commercial land
 - Prospective commercial uses
 - Parking
 - Construction timing
 - Housing

*The applicant held voluntary follow-up neighborhood meetings to present the revised plan to the community on January 10th & 11th, 2023



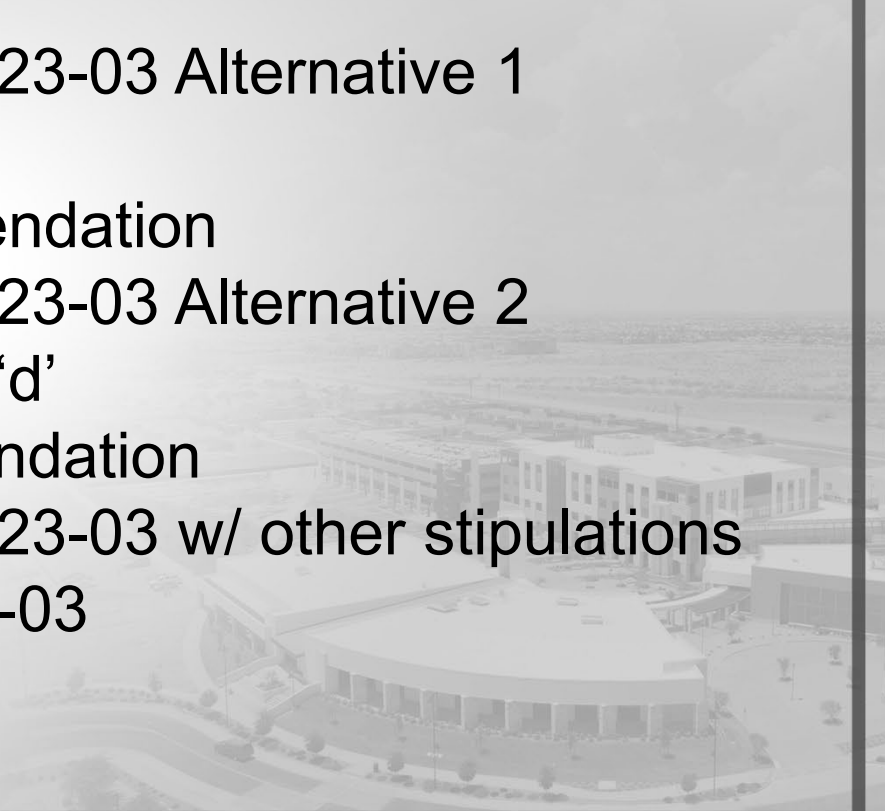
RECOMMENDATION

Commission recommended **approval** subject to stipulations 'a' through 'd'

- a. Development and use of the site shall be consistent with the rezone narrative entitled "Asante Trails", prepared by Withey Morris, PLC, dated January 13, 2023.
 - b. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the applicable provisions of the Surprise Municipal Code.
 - c. The residential area shall be capped at a total of 475 dwelling units.
 - d. Commercial development shall be built concurrently with the residential development.
-
- Ordinance Alternative 1: Stipulations 'a' and 'b'
 - Ordinance Alternative 2: Stipulations 'a' through 'd'



POSSIBLE MOTIONS

- Approval of Ordinance #2023-03 Alternative 1
 - Stipulations 'a' and 'b'
 - Original Staff Recommendation
 - Approval of Ordinance #2023-03 Alternative 2
 - Stipulations 'a' through 'd'
 - Commission Recommendation
 - Approval of Ordinance #2023-03 w/ other stipulations
 - Denial of Ordinance #2023-03
- 



SURPRISE
ARIZONA

**QUESTIONS OR
COMMENTS?**

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Tracy Montgomery, Deputy City Manager

Submitting Department: Community Development District: Citywide

Staff Recommendations:

Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to an update on Sober Living Homes within the City of Surprise.

Motion:

I move to adopt the *Statement on Unlawful Sober Living Homes* as City Council's position and direction to City staff.

Background:

City of Surprise Public Safety and Code Enforcement have seen a recent increase in the number of complaints and calls for service related to unlicensed Sober Living Homes, their tenants, and the detrimental impact these unlicensed businesses are having on residents and neighborhoods. Per state statute, Sober Living Homes are required to have a license issued by the Arizona Department of Health Services, and to comply with all City Codes, which would include meeting current zoning distance requirements and obtaining a City Business License. While the City supports the operation of properly licensed and lawful businesses, the Sober Living Homes being encountered are unlicensed by both the State and City and operating in an unsafe manner, and having a detrimental impact to the surrounding community. This presentation will provide City Council with an update on staff's approach to understanding why this complex problem is surfacing, how staff continue to partner and learn about this dynamic problem on a local, state, and federal level, and to request support for staff to move forward and explore/ initiate a cohesive and comprehensive action plan to respond to the operation of unlicensed Sober Living Homes.

Objective Analysis:

Council support of this effort will allow staff to analyze, develop and bring back comprehensive, multi-faceted solutions aimed at reducing the operation of unlicensed businesses and their detrimental impact, at a future Council meeting.

Policy Compliant:

This item is policy compliant.

Financial Impact:

While this item does not have an immediate or direct financial impact, the long-term solutions developed may have a future financial impact if additional resources are needed to provide new or expanded services.

Budget Impact:

None at this time; however, solutions proposed as a result of this analysis may have future budgetary impact if additional resources are needed.

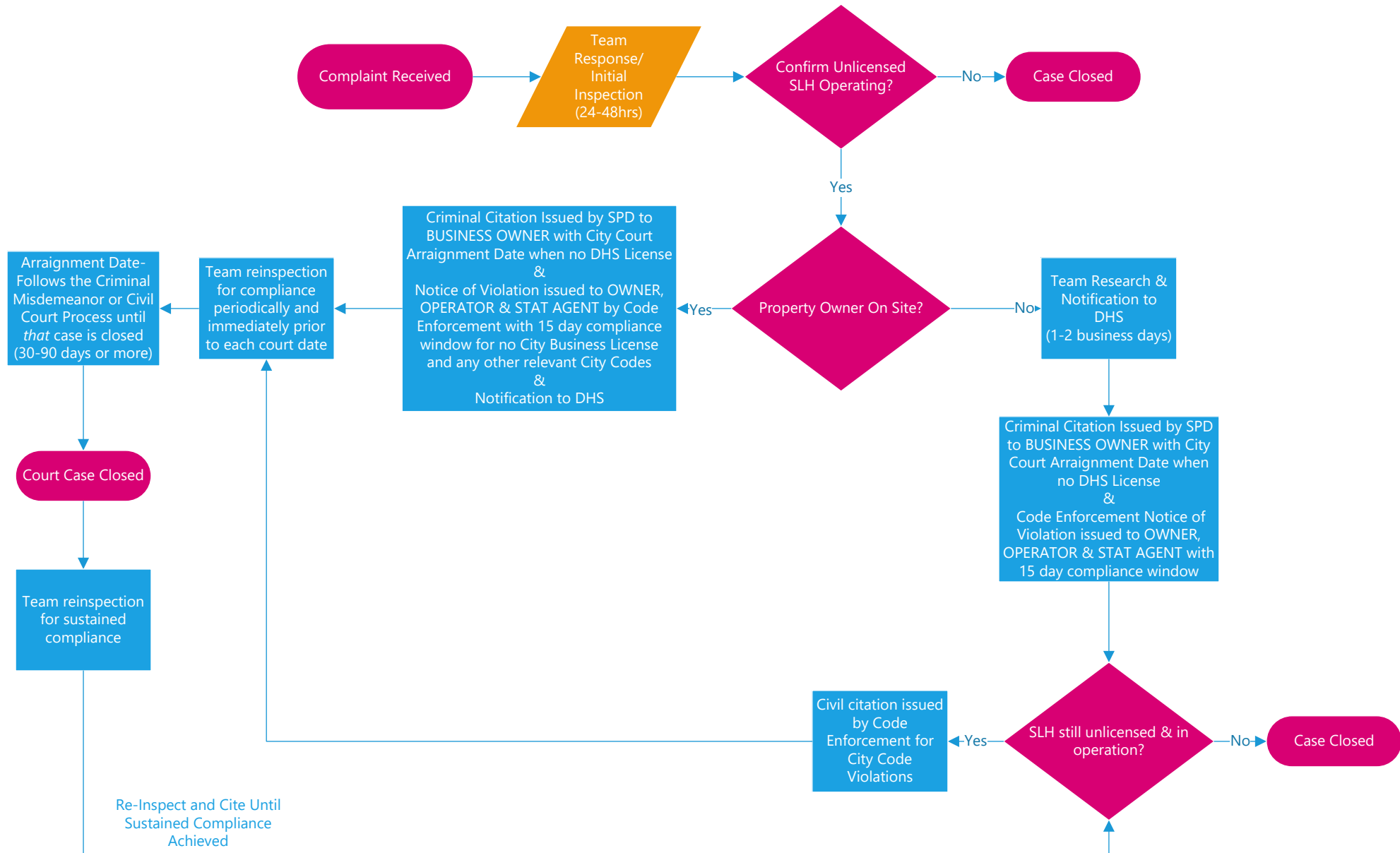
FTE Impact:

This item does not have an immediate impact on current staffing levels.

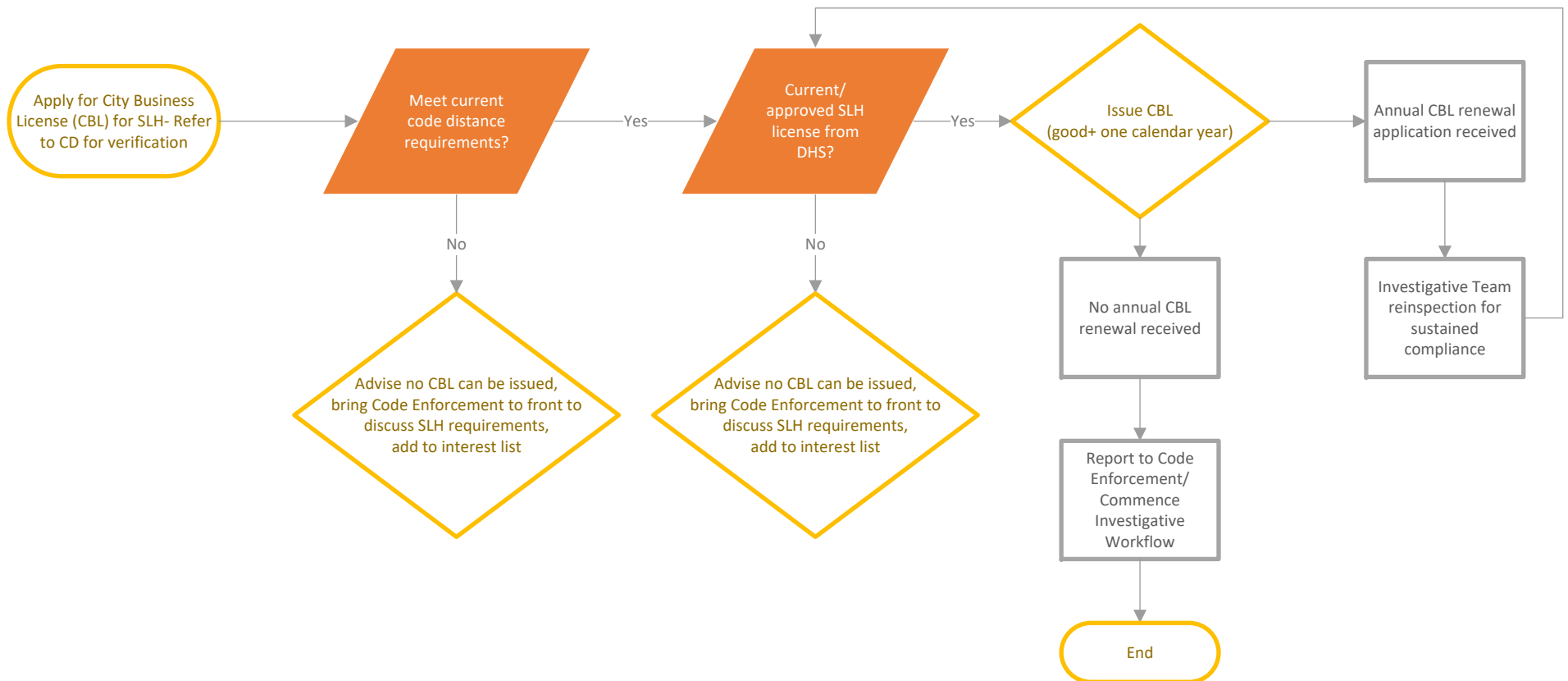
ATTACHMENTS:

1. Investigative Process Flow Chart V2
 2. CBL Process V2
 3. 23.04.04 Proposed Council Statment on unlawful Sober living homes
-

INVESTIGATIVE RESPONSE PROCESS



CITY BUSINESS LICENSE PROCESS



Statement on Unlawful Sober Living Homes

The City of Surprise supports properly licensed and regulated sober living homes that are professionally and responsibly operated in compliance with City, County and State laws and regulations as well as any Homeowners Association covenants, conditions, and restrictions. These homes provide invaluable assistance to residents to enable their successful reintegration into society, and, should be good neighbors.

However, the Surprise City Council desires to send a clear message to the community that the City of Surprise will not support or tolerate any individuals or groups who seek to take advantage of, or further victimize, vulnerable members of our community simply to make a profit by unlawfully operating unlicensed and unregulated sober living homes within our City.

Therefore, City Council hereby authorizes and encourages City staff to be innovative and utilize all the tools legally available and necessary to protect the health, safety, and welfare of both our community at large and victims of unlawfully operated sober living homes. These tools should include:

- 1) Civil and/or criminal enforcement of current City ordinances, including but not limited to, business licenses, group home zoning and use standards, and health and safety codes;
- 2) Identification of additional ordinances that may be adopted by City Council to strengthen the City's ability to protect the health, safety, and welfare of the community as it relates to unlawful sober living homes;
- 3) Utilization of Arizona state civil laws pertaining to abatement of crime properties and certain nuisances where applicable;
- 4) Interagency collaboration and coordination with any Arizona state agencies that have jurisdiction and enforcement authority over sober living homes, such as the Arizona Department of Health Services;
- 5) Support and encouragement of Homeowners Associations to enforce their codes, covenants, and restrictions relevant to sober living homes where applicable;
- 6) Support for lawfully and responsibly operated sober living homes.

In summary, City Council supports City staff's efforts to take every legally available action to defend the vulnerable members of our community, protect our residents and their neighborhoods, and hold those operating unlawful Sober Living Homes accountable.



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Andrea Davis, DIRECTOR -
FINANCE, Erick Martin, Accounting Manager
District: Citywide

Submitting Department: Finance

Staff Recommendations: None

Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: Yes

Agenda Wording:

Presentation and discussion pertaining to the fiscal year 2022 annual audit and Annual Comprehensive Financial Report, and associated reports.

Motion:

None; discussion only.

Background:

The City is subject to an annual audit performed by external auditors. Each year the auditors issue an opinion on the City of Surprise Annual Comprehensive Financial Report (ACFR), Single Audit Report, Annual Expenditure Limitation (AELR) Report, and Highway User Revenue Fund (HURF) Report, and provide letters related to the outcome of the audit such as the Management Letter and the Communication with Governance. The city received an unmodified opinion, which is the 'clean' opinion and the goal of all cities.

Objective Analysis:

A "clean" or unmodified opinion is the goal of all cities.

Policy Compliant:

The reports have met the requirements of external regulators and are compliant with City policy.

Financial Impact:

There is no financial impact as these reports are for informational purposes only.

Budget Impact:

There is no budget impact as these reports are for informational purposes only.

FTE Impact:

The number of full time equivalents (FTE) is not impacted by this item.

ATTACHMENTS:

1. City of Surprise Communication to Governance 22
 2. City of Surprise HURF Accountant's Report 22
 3. City of Surprise SA 22 Updated
 4. general_representation_letter-signed
 5. 2022 Annual Comprehensive Financial Report
 6. City of Surprise ELR Report 22 - Signed
 7. AERL Gen Rep Letter FY22
 8. City of Surprise - Impact Fee AUP 22
 9. Signed Gen Rep Letter FY22
-

December 19, 2022

To the Honorable Mayor and Members of the Town Council
City of Surprise, Arizona

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and remaining fund information of City of Surprise, Arizona (City) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter provided to you during the planning phase of the audit. Professional standards also require that we communicate to you the following matters related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Surprise, Arizona are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

As described in Note 1 of the financial statements, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. GASB Statement No. 87 increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The City's analysis of contracts and agreements in effect at the beginning of the year resulted in no changes to beginning balances reported in the financial statements due to the implementation of this standard.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of depreciable capital assets is based on the length of time management estimates those assets will provide some economic benefit in the future.
- Management's estimate of the allowance for uncollectible receivable balances is based on past experience and future expectation for collection of various account balances.
- Management's estimate of the insurance claims incurred but not reported is based on information provided by the entity's third party administrators and subsequent claims activity.
- The assumptions used in the actuarial valuations of the pension are based on historical trends and industry standards.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Audit Adjustments

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. During the course of the audit we did not identify any misstatements which require communication.

Disagreements with Management

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

Management Representations

We have requested certain written representations from management, which are included in the management representation letter provided to us at the conclusion of the audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants regarding auditing and accounting matters.

Discussions with Management

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

Compliance with Ethics Requirements Regarding Independence

The engagement team, others in our firm, and as appropriate, our firm, have complied with all relevant ethical requirements regarding independence. Heinfeld, Meech & Co., P.C. continually assesses client relationships to comply with relevant ethical requirements, including independence, integrity, and objectivity, and policies and procedures related to the acceptance and continuance of client

relationships and specific engagements. Our firm follows the “Independence Rule” of the AICPA Code of Professional Conduct and the rules of state boards of accountancy and applicable regulatory agencies. It is the policy of the firm that all employees be familiar with and adhere to the independence, integrity, and objectivity rules, regulations, interpretations, and rulings of the AICPA, U.S. Government Accountability Office (GAO), and applicable state boards of accountancy.

Responsibility for Fraud

It is important for both management and the members of the governing body to recognize their role in preventing, deterring, and detecting fraud. One common misconception is that the auditors are responsible for detecting fraud. Auditors are required to plan and perform an audit to obtain reasonable assurance that the financial statements do not include material misstatements caused by fraud. Unfortunately most frauds which occur in an organization do not meet this threshold.

The attached document prepared by the Association of Certified Fraud Examiners (ACFE) is provided as a courtesy to test the effectiveness of the fraud prevention measures of your organization. Some of these steps may already be in place, others may not. Not even the most well-designed internal controls or procedures can prevent and detect all forms of fraud. However, an awareness of fraud related factors, as well as the active involvement by management and the members of the governing body in setting the proper “tone at the top”, increases the likelihood that fraud will be prevented, deterred and detected.

Additional Reports Issued

In addition to the auditor’s report on the financial statements we will also issue the following documents related to this audit. These reports are typically issued within 60 days of the date of this letter.

- Single Audit Report
- Examination report on the Annual Expenditure Limitation Report
- HURF Report

Other Important Communications Related to the Audit

Attached to this letter are a copy of the signed engagement letter provided to us at the initiation of the audit, and a copy of the management representation letter provided to us at the conclusion of the audit. If there are any questions on the purpose or content of these letters please contact the engagement partner identified in the attached engagement letter.

Restriction on Use

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

Very truly yours,

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona

Fraud Prevention Checklist

The most cost-effective way to limit fraud losses is to prevent fraud from occurring. This checklist is designed to help organizations test the effectiveness of their fraud prevention measures.

1. Is ongoing anti-fraud training provided to all employees of the organization?

- Do employees understand what constitutes fraud?
- Have the costs of fraud to the company and everyone in it — including lost profits, adverse publicity, job loss and decreased morale and productivity — been made clear to employees?
- Do employees know where to seek advice when faced with uncertain ethical decisions, and do they believe that they can speak freely?
- Has a policy of zero-tolerance for fraud been communicated to employees through words and actions?

2. Is an effective fraud reporting mechanism in place?

- Have employees been taught how to communicate concerns about known or potential wrongdoing?
- Is there an anonymous reporting channel available to employees, such as a third-party hotline?
- Do employees trust that they can report suspicious activity anonymously and/or confidentially and without fear of reprisal?
- Has it been made clear to employees that reports of suspicious activity will be promptly and thoroughly evaluated?
- Do reporting policies and mechanisms extend to vendors, customers and other outside parties?

3. To increase employees' perception of detection, are the following proactive measures taken and publicized to employees?

- Is possible fraudulent conduct aggressively sought out, rather than dealt with passively?
- Does the organization send the message that it actively seeks out fraudulent conduct through fraud assessment questioning by auditors?
- Are surprise fraud audits performed in addition to regularly scheduled audits?
- Is continuous auditing software used to detect fraud and, if so, has the use of such software been made known throughout the organization?

- 4. Is the management climate/tone at the top one of honesty and integrity?**
 - Are employees surveyed to determine the extent to which they believe management acts with honesty and integrity?
 - Are performance goals realistic?
 - Have fraud prevention goals been incorporated into the performance measures against which managers are evaluated and which are used to determine performance-related compensation?
 - Has the organization established, implemented and tested a process for oversight of fraud risks by the board of directors or others charged with governance (e.g., the audit committee)?
- 5. Are fraud risk assessments performed to proactively identify and mitigate the company's vulnerabilities to internal and external fraud?**
- 6. Are strong anti-fraud controls in place and operating effectively, including the following?**
 - Proper separation of duties
 - Use of authorizations
 - Physical safeguards
 - Job rotations
 - Mandatory vacations
- 7. Does the internal audit department, if one exists, have adequate resources and authority to operate effectively and without undue influence from senior management?**
- 8. Does the hiring policy include the following (where permitted by law)?**
 - Past employment verification
 - Criminal and civil background checks
 - Credit checks
 - Drug screening
 - Education verification
 - References check
- 9. Are employee support programs in place to assist employees struggling with addictions, mental/ emotional health, family or financial problems?**
- 10. Is an open-door policy in place that allows employees to speak freely about pressures, providing management the opportunity to alleviate such pressures before they become acute?**
- 11. Are anonymous surveys conducted to assess employee morale?**

May 23, 2022

Honorable Mayor, Members of the City Council, and Management
City of Surprise
16000 N. Civic Center Plaza
Surprise, AZ 85374

We are pleased to confirm our understanding of the services we are to provide for City of Surprise, Arizona (City) for the year ended June 30, 2022. We encourage you to read this letter carefully as it includes important information regarding the services we will be providing to the City. If there are any questions on the content of the letter, or the services we will be providing, we would welcome the opportunity to meet with you to discuss this information further.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of City of Surprise, Arizona as of and for the year ended June 30, 2022. We have also been engaged to report on supplementary information that accompanies the City's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the basic financial statements as a whole:

1. Schedule of expenditures of federal awards
2. Combining and individual fund financial statements and schedules

Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI) to supplement the City's basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis
2. Budgetary comparison schedules
3. GASB-required pension and other post-employment benefits schedules

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

1. Other information included with the audited financial statements such as the transmittal letter and statistical data

In addition, we will perform the necessary procedures to issue the applicable report for the following.

1. Examination report on the Annual Expenditure Limitation Report
2. Examination report on compliance for highway user revenue fund monies in accordance with ARS §9-481(B)(2)

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. We will also report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole.

An important aspect to our expression of opinions on the financial statements is understanding the concept of materiality. Our determination of materiality is a matter of professional judgment and is affected by our perception of the financial information needs of users of the financial statements. In this context, it is reasonable for us to assume that users –

1. have a reasonable knowledge of business and economic activities and accounting principles, and a willingness to study the information in the financial statements with reasonable diligence;
2. understand that financial statements are prepared, presented, and audited to levels of materiality;
3. recognize the uncertainties inherent in the measurement of amounts based on the use of estimates, judgment, and the consideration of future events; and
4. make reasonable economic decisions on the basis of the information in the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with auditing standards generally accepted in the United States of America, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in the financial statements nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the City and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts. Our procedures will also include, as deemed necessary, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request, if deemed necessary, written representations from the City's attorneys as part of the engagement, and they may bill you for responding to this inquiry.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion in our report on internal control issued pursuant to *Government Auditing Standards*. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the City has complied with federal statutes, regulations and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. For federal programs that are included in the *OMB Compliance Supplement*, our compliance and internal control procedures will relate to the compliance requirements that the *OMB Compliance Supplement* identifies being subject to audit. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Reporting

We will issue a written report upon completion of our audit of City of Surprise, Arizona's financial statements. Our report will be addressed to the City Council. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We will issue written reports on –

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Nonaudit Services

As part of the audit, we will assist with the completion of the auditee section of the data collection form to be submitted to the General Services Administration. You have expressed your intention to use these nonaudit services within the scope of your request for proposal for audit services. These nonaudit services do not constitute an audit and such services will not be conducted in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

Management is also responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; (3) other information as needed to perform an audit under *Government Auditing Standards*; (4) and unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements; the schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Management's responsibilities also include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, including the preparation of the schedule of expenditures of federal awards in accordance with the requirements of the Uniform Guidance.

Management is responsible for (1) designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported.

Management is responsible for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others.

Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review prior to issuance of our reports.

Management is required to disclose in the financial statements the date through which subsequent events have been evaluated and whether that date is the date the financial statements were issued or were available to be issued. You agree that you will not date the subsequent event note earlier than the date of your management representation letter.

Management is responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You

also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in a written representation letter that (1) you are responsible for presentation of supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, management understands that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our tests will not include a detailed check of all transactions for the period.

We have identified the following significant risks of material misstatement as part of our audit planning:

1. Management override of controls
2. Improper revenue recognition

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit in May 2022 and conclude audit procedures and date our report in December 2022.

Our audit of the financial statements does not relieve you of your responsibilities outlined in the *Responsibilities of Management for the Financial Statements* section of this letter.

Use of Third-Party Service Providers

We maintain internal policies, procedures, and safeguards to protect the confidentiality of your information. We may, depending on the circumstances, use third-party service providers in providing our professional services. The following service providers may be utilized in the completion of our engagement:

- Capital Confirmation, Inc. – electronic bank and account balance confirmation service
- Citrix ShareFile – web-based application service to transfer files
- CCH Engagement Organizer – web-based application service to transfer files
- Harvest Investments, Ltd. – investment portfolio valuation service

You hereby consent and authorize us to use the above service providers, if deemed necessary, to complete the professional services outlined in this letter.

Engagement Administration, Fees, and Other

Brittney Williams is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the General Services Administration. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

The audit documentation for this engagement is the property of Heinfeld, Meech & Co., P.C., and constitutes confidential information. However, we may be requested to make certain audit documentation available to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, the U.S. Government Accountability Office, or other authorized governmental agency for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Heinfeld, Meech & Co., P.C., personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven (7) years after the report release date, or for any additional period requested by a regulator, cognizant agency, oversight agency for audit, or pass-through entity. Upon expiration of the seven year period, or any additional period, we will commence the process of destroying the contents of our engagement files. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our hourly rates, for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

Any disagreement, controversy, or claim (“dispute”) that may arise from any aspect of our services, including this engagement or any prior engagement, will be submitted to mediation. The parties will engage in the mediation process in good faith once a written request to mediate has been given by any party. Any mediation initiated as a result of this engagement shall be administered by The American Arbitration Association, according to its mediation rules before resorting to litigation. The results of any such mediation shall be binding only upon agreement of each party to be bound. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally.

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between us. The parties agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against us must be commenced within twenty-four (24) months (“limitation period”) after the date when we deliver our final audit report under this agreement to you, regardless of whether we do other services for you relating to the audit report, or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. The limitation period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a dispute.

Professional standards prohibit auditors from agreeing to indemnify attest clients for damages, losses or costs arising from lawsuits, claims or settlements that relate, directly or indirectly, to the client’s acts. As such, professional standards will prevail for indemnification clauses included in audit contracts. In addition, we are unable to obtain waivers on our professional liability insurance policy for certain provisions, including indemnification provisions, provisions requiring the firm to name the City as an additional insured party, and a waiver of subrogation rights.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our fee for these services will be at the amount outlined in our proposal. We exercised care in estimating the fee and believe it accurately indicates the scope of the work. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Our fees are based on anticipated cooperation from your personnel, timely receipt of information, and the assumption that unexpected circumstances will not be encountered during the audit, including factors beyond our control, such as new accounting pronouncements or legal requirements, additional consultation, and assistance in correcting errors in your financial records. We will plan the engagement based on the assumption that your personnel will prepare and provide us with the items listed in our request for audit information, including preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Additional fees incurred will be billed at the following hourly rates: Partner - \$275; Manager - \$215; Senior - \$155; Staff - \$115.

If any term or provision of this agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2021 peer review report accompanies this letter.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. Please feel free to contact us at any time if you have any questions or concerns. If you have any questions regarding this letter, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona

cc: Andrea Davis, Finance Director
Erick Martin, Accounting Supervisor

RESPONSE

This letter correctly sets forth the understanding of City of Surprise, Arizona.

Andrea Davis
Printed Name: _____

Finance Director
Title: _____

Andrea Davis
Signature: _____

06/01/2022
Date: _____

Report on the Firm's System of Quality Control

August 31, 2021

To Heinfeld, Meech & Co., P.C. and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Heinfeld, Meech & Co., P.C. (the firm) in effect for the year ended May 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

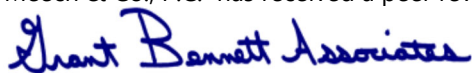
Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Heinfeld, Meech & Co., P.C. in effect for the year ended May 31, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Heinfeld, Meech & Co., P.C. has received a peer review rating of *pass*.



GRANT BENNETT ASSOCIATES
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www.gbacpa.com

10850 Gold Center Drive, Suite 260
Rancho Cordova, CA 95670
916/922-5109 FAX 916/641-5200

1970 Broadway, Suite 260
Oakland, CA 94612
510/817-4886

Princeville, HI
888/763-7323

Together as One. Grant Bennett Associates is a Member of the Alliott Global Alliance of independent professional firms.

Heinfeld, Meech & Co., P.C.
1365 N. Scottsdale Rd., Suite 300
Scottsdale, AZ 85257

This representation letter is provided in connection with your audit of the financial statements of City of Surprise, Arizona, which comprise the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the period then ended, and the disclosures (collectively the “financial statements”), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

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

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Information Provided

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

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

Government-specific

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. If applicable, we have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.
20. We have a process to track the status of audit findings and recommendations.
21. We have identified and communicated to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
22. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
23. If applicable, we have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
24. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred outflows/inflows of resources, and fund balance or net position.
25. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

26. With respect to your compliance examination of highway user revenue fund monies and other dedicated state transportation revenues, we represent the following:
- we are responsible for compliance with A.R.S. Title 28, Chapter 18, Article 2; and for establishing and maintaining effective internal controls to ensure compliance.
 - we have disclosed to you all known noncompliance with the aforementioned statutes and related requirements.
 - we have disclosed to you all communications from regulatory agencies, internal auditors, other independent accountants or consultants, and others regarding possible noncompliance with the aforementioned statutes and related requirements.
27. We have appropriately disclosed all information for conduit debt obligations in accordance with U.S. GAAP.
28. We have identified and disclosed to you all instances of identified fraud and suspected fraud that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
29. We have identified and disclosed to you all instances of identified noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
30. We have identified and disclosed to you all instances of identified abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
31. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
32. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
33. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
34. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
35. If applicable, the financial statements include all component units, appropriately present majority equity interest in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
36. The financial statements include all fiduciary activities required by U.S. GAAP.

37. The financial statements properly classify all funds and activities in accordance with U.S. GAAP.
38. All funds that meet the quantitative criteria for presentation as a major fund are identified and presented as such and all other funds that are presented as a major fund are particularly important to financial statement users.
39. Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
40. Investments are properly valued.
41. With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
42. If applicable, provisions for uncollectible receivables have been properly identified and recorded.
43. All payroll information and the individual employment data have been properly submitted to the state retirement systems, and the employer contributions have been properly submitted to the retirement systems.
44. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
45. Revenues are appropriately classified in the statement of activities within program revenues, and general revenues.
46. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
47. Special and extraordinary items, if any, are appropriately classified and reported.
48. Deposits and investment securities are properly classified as to risk and are properly disclosed.
49. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

50. We have identified and disclosed to you all contracts, agreements, and transactions that result in leases for financial reporting purposes. Leases have been properly recorded and disclosed in the notes to the financial statements.
51. We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
52. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
53. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
54. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
55. With respect to the supplementary information presented, such as the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards.
 - a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
56. With respect to federal award programs:
 - a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform*

Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards (SEFA).

- b. We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards, if any.

- j. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR Part 200, Subpart E).
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

- t. If applicable, we have monitored subrecipients to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
- u. If applicable, we have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.
- v. If applicable, we have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- w. We have charged costs to federal awards in accordance with applicable cost principles.
- x. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- y. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information
- z. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- aa. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.
- bb. If applicable, we have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

We understand that at the conclusion of the audit Heinfeld, Meech & Co, P.C. will submit to the City Council a communication to those charged with governance that will include a copy of this representation letter and a copy of the engagement letter.

Andrea Davis

Andrea Davis, Chief Financial Officer
City of Surprise, Arizona

12/16/2022

Date

Erick Martin

Erick Martin, Accounting Manager
City of Surprise, Arizona

12/16/2022

Date

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Mayor and Members of the City Council
City of Surprise, Arizona

We have examined the City of Surprise, Arizona's (City) compliance as to whether highway user revenue fund monies received by the City pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by the City, were used solely for authorized transportation purposes during the fiscal year ended June 30, 2022. Management is responsible for the City's compliance with those specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City of Surprise, Arizona complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2022.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 16, 2022

City of Surprise, Arizona
Single Audit Report
Year Ended June 30, 2022

**CITY OF SURPRISE, ARIZONA
SINGLE AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2022**

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**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
*Government Auditing Standards***

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Surprise, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Surprise, Arizona, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City of Surprise, Arizona's basic financial statements, and have issued our report thereon dated December 16, 2022. Our report included an emphasis of matter paragraph as to comparability because of the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Surprise, Arizona's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 16, 2022

**Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and
Report on Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Surprise, Arizona

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Surprise, Arizona's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Surprise, Arizona's major federal programs for the year ended June 30, 2022. City of Surprise, Arizona's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Surprise, Arizona complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Surprise, Arizona's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Surprise, Arizona's compliance based on our audit.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate it would influence the judgment made by a reasonable user of the report on compliance about City of Surprise, Arizona's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Surprise, Arizona's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Surprise, Arizona's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Surprise, Arizona's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Surprise, Arizona as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City of Surprise, Arizona's basic financial statements. We issued our report thereon dated December 16, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
February 3, 2023

CITY OF SURPRISE, ARIZONA
Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Federal agency/Pass-through grantor/Program Title	Additional Award ID	Assistance Listing Number	Other Award ID Number	Program expenditures	Amount provided to subrecipients
<u>U.S. Department of Agriculture</u>					
Passed through the AZ Department of Forestry and Fire Management					
Cooperative Forestry Assistance		10.664	CCG 19-107	\$ 14,916	-
Total U.S. Department of Agriculture				14,916	-
<u>U.S. Department of Housing and Urban Development</u>					
Direct Programs					
CDBG-Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants		14.218		606,907	89,197
COVID-19 Community Development Block Grant/Entitlement Grants	COVID-19	14.218		36,652	21,212
Total CDBG-Entitlement Grants Cluster				643,559	110,409
Passed through Maricopa County/the Maricopa HOME Consortium					
HOME Investment Partnerships Programs		14.239	C-22-17-046-3-02	151,458	151,458
HOME Investment Partnerships Programs		14.239	C-22-17-046-3-03	136,333	136,333
HOME Investment Partnerships Programs		14.239	C-22-21-092-X-00	165,884	165,884
HOME Investment Partnerships Programs		14.239	C-22-21-092-X-01	8,984	8,984
HOME Investment Partnerships Programs - Program Income		14.239	C-22-21-092-X-01	34,199	34,199
Total HOME Investment Partnership Programs				496,857	496,857
Total U.S. Department of Housing and Urban Development				1,140,417	607,266
<u>U.S. Department of Justice</u>					
Direct Programs					
COVID-19 Coronavirus Emergency Supplemental Funding Program	COVID-19	16.034		1,292	-
Passed through Arizona Department of Public Safety					
Crime Victim Assistance		16.575	VOCA-2021-SPD-00158	112,175	-
Equitable Sharing Program		16.922	AZ0072700	63,979	-
Total U.S. Department of Justice				177,446	-
<u>U.S. Department of Transportation</u>					
Passed through Arizona Governor's Office of Highway Safety					
Highway Safety Cluster					
State and Community Highway Safety		20.600	2022-405D-047	26,000	-
State and Community Highway Safety		20.600	2021-PTS-067	7,288	-
State and Community Highway Safety		20.600	2022-PTS-065	10,911	-
State and Community Highway Safety		20.600	2022-PS-010	6,889	-
State and Community Highway Safety		20.600	2022-OP-014	10,156	-
State and Community Highway Safety		20.600	2021-MC-003	11,329	-
State and Community Highway Safety		20.600	2022-MC-003	17,675	-
State and Community Highway Safety		20.600	2022-AI-010	1,869	-
State and Community Highway Safety		20.600	2021-AL-037	3,573	-
State and Community Highway Safety		20.600	2022-OP-013	8,246	-
Subtotal 20.600 State and Community Highway Safety				103,936	-
National Priority Safety Programs		20.616	2021-II-006	4,889	-
National Priority Safety Programs		20.616	2022-II-005	24,781	-
National Priority Safety Programs		20.616	2022-405D-047	39,000	-
National Priority Safety Programs		20.616	2021-405d-039	4,549	-
National Priority Safety Programs		20.616	2022-405d-046	8,123	-
National Priority Safety Programs		20.616	2021-405h-019	7,089	-
National Priority Safety Programs		20.616	2021-405b-008	10,469	-
National Priority Safety Programs		20.616	2022-CIOT-023	4,000	-
National Priority Safety Programs		20.616	2021-405b-007	55	-
Subtotal 20.616 National Priority Safety Programs				102,954	-
Total Highway Safety Cluster				206,890	-
Total U.S. Department of Transportation				206,890	-

CITY OF SURPRISE, ARIZONA
Schedule of Expenditures of Federal Awards
Year ended June 30, 2022

Federal agency/Pass-through grantor/Program Title	Additional Award ID	Assistance Listing Number	Other Award ID Number	Program expenditures	Amount provided to subrecipients
<u>U.S. Department of the Treasury</u>					
Direct Programs					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	COVID-19	21.027		10,018,716	-
Passed through Area Agency on Aging, Region One					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	COVID-19	21.027	2022-36-SUR	7,253	-
Passed through City of El Mirage					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	COVID-19	21.027	322280	6,705	-
Total Coronavirus SLFRF Program				10,032,674	-
Passed through Maricopa County Human Services					
COVID-19 Emergency Rental Assistance Program	COVID-19	21.023	C-22-16-043-3-08	252,461	-
Total U.S. Department of the Treasury				10,285,136	-
<u>U.S. Department of Health and Human Services</u>					
Passed through Area Agency on Aging, Region One					
Aging Cluster					
Special Programs for the Aging Title III, Part B - Grants for Supportive Services and Senior Centers		93.044	2022-36-SUR	11,028	-
Special Programs for the Aging Title III, Part C Nutrition Services		93.045	2022-36-SUR	60,514	-
Nutrition Services Incentive Program		93.053	2022-36-SUR	3,306	-
Total Aging Cluster				74,848	-
Passed through Maricopa County Human Services					
Temporary Assistance for Needy Families		93.558	C-22-16-043-3-08	5,190	-
Community Services Block Grant		93.569	C-22-16-043-3-08	6,566	-
Community Services Block Grant		93.569	C-22-19-038-3-02	100,000	-
Low-Income Home Energy Assistance		93.568	C-22-16-043-3-08	159,661	-
Passed through Area Agency on Aging, Region One					
Social Services Block Grant		93.667	2022-36-SUR	7,541	-
Total U.S. Department of Health and Human Services				353,806	-
<u>U.S. Department of Homeland Security</u>					
Passed through Arizona Department of Homeland Security					
Homeland Security Grant Program		97.067	200823-01	25,986	-
Homeland Security Grant Program		97.067	210821-01	2,700	-
Homeland Security Grant Program		97.067	200822-01	1,115	-
Homeland Security Grant Program		97.067	210820-01	12,026	-
Total Homeland Security Grant Program				41,826	-
Direct Programs					
Staffing for Adequate Fire and Emergency Response (SAFER)		97.083	EMW-2018-FH-00377	455,061	-
Total U.S. Department of Homeland Security				496,887	-
Total Expenditures of Federal Awards				\$ 12,675,497	607,266

CITY OF SURPRISE, ARIZONA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2021 - 6/30/2022

Significant Accounting Policies Used in Preparing the SEFA

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Cit of Surprise, Arizona, under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

10% De Minimis Cost Rate

The auditee did not use the de minimis cost rate.

Assistance Listing Numbers

The program titles and Assistance Listing numbers were obtained from the federal or pass-through grantor or through sam.gov. If the three-digit Assistance Listing extension is unknown, there is a U followed by a two-digit number in the Assistance Listing extension to identify one or more Federal award lines from that program. The first Federal program with an unknown three-digit extension is indicated with U01 for all award lines associated with that program, the second is U02, etc.

**CITY OF SURPRISE, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2022**

Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: No

Noncompliance material to financial statements noted: No

Federal Awards

Internal control over major programs:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance: No

Identification of major programs:

Assistance Listing Number
21.027

Name of Federal Program or Cluster
Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee: Yes

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*: No

Findings and Questioned Costs Related to Federal Awards: No

Summary Schedule of Prior Audit Findings required to be reported: Yes



FINANCE DEPARTMENT
CITY OF SURPRISE
16000 N. CIVIC CENTER PLAZA
SURPRISE, AZ 85374
T. 623-222-1800

February 3, 2023

To Whom It May Concern:

The accompanying Summary Schedule of Prior Audit Findings has been prepared as required by U.S. Office of Management and Budget Uniform Guidance. The status for each finding included in the prior year audit's Schedule of Findings and Questioned Costs has been provided.

Sincerely,

Andrea Davis
Finance Director

**CITY OF SURPRISE, ARIZONA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2022**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: FS-2021-001

Status: Fully corrected.

Heinfeld, Meech & Co., P.C.
1365 N. Scottsdale Rd., Suite 300
Scottsdale, AZ 85257

This representation letter is provided in connection with your audit of the financial statements of City of Surprise, Arizona, which comprise the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the period then ended, and the disclosures (collectively the “financial statements”), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

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

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Information Provided

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

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

Government-specific

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. If applicable, we have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.
20. We have a process to track the status of audit findings and recommendations.
21. We have identified and communicated to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
22. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
23. If applicable, we have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
24. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred outflows/inflows of resources, and fund balance or net position.
25. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

26. With respect to your compliance examination of highway user revenue fund monies and other dedicated state transportation revenues, we represent the following:
- we are responsible for compliance with A.R.S. Title 28, Chapter 18, Article 2; and for establishing and maintaining effective internal controls to ensure compliance.
 - we have disclosed to you all known noncompliance with the aforementioned statutes and related requirements.
 - we have disclosed to you all communications from regulatory agencies, internal auditors, other independent accountants or consultants, and others regarding possible noncompliance with the aforementioned statutes and related requirements.
27. We have appropriately disclosed all information for conduit debt obligations in accordance with U.S. GAAP.
28. We have identified and disclosed to you all instances of identified fraud and suspected fraud that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
29. We have identified and disclosed to you all instances of identified noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
30. We have identified and disclosed to you all instances of identified abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
31. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
32. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
33. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
34. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
35. If applicable, the financial statements include all component units, appropriately present majority equity interest in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
36. The financial statements include all fiduciary activities required by U.S. GAAP.

37. The financial statements properly classify all funds and activities in accordance with U.S. GAAP.
38. All funds that meet the quantitative criteria for presentation as a major fund are identified and presented as such and all other funds that are presented as a major fund are particularly important to financial statement users.
39. Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
40. Investments are properly valued.
41. With regard to investments and other instruments reported at fair value:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
 - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
 - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
42. If applicable, provisions for uncollectible receivables have been properly identified and recorded.
43. All payroll information and the individual employment data have been properly submitted to the state retirement systems, and the employer contributions have been properly submitted to the retirement systems.
44. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
45. Revenues are appropriately classified in the statement of activities within program revenues, and general revenues.
46. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
47. Special and extraordinary items, if any, are appropriately classified and reported.
48. Deposits and investment securities are properly classified as to risk and are properly disclosed.
49. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

50. We have identified and disclosed to you all contracts, agreements, and transactions that result in leases for financial reporting purposes. Leases have been properly recorded and disclosed in the notes to the financial statements.
51. We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
52. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
53. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
54. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
55. With respect to the supplementary information presented, such as the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards.
 - a. We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
56. With respect to federal award programs:
 - a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform*

Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards (SEFA).

- b. We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards, if any.

- j. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR Part 200, Subpart E).
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

- t. If applicable, we have monitored subrecipients to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
- u. If applicable, we have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.
- v. If applicable, we have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- w. We have charged costs to federal awards in accordance with applicable cost principles.
- x. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- y. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information
- z. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- aa. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.
- bb. If applicable, we have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

We understand that at the conclusion of the audit Heinfeld, Meech & Co, P.C. will submit to the City Council a communication to those charged with governance that will include a copy of this representation letter and a copy of the engagement letter.

Andrea Davis

Andrea Davis, Chief Financial Officer
City of Surprise, Arizona

12/16/2022

Date

Erick Martin

Erick Martin, Accounting Manager
City of Surprise, Arizona

12/16/2022

Date



SURPRISE
ARIZONA

City of Surprise, Arizona

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



CITY OF SURPRISE, ARIZONA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the fiscal year ended
June 30, 2022

Prepared by:
Finance Department



SURPRISE

ARIZONA

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SURPRISE

ARIZONA



INTRODUCTORY SECTION



S U R P R I S E

A R I Z O N A



INTRODUCTORY SECTION

The Introductory Section is the first of three essential components of the City's Annual Comprehensive Financial Report (ACFR). The second essential component is the Financial Section, and the third is the Statistical Section. The Introductory Section provides general information on the City's structure and personnel as well as information useful in assessing the City's economic condition, with the letter of transmittal as the key element to formally introduce the ACFR to the intended readers.



SURPRISE

ARIZONA

December 16, 2022

Members of the City Council and City Manager:

In accordance with the requirements of Arizona Revised Statutes (A.R.S.) § 41-1279.07, I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Surprise, Arizona (the City), for the fiscal year ended June 30, 2022. These financial statements are prepared and presented in conformity with generally accepted accounting principles in the United States (GAAP) as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB). To the best of our knowledge and belief, this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of the operations of the various funds of the City. Disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management assumes full responsibility for the completeness and reliability of the information presented in this report based on internal controls established for this purpose. To provide a reasonable basis for making these representations, the City has established a framework of internal control that is designed to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the basic financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements.

Heinfeld, Meech and Co., P.C., a firm of licensed certified public accountants, has audited the City of Surprise's financial statements pursuant to A.R.S § 9-481. The audit is intended to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

An unmodified audit opinion denotes that the financial statements are presented fairly and in conformity with GAAP. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The City is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Heinfeld, Meech and Co., P.C. was also contracted to perform the single audit of the City's major grant programs. This audit was designed to meet the requirements of the Uniform Grant Guidance.

The single audit report is issued separately from this ACFR. Copies are available online and upon request from the City's Finance Department.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

City Profile

Surprise, located just 45 minutes west of downtown Phoenix along U.S. Route 60/State Highway 93, was founded on May 17, 1938 by Flora Mae Statler who purchased and subdivided the original town site. The former small farming village now encompasses 108 square miles, including urban and commercial developments, ranches, industrial sites, and business parks. Surprise has grown from 500 residents to a city of over 140,000 people, evolving from a small town government to a regional governmental entity.

Surprise operates under the Council/Manager form of government. Policymaking and legislative authority are vested in a governing council consisting of the Mayor and six Council Members. The Council is responsible, among other things, for passing ordinances, appointing committees, adopting the budget, and appointing the City Manager, the City Clerk, City Attorney, and the Presiding Judge. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for selecting department directors.

The Council is elected on a non-partisan basis. Council members serve four-year staggered terms, with three elected alternately every two years. The Mayor is elected at large every four years, while the other Council members are elected by district.

The City of Surprise provides a full range of services, including police and fire protection, roadway maintenance and construction, recreational and cultural activities, as well as general administrative services. Sanitation, water, stormwater, ground ambulance, and sewer services are provided to many of the residents through the City's enterprise funds. The City provides street lighting for existing and new areas through legally formed street lighting districts. The City accounts for a non-profit corporation formed under Arizona Revised Statute, Title 10, designed to facilitate the acquisition and improvement of City property, and a community facilities district designed to provide funding for the construction and acquisition of certain public infrastructure improvements. These last three activities essentially function as departments within the City and have been included as an integral part of the City's financial statements. Additional information on all three of these legally separate entities can be found in Note 1 section A. (1.A) in the Notes to the Financial Statements.

The annual budget is adopted by resolution and serves as the foundation for the City of Surprise's financial planning and control. The maximum legal expenditure permitted for the fiscal year is the total budget as adopted. The budget preparation and adoption process is described in greater detail in the Notes to the Financial Statements. The budget is prepared by fund and by department and may be amended during the fiscal year in accordance with our budget amendment policy which can be found in the City's budget book.

Economic Condition and Outlook

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the City of Surprise operates.

Local Economy

The FY2021 budget was set flat to the FY2020 budget due to the financial uncertainty of national shutdowns caused by the COVID-19 global pandemic. The budget was set to provide flexibility as we monitored the economic state of our city; we were planning for the worst, but hopeful for the best. The financial outlook was surprisingly better than anticipated, and the contingency we built into the budget was utilized to implement the pre-Covid budget. This allowed us to keep up with the growing needs of our city, adding public safety funding and setting aside one-time funds for Public Safety Pension debt, future land purchases, and park improvement and expansion projects.

While the national shutdown impacted the city's non-essential amenities, we continued to provide essential services to our residents such as fire, police, and utilities. The city experienced several areas of revenue loss, but also adapted quickly to cut expenses to ensure a balanced budget.

The economic position coming out of the global pandemic was one of optimism as the City adjusted to the new normal. Commercial and residential development did not slow down during the pandemic, which brought in one-time revenues above the FY2021 and FY2022 adopted budget.

Despite the global economic impacts of the pandemic, the City's year-end financial results were strong in both sales tax revenues, population growth, and commercial and residential development. In addition, the American Rescue Plan Act (ARPA) was signed into law during FY2021, to provide additional relief from COVID-19. The City was allocated \$15.5M and received the first half early in FY2022, and received the second half in early FY2023.

Throughout the year, the city experienced residential population growth and significant residential and commercial permit activity. The city continues to exceed the statewide average in population growth and the trend is expected to continue based on the availability of land within the city's planning area. This results in a greater number of consumers and a larger proportion of state shared revenues. These have combined to result in a 14.1% increase in sales tax collections while state shared sales tax revenues increased by 3.6% over the previous year. The population and commercial square footage growth has been a factor in the improved economic performance for the city.

Further information on the history of City revenues and expenses can be found in the MD&A, pages 4 through 17, and the statistical section that begins on page 148, of this financial report.

Long-Term Financial Planning

The City continues to plan for investment in maintaining facilities, infrastructure, and equipment that allow for the continued delivery of high quality services to the residents of Surprise.

During FY2022, the City continued to contribute additional funding to Public Safety Pension Reserve dedicated for the Public Safety Personnel Retirement System (PSPRS) unfunded liability.

Major Initiatives

On November 7, 2017, the voters of the City of Surprise approved three General Obligation Bond questions in the areas of Public Safety, Traffic Congestion Mitigation, and Pavement Preservation. The three questions represent ten capital improvement projects for a total authorized bond amount of \$59.5 million.

On May 15, 2018, the voters of the City of Surprise approved the acquisition of a local water company that operates in the City's northern planning area and future water service area. The acquisition will provide the City with the company's existing water infrastructure and grow the City's allocation of Colorado River water by more than 38%. The process for the acquisition of the water company has begun and is expected to be finalized within the next few years.

In fiscal year 2019, the City completed a five-year comprehensive utility rate study of the Water, Sewer, and Sanitation Funds. This study resulted in rates for the Water and Sewer funds remaining unchanged for next five fiscal years, 2020-2024. The study resulted in Sanitation Fund rates increasing from \$16.96 in fiscal year 2019 to \$23.70 in fiscal year 2024, an increase of 39.74%.

The City continues to work in partnership with Ottawa University Arizona and the surrounding landowners to develop the City Center. The Residential Housing Facility and the O'Dell Center which includes athletic facilities for the University was completed last year. Additionally, the Texas Rangers completed construction on their team housing complex, Rangers' Village in FY2021, and this fiscal year, the Kansas City Royals completed construction on their team housing complex, The Fountains at Surprise Center. Both projects are multi-story team complexes located at City Center near Surprise Stadium. Finally, the City continues to see development in the Entertainment District of City Center.

During fiscal year 2022, a number of projects were completed that strengthened the City's ability to provide services to the public. The construction of the Fire Station 308 was completed and will serve the southeast portion of Surprise. This area continues to grow in terms of new homes and commercial businesses and manufacturers. Improved roadways, coupled with a railroad line that travels right through the area's industrial park, have attracted large manufacturing businesses including IRIS USA, Gestamp Solar Steel, and Brentwood Industries. The Public Safety Evidence & Readiness Center was also completed and will provide Police and Fire-Medical a centralized logistics, training, and tactical storage area.

The City also finished the widening of Greenway Road, this project provided another fully developed east/west corridor in the City to help relieve traffic along Bell Road.

The City also dedicated funding for the construction of a new park. The Countryside project is currently under construction, and will provide another dedicated location for the Parks Department to provide much needed programming for City residents. Finally, design is currently underway on improvements for the Surprise Community Park located in the heart of the City.

Water conservation also continues to be a priority of the City. During fiscal year 2022, the Xeriscape Garden was completed. The Garden demonstrates a wide variety of plants and hardscapes, and learn more about responsible and sustainable water use when creating a beautiful arid landscape.

Relevant Financial Policies

The City of Surprise has adopted a comprehensive set of financial policies which are reviewed annually and updated as necessary.

During the fiscal year 2022, the City created or revised a number of policies and desk procedures. A few of those policies include, an E-Verify audit, fiber telecommunications ROW use agreement, procurement card, and utility services. Some of the desk procedures include, City delinquency process, cash handling policy, and online payments.

Budgetary Controls

The adopted level of budget control is appropriated by department within each fund. The Capital Improvement Plan (CIP) is appropriated by project.

Awards and Acknowledgments

As of the date of this letter the City has not received notification from the Government Finance Officers Association (GFOA) regarding the Certificate of Achievement for Excellence in Financial Reporting for the annual comprehensive financial report for the fiscal year ended June 30, 2021. The City believes the prior year annual comprehensive financial report meets the Certificate of Achievement Program's requirements. If awarded, this would be the 18th consecutive year that the City has achieved this prestigious award. In order to receive the Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

Acknowledgments

I want to thank and recognize the staff of the Finance Department for their efforts in preparing this report. I would also like to thank all City departments for their assistance throughout the past year and express my appreciation for the guidance and support from the City Manager's Office and Mayor and City Council in planning and conducting the financial operations of the City in a fiscally responsible manner.

Respectfully submitted,



Andrea Davis
Chief Financial Officer

City of Surprise Organization Chart September 27, 2022

City of Surprise
Residents, Businesses, Volunteers, Youth,
Seniors, Visitors, Parents, Families, Veterans
Employers, Entrepreneurs, Persons with
Disabilities, Pioneers, Artists,
Commissioners, Teachers, **EVERYONE**



Mayor Skip Hall
Council Members
Roland F. Winters Jr., Vice-Mayor Aly Cline, Patrick Duffy,
Ken Remley, Jack Hastings, and Chris Judd

Presiding Judge
Louis Frank Dominguez

City Clerk
Sherry Aguilar

City Auditor
Carol Holley

City Attorney
Robert Wingo

**Community
Development**
Lloyd Abrams

Fire-Medical
Tom Abbott

**Economic
Development**
Jeanine Jerkovic

Police
Benny Piña

Public Works
Kristin Tytler

Finance
Andrea Davis

**Human Service &
Community Vitality**
Seth Dyson

**Marketing &
Communications**
Virginia Mungovan

**Arts, Culture & Library
(Acting)**
Kelsey Lamphier

**Emergency
Management**
Kimberly Campbell

Human Resources
Donna Meuse

**Information
Technology**
Tammie Hollowell

Sports & Tourism
Kendra Pettis

**Water Resource
Management**
Lee Lambert

Deputy City Manager
Tracy Montgomery

Parks & Recreation
Holly Osborn

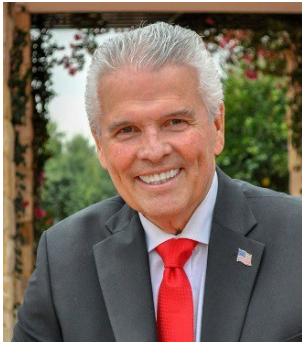
Deputy City Manager
Mike Gent

City Manager
Bob Wingenroth

Prepared by Office of City Manager

Mayor and City Council Members

MAYOR SKIP HALL – Mayor@surpriseaz.gov



Skip Hall was elected to serve as Mayor in August 2020. His four-year term began on January 1, 2021 and ends on December 31, 2024.

He was first elected to the City Council in an April 2008 special election in District 6 (Palo Verde) and re-elected to office in 2009 to a full term. Redistricting placed him in the newly-configured District 5, and on August 27, 2013, he was elected to the District 5 seat. He was re-elected to that seat in the August 2018 Primary Election. He also served as Vice Mayor in 2011 and 2014. Hall was selected to serve as Mayor by the City Council in November 2018 to serve as Mayor of Surprise to fill a vacancy.

Prior to serving in politics and serving three years on the City of Surprise Planning and Zoning Commission, Hall spent several decades working in various capacities in the Hospitality and Real Estate industries. For three years, he was the Vice President of a new home builder and prior to that, he served 10 years as the Senior Vice President of a hospitality company based in Japan. Most of his professional career was spent opening and operating several restaurants and hotels along the west coast.

He has been part of the united Council effort that helped pull Surprise back to fiscal health over the last several years, generating a budget surplus and placing the City's fiscal house in order. Mayor Hall also played a proactive supporting role with initiating a Surprise youth initiative and initiated the annual Surprise Literacy Challenge with former Councilman John Williams.

His goals for the city include a sustainable water plan, maintaining strong public safety with our continued growth, working with transportation partners to expand east-west connections, expanding our parks and recreational spaces for our families, increasing youth involvement in the community, increasing local veteran outreach and services and attracting new businesses to Surprise. Supporting and promoting Economic Development initiatives has been a top priority for Mayor Hall.

He has served on a number of City Council Sub-Committees during his time on Council, as well as WESTMARC's Water & Energy Committee and the Valley Metro RPTA Board. Presently, Hall's regional service includes a position on the MAG Regional Council, MAG Transportation Policy Committee, and Luke West Valley Council. Hall is active with the AZ TechCelerator to promote business growth, the Mayor's veterans roundtable, and Chair of the Public Safety Personnel Retirement System. He grew up in Idaho and received a business degree from Seattle University. Skip is a Vietnam War Veteran and was awarded the Bronze Star for his outstanding service 1969-1970.

ROLAND WINTERS – Roland.Winters@surpriseaz.gov



Roland F. Winters Jr. was first elected to City Council in 2013 with a term beginning January 2014. He was re-elected in 2018 and began his new four-year term in January 2019, when he was also appointed to the role of Vice Mayor.

Born and educated through high school in New Jersey, Winters earned a degree in Business Administration and Pre Law at Fullerton College in Fullerton, Ca. He earned a BA degree in Marketing Management from the University of California. Winters is also certified in the FEMA National Incident Management System (NIMS) 100 and 700 courses.

He worked thirty-five years at Hughes Air Craft Company in Fullerton, Ca. and also owned and operated a photo studio in Fullerton and Placentia, Ca. He served on the State Board of Directors for Californians for Disability Rights.

Winters and his wife Carroll have four children – two sons and two daughters. David lives in Ontario, Indiana; Donald lives in Wildwood, Florida; Nancy lives in Gilbert, Arizona; and Jennifer lives at home. Winters and Carroll have seven grandchildren.

Winters currently serves as the Chair on the city’s Boards and Commissions Selection Committee.

Winters’ goal for Surprise is to be a fully self-sustaining city where its residents can live, get educated, work and play.

VICE MAYOR ALY CLINE – Aly.Cline@surpriseaz.gov



Alyson “Aly” Cline was first elected to City Council in 2020, with a term beginning in January 2021 and a term expiration of December 31, 2024.

Cline and her husband Gary have lived in Surprise since 2002 and have been married for 33 years and have two stepsons, Eric and Nathan Cline.

In the last 12 years, she has volunteered more than 20,000 hours within the City of Surprise. Before retiring in 2008, she worked for 35 years in the financial services industry, managing staff and developing training programs for management and staff. Cline has a Certificate in Business Management from UCLA.

Cline currently Chairs the City’s Boards and Commissions selection Committee, Community Outreach, Partnership and Grants Committee, and serves on the Education Committee. In addition, she serves on the Maricopa Association of Government (MAG) Human Services and Community Initiatives board and MAG Domestic Violence board. Cline also serves on the Broadband USA Committee relating to the need for Broadband access in rural areas of Arizona and the impacts on businesses, families, students and local schools.

Cline is active in West Valley Women, an organization that supports women in business and participates in Women 4 Women. A non-profit organization provides hygiene products to help women in crisis. She also supports the West Valley Veterans Success Center in the Surprise Resource Center.

Cline continues to serve as President of Friends of the Surprise Libraries, Inc. A non-profit organization supports local teachers through a grant program focused on literacy, reading and special education programs.

Representing the interests of all of the communities within District 2 is of the utmost importance to her, which means reaching out to local Home Owner Associations, meeting residents, and listening to their needs and concerns.

PATRICK DUFFY – Patrick.Duffy@surpriseaz.gov



Patrick Duffy was first appointed by City Council in September 2017 to represent the residents of District 3 (D3) and was subsequently elected to the D3 seat in 2018 and 2020. City Council selected him to serve a one-year term as Vice Mayor in January 2021.

Duffy is a Financial Advisor for First Financial Equity Corporation, and for nine years prior to his appointment to City Council, he worked part-time as a City of Surprise Recreation Leader. He has lived in Surprise for 11 years, four of them in D3. Duffy is currently a Board Member on WESTMARC, and also serves on City Council Subcommittees for Performance Evaluation Leaders; and the Tourism Fund. Duffy was a member of the Surprise Municipal Property Corporation Board, and through his city service, has been part of numerous Community and Recreation Services events, including

Spring Training support, Relay for Life events and Cal Ripken All-Star games. He holds a Bachelor of Arts in Political Science from Arizona State University.

Duffy's appointment to the D3 seat expired December 31, 2018. When the seat went to ballot, he was elected to serve out the remainder of the four-year term (two years) with an expiration of December 31, 2020. Duffy was re-elected for another four-year term in the August 2020 primary. His term will expire December 31, 2024.

KEN REMLEY – Ken.Remley@surpriseaz.gov



Remley is a believer in strong leadership by example, building consensus among his peers in decision-making, developing partnership relationships, and maintaining fiscal responsibility and transparency.

Drawing upon his 30+ years of experience in public accounting and as a Chief Financial Officer of a publicly-held company, his vision is to attract quality employers and good paying jobs to Surprise, while maintaining cost-effective city services and fostering community pride.

He was elected to a four-year term as District 4 Councilman in 2016, served as Vice Mayor for the year 2018, and was re-elected for another four-year term in the August 2020 primary, with a term expiration of December 31, 2024.

In addition to his city council duties, Remley is currently employed as a Licensed Mortgage Loan Originator and income tax preparer.

Remley has always been actively involved in the community. He previously served as Treasurer of Litchfield Manor Homeowners Association for 13 years, participating in its Budget, Landscaping, Architectural and Social Committees. Remley currently serves on the Salvation Army Advisory Board.

Remley is a Vietnam Era Veteran, having served in the United States Navy from 1963-1967.

Educational accomplishments include a Bachelor's degree in Business Education-Accounting from California State University Fullerton, followed by graduate studies at University of Phoenix. Remley also holds lifetime teaching credentials in Community Colleges.

On a personal basis, Remley has lived in Surprise since 2004. He has four children, nine grandchildren, and 10 great-grandchildren.

JACK HASTINGS – Jack.Hastings@surpriseaz.gov



Councilman Jack Hastings was elected to Surprise City Council on August 4, 2020 to represent the residents of District 5.

Hastings is a third-generation Surprise resident. He is married to his wife Olivia, who he met in Surprise. Hastings teaches US Civics in Surprise at Valley Vista, the high school he graduated from. He has a Bachelor's Degree from Arizona State University and earned his Master's Degree in Educational Leadership.

Councilman Hastings has helped pass balanced budgets on the Surprise City Council and currently serves on the Sports & Tourism and the Community Outreach, Partnerships & Grants Subcommittees. He serves as an ambassador to the Greater Phoenix Economic Council (GPEC) to help promote our city and bring jobs and businesses to Surprise. Councilman Hastings is a strong supporter of public safety and an outspoken advocate for our first responders. Hastings' faith and relationship with God is central to his life. He attends church and loves seeing the work that God is doing in the community. At the end of the day, Hastings loves Surprise and is dedicated to giving back to the city he grew up in. Councilman Hastings serves as your voice on the Surprise City Council.

CHRIS JUDD – Chris.Judd@surpriseaz.gov



Chris Judd was elected as the District 6 (DC6) Councilmember in the August 2018 Primary Election to serve a four-year term beginning January 1, 2019.

Chris is a native Arizonan and graduate of Arizona State University. He has been part of the Surprise business community since the mid-'90's, and he and his family of five have been coming home to Surprise for over a decade.

As an independent businessman and former owner and manager of local small businesses, Chris was very active with the Rotary Club of Surprise, and the Surprise Regional Chamber of Commerce. He served as the Rotary Club President in 2015-2016, and currently serves on the Board of Directors for the Rotary Club of Surprise Community Foundation.

Chris began working in Surprise in 1996, right out of college, and spent 14 years as General Manager of a local small manufacturing plant. There he learned about the many challenges that businesses—especially small businesses—face, and how difficult it can be to juggle all of the factors required to make a business successful, profitable, and a good place to work. He took that knowledge and experience, and applied it to a small business of his own, a Surprise-based trucking company that served local and long-haul clients.

Chris is employed by Liberty Mutual Insurance. He holds a professional designation as a Life Underwriter Training Council Fellowship from the College for Financial Planning, as well as a Bachelor of Science degree from ASU.

Chris and his wife Jenna have been married for over 20 years, and are most proud of the work they've done, and are doing, raising their three wonderful daughters. The family loves the great outdoors and they spend as much time as they can together, camping and hiking in and around the beautiful backcountry of Arizona's deserts, mountains, and forests.



City of Surprise Appointed Officials

City Manager	Bob Wingenroth
City Clerk	Sherry Aguilar
City Attorney	Robert Wingo
Presiding Judge	Louis Frank Dominguez



SURPRISE

ARIZONA



FINANCIAL SECTION - INDEPENDENT AUDITORS' REPORT



SURPRISE

ARIZONA



FINANCIAL SECTION – INDEPENDENT AUDITORS’ REPORT

The Financial Section is divided into five subsections. The first subsection is the Independent Auditors’ Report, which is the official written communication of the audit results provided by the independent auditors expressing their opinion on the City’s financial statements as to whether the financial statements are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP).

Financial Subsections

- ❖ Independent Auditor’s Report
- ❖ Management’s Discussion and Analysis
- ❖ Government Wide Financial Statements
- ❖ Fund Financial Statements
- ❖ Notes to the Financial Statements



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Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Surprise, Arizona

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Surprise, Arizona (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Surprise, Arizona, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As described in Note 1, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue

as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2022, on our consideration of City of Surprise, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Surprise, Arizona's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Surprise, Arizona's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 16, 2022



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FINANCIAL SECTION - MANAGEMENT'S DISCUSSION AND ANALYSIS



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FINANCIAL SECTION - MANAGEMENT'S DISCUSSION AND ANALYSIS

The Financial Section is divided into five subsections. The second subsection is Management's Discussion and Analysis. This component of required supplementary information is used to introduce the basic financial statements and provide an analytical overview of the City's financial activities.



SURPRISE

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Surprise (City) is pleased to provide an overview of our financial activities for the fiscal year ended June 30, 2022. The intended purpose of Management's Discussion and Analysis (MD&A) is to provide an introduction to the basic financial statements and notes, that provides an objective and easy to read analysis of our financial activities based on currently known facts, decisions, and conditions, by providing a summary of operating results and reasons for changes, which will help to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities, the sources, uses, and changes in resources, adherence to budget, service levels, limitations, significant economic factors, and the status of infrastructure and its impacts on our debt and operation. Amounts presented may reflect some minor differences due to rounding. This analysis is meant to be read in conjunction with the letter of transmittal.

FINANCIAL HIGHLIGHTS

- ❖ **Governmental Activities net position.** The City's net position increased 19.4% or \$119.8 million from \$618.4 million to \$738.2 million. This increase is attributable to an increase in revenue due to continued economic and population growth.
- ❖ **Business-Type Activities net position.** The City's net position increased by 6.5% or \$26.0 million from \$397.3 million to \$423.3 million. Continued growth in the City accounts for the increase, with \$22.9 million of the increase resulting from developer capital contributions.
- ❖ **Governmental Activities expenses** of \$189.5 million exceeded program revenues of \$135.1 million, a difference of \$54.5 million. The remaining \$54.5 million of expense represents the total burden each separate function places on the City, that is the total cost after deducting revenues charged or grants and contributions received specifically for these programs. This amount is covered by general governmental revenues net of transfers.
- ❖ **Business-Type Activities expenses** were \$60.0 million, while program revenues totaled \$87.2 million, a difference of \$27.2 million. The current year excess will be added to net position.
- ❖ **Component units.** The City includes two separate legal entities in its report: Marley Park Community Facilities District (CFD), and various Street Lighting Improvement Districts (SLID). Although legally separate, these "component units" are presented along with the City's financial statements (blended presentation). Blending component units is appropriate when they share a governing body with the primary government or when there is an exclusive benefit to the primary government. Each of the above mentioned component units meets these requirements. A more detailed description of these component units is available in Note 1.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The statement of net position and the statement of activities (on pages 18-19 and 20-21) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 22. For government-wide financial statements, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The fiduciary statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole

Our analysis of the City as a whole begins on page 18. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The statement of net position and the statement of activities provide information about the City as a whole and about its activities in a way that helps answer this question. These statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

These two statements report the City's net position and/or changes in them. The City's net position – the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources – is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

The statement of net position and the statement of activities are divided into two kinds of activities:

- ❖ **Governmental activities** – Most of the City's basic services are reported here, including police, fire-medical, public works, parks and recreation, human services and community vitality, community development, economic development departments, and general administration.
- ❖ **Business-Type activities** – The City charges a fee to customers to help it cover all or most of the costs of certain services it provides. The City's ground ambulance services, water, sewer, sanitation, and stormwater systems are reported here.

Reporting the City's Most Significant Funds

Our analysis of the City's major funds begins on page 22 where the fund financial statements begin. These provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by state law and by bond covenants. However, the City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

- ❖ **Governmental Funds** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. A description of the relationship

(or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is included in the reconciliations following the fund financial statements.

- ❖ **Proprietary Funds** – When the City charges customers for the services it provides, whether to outside customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the City’s enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The City uses an internal service fund (the other component of proprietary funds) to report activities that provide supplies and services for the City’s other programs and activities, specifically the City’s Employee Healthcare Fund, the Risk Management Fund, and the Workers’ Compensation Fund.
- ❖ **Fiduciary Funds** – The City is the fiduciary for the Flexible Spending Account. All of the City’s fiduciary activities are reported in the separate statement of fiduciary net position and statement of changes in fiduciary net position on pages 35-36.

These activities are excluded from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table reflects the condensed Statement of Net Position as of June 30, 2022 and June 30, 2021.

City of Surprise's Net Position (in Millions)

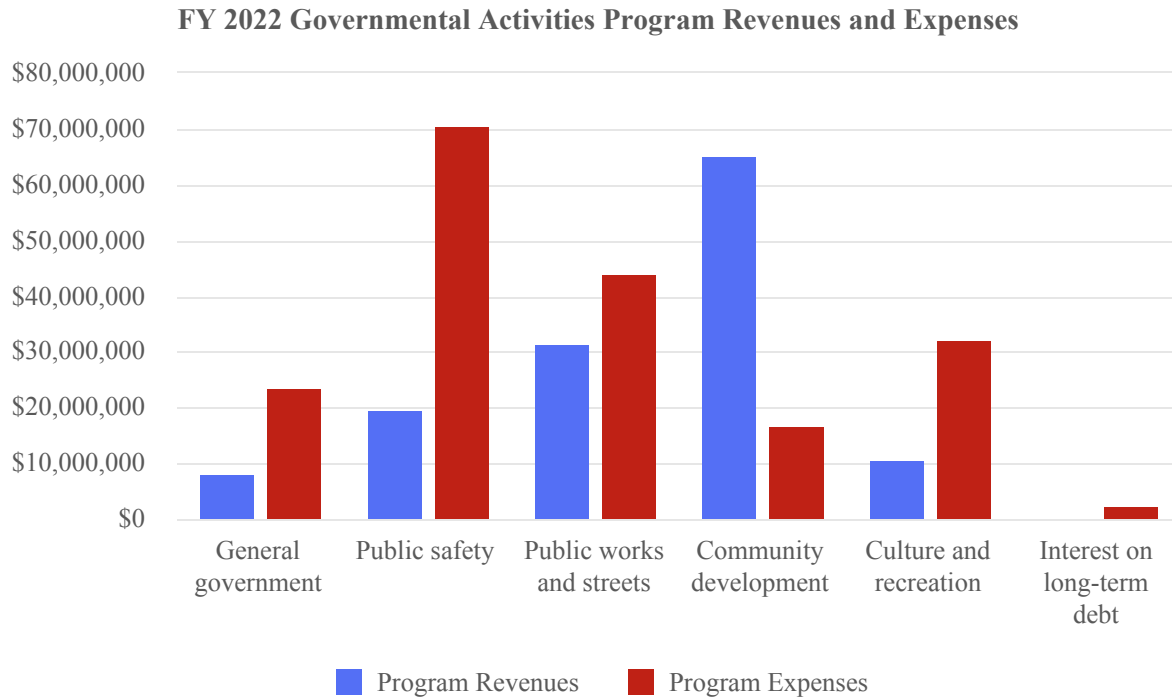
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current and other assets	\$ 327.9	\$ 246.8	\$ 114.1	\$ 101.7	\$ 441.9	\$ 348.4
Capital assets, net	634.7	578.1	358.1	348.5	992.8	926.6
Total assets	<u>962.5</u>	<u>824.8</u>	<u>472.2</u>	<u>450.2</u>	<u>1,434.8</u>	<u>1,275.0</u>
DEFERRED OUTFLOWS OF RESOURCES	32.5	35.5	3.3	3.3	35.8	38.8
LIABILITIES						
Current liabilities	22.6	23.7	6.4	8.8	29.0	32.5
Long-term liabilities	185.5	214.1	41.6	47.0	227.1	261.1
Total liabilities	<u>208.2</u>	<u>237.8</u>	<u>48.0</u>	<u>55.8</u>	<u>256.1</u>	<u>293.6</u>
DEFERRED INFLOWS OF RESOURCES	48.6	4.1	4.3	0.3	52.9	4.5
NET POSITION						
Net investment in capital assets	557.1	503.0	332.0	320.3	889.1	823.3
Restricted	39.3	39.6	12.4	9.4	51.7	49.0
Unrestricted	141.8	75.9	78.9	67.6	220.7	143.4
Total net position	<u>\$ 738.2</u>	<u>\$ 618.4</u>	<u>\$ 423.3</u>	<u>\$ 397.3</u>	<u>\$ 1,161.5</u>	<u>\$ 1,015.7</u>

Net position is a good indicator of a city's overall financial standing. For fiscal year 2022, the City had total combined net position of \$1,161.5 million. This was an increase of \$145.8 million, or 14.4% over the prior year's net position of \$1,015.7 million. The increase is attributed to continued economic strength, population growth, and capital grants and contributions.

Not all of the \$1,161.5 million is available for the City to use without restraint. The largest portion of the City's total net position, \$889.1 million, or 76.5%, represents the City's net investment in capital assets. Of the remaining net position, \$51.7 million is restricted for various purposes with the remaining \$220.7 million unrestricted as to its use.

City of Surprise's Changes in Net Position (in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues:						
Charges for services	\$ 41.2	\$ 34.8	\$ 64.4	\$ 60.4	\$ 105.6	\$ 95.2
Operating grants and contributions	25.2	22.7	—	—	25.2	22.7
Capital grants and contributions	68.6	92.2	22.9	46.9	91.5	139.1
General Revenues:						
Property taxes	19.3	17.7	—	—	19.3	17.7
Sales taxes	103.4	90.6	—	—	103.4	90.6
Franchise taxes	6.4	5.7	—	—	6.4	5.7
State shared revenues	45.7	44.1	—	—	45.7	44.1
Unrestricted investment earnings	(2.6)	0.2	(0.8)	0.1	(3.4)	0.3
Other	1.4	1.0	0.3	0.2	1.7	1.2
Total revenues	308.7	309.1	86.7	107.6	395.4	416.7
EXPENSES						
Program activities:						
Governmental activities:						
General government	23.5	27.7	—	—	23.5	27.7
Public Safety	70.5	66.4	—	—	70.5	66.4
Public works and streets	44.1	39.7	—	—	44.1	39.7
Community development	16.8	11.6	—	—	16.8	11.6
Culture and recreation	32.1	29.2	—	—	32.1	29.2
Interest on long-term debt	2.5	2.7	—	—	2.5	2.7
Business-type activities:						
Ground Ambulance Services	—	—	5.6	4.7	5.6	4.7
Water	—	—	16.3	19.0	16.3	19.0
Sewer	—	—	26.4	24.7	26.4	24.7
Sanitation	—	—	10.5	7.7	10.5	7.7
Stormwater	—	—	1.3	1.2	1.3	1.2
Total expenses	189.5	177.3	60.0	57.3	249.5	234.6
Excess before transfers	119.1	131.7	26.7	50.4	145.8	182.1
Transfers in (out)	0.7	1.4	(0.7)	(1.4)	—	—
Increase/(Decrease) in net position	119.8	133.2	26.0	48.9	145.8	182.1
Net position - beginning	618.4	485.2	397.3	348.4	1,015.7	833.6
Net position - ending	<u>\$ 738.2</u>	<u>\$ 618.4</u>	<u>\$ 423.3</u>	<u>\$ 397.3</u>	<u>\$ 1,161.5</u>	<u>\$ 1,015.7</u>

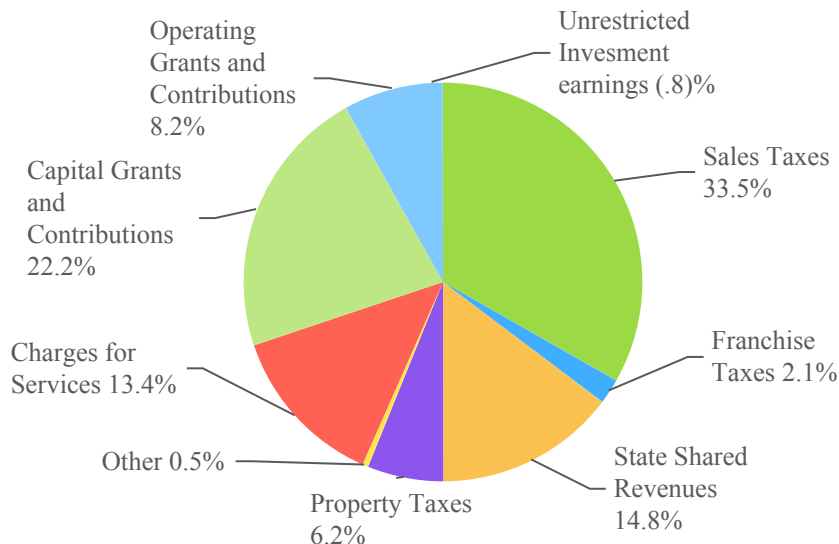


For fiscal year 2022, governmental activities program expenses exceeded program specific revenues by \$54.5 million. The remaining expenses were supported by general governmental revenues.

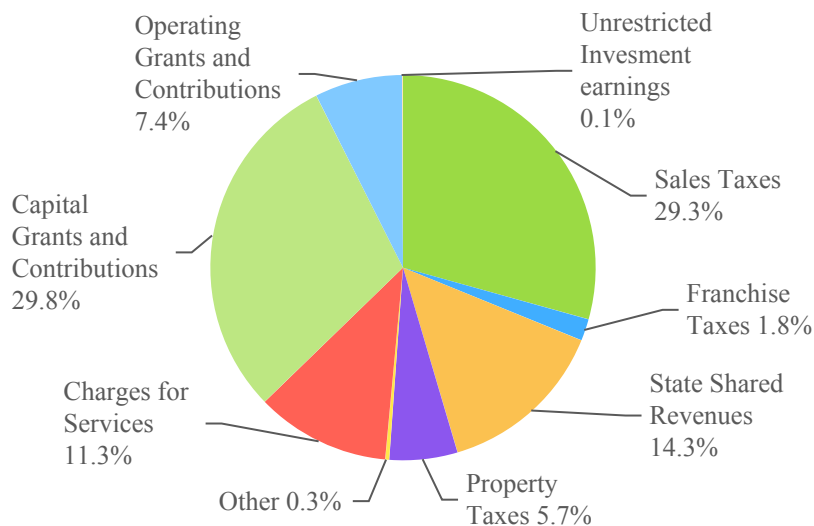
- ❖ Charges for services, operating grants and contributions, and capital grants and contributions account for 43.8% of total governmental revenues.
- ❖ Community oriented programs such as Public Safety (police, fire, and courts) and Culture and Recreation (parks, recreation, youth, and senior services) are subsidized by general governmental revenues. The City does not intend to charge for the total cost of these services directly.
 - Culture and Recreation often charges a fee for services it provides, but usually that fee does not cover the entire cost of the service.
- ❖ **Community Development** revenues come primarily from construction-related activities.
- ❖ **SLIDS** are Street Light Improvement Districts that charge a fee/tax to pay for the maintenance of light poles and the electricity used by neighborhood streetlights. Revenues and expenses for SLIDS are included in the public works and streets program.

Governmental Activities revenues for the fiscal year ended June 30, 2022 totaled \$308.7 million and have been identified by major revenue source in percentage format. The prior year percentages have also been provided for comparison.

FY 2022 Governmental Activities Revenues



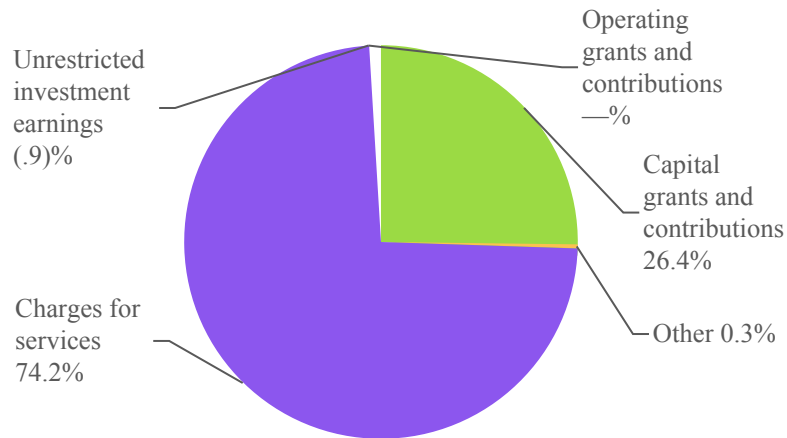
FY 2021 Governmental Activities Revenues



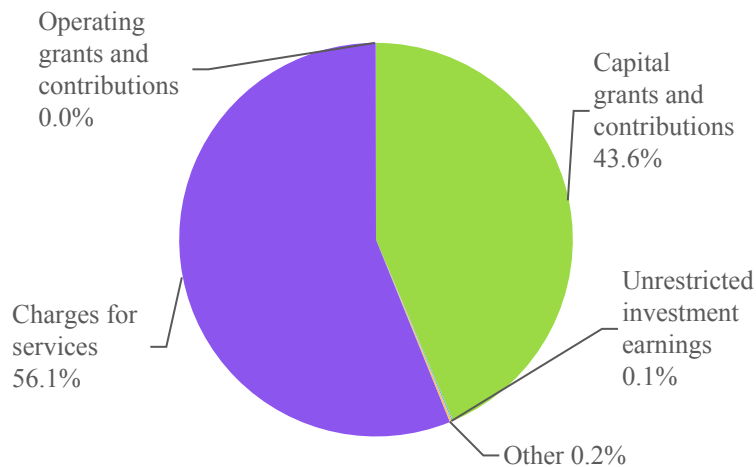
- ❖ The City's largest revenue source is sales tax revenue at \$103.4 million, followed by capital grants and contributions totaling \$68.6 million. Total governmental activities revenues decreased \$0.4 million from the prior year as a result of the following changes in revenue: Charges for services increased \$6.4 million, local sales taxes increased \$12.8 million due to local economic and population growth, State shared revenues also increased \$1.6 million from continued state economic growth, and capital grants and contributions decreased \$23.6 million from developer donated infrastructure in prior year.

Business-Type Activities revenues for the fiscal year ended June 30, 2022 totaling \$86.7 million are identified by major revenue source in percentage format. The prior year percentages have also been provided for comparison.

FY 2022 Business-Type Activities Revenues

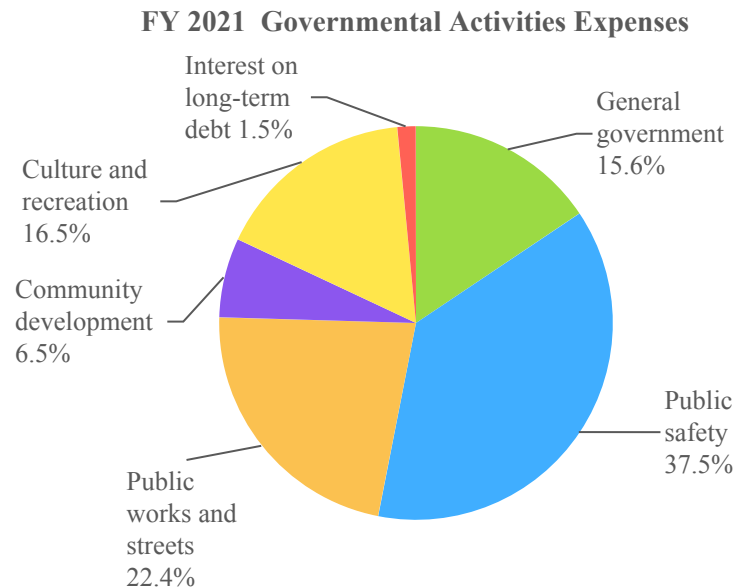


FY 2021 Business-Type Activities Revenues



- ❖ Total Business-Type Activities revenues decreased 19.5% or \$21.0 million from the prior fiscal year. Capital grants and contributions decreased by 51.3% or \$24.1 million due to a larger amount of developer donated infrastructure in the prior year. Charges for services increased by 6.6% or \$4.0 million from increase in customers due to population growth. In addition to growth, the sanitation fund had a \$0.10 rate increase effective July 1, 2021.

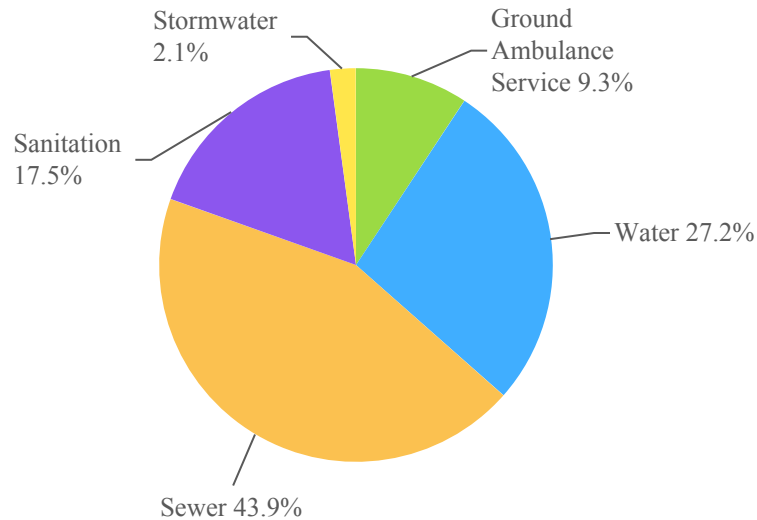
Governmental Activities expenses for the fiscal year ended June 30, 2022 totaled \$189.5 million and are identified by function in percentage format. The prior year percentages have also been provided for comparison.



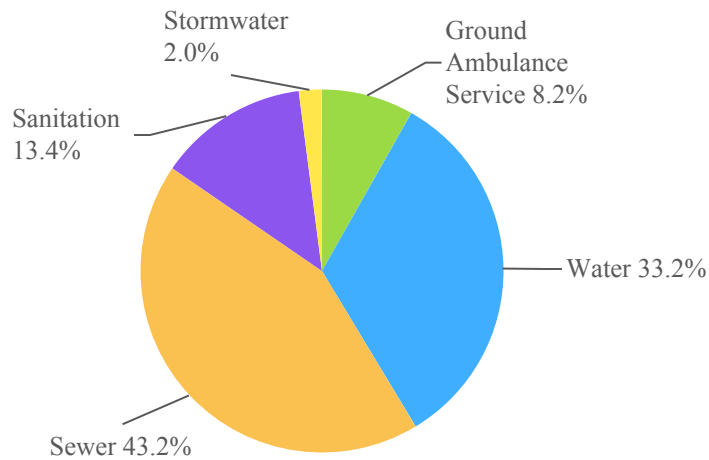
- ❖ Current year expenses increased by \$12.2 million or 6.9% as result of increases in personnel, supplies, and services. The single largest expense for the City is the cost of personnel. Public safety has the largest workforce paid from governmental funds. As a result, public safety comprises the largest portion of program expenditures at 37.2% or \$70.5 million.

Business-Type Activities expenses for the fiscal year ended June 30, 2022 totaled \$60.0 million and are identified by function in percentage format. The prior year percentages have also been provided for comparison.

FY 2022 Business-Type Activities Expenses



FY 2021 Business-Type Activities Expenses



Business-Type Activities expenses increased by \$2.7 million or 4.8% from the prior year. The Sewer Fund mainly contributed to the increase in expense due to assuming operations and maintenance of a water reclamation facility, and an asset replacement project.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

- ❖ **Total Governmental Funds** fund balance increased \$57.4 million from \$200.2 million to \$257.6 million. The increase is attributed to continued economic strength, population growth, and grants. Of the total ending fund balance, \$2.2 million has been classified as nonspendable and is not available to meet future funding needs because it is not in spendable form or is legally or contractually required to be maintained intact. An additional \$39.2 million has been classified as restricted and consists of amounts restricted by external parties or as a result of the law. Of the remaining fund balance, \$45.0 million has been committed to recognize a specific council determined purpose which may not be used for another purpose without council's direction, but the purpose can be changed by council. There is \$108.7 million of fund balance which has been assigned to a specific purpose by the chief financial officer; these amounts may be used for other purposes than the currently assigned positions if the chief financial officer deems it necessary. Finally, there is an unassigned fund balance of \$62.4 million which can be used for any purpose.
 - The General Fund balance increased \$8.5 million. This change was the result of increases in property taxes, sales taxes, state shared revenues, intergovernmental revenues, grants and charges for services.
 - The General Capital Projects Fund balance increased \$35.0 million. This increase was due to a transfer of one-time revenue and savings from the General Fund.
 - The General Government Development Fee Fund contains \$4.4 million in advances from other funds and debt service obligations. The cash on hand in the fund is maintained to meet future debt service obligations in accordance with a settlement agreement. Any cash on hand in excess of the future debt service obligation shall be used to repay the advances from other funds.
 - The Transportation Improvement Fund balance increased \$5.1 million from \$13.2 million to \$18.3 million. This increase is the result of revenues exceeding expenditures.
 - The Nonmajor Governmental Funds fund balance increased \$7.4 million. The increase was due to an increase in taxes, intergovernmental revenues, and development fees.
- ❖ **Proprietary Fund** financial statements provide similar information contained in the government-wide financial statements but in more detail. Their results are discussed previously in the review of business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

- ❖ The original General Fund budget for expenditures was \$138.8 million. Budget adjustments throughout the year resulted in total budgeted expenditures of \$142.6 million. The \$3.9 million budget increase is mainly related to Public Safety costs due to overtime, increase in supplies and services and vehicle purchases.
- ❖ Actual General Fund expenditures totaling \$132.9 million was \$9.8 million less than the final budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets at Year-End Net of Depreciation (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land and improvements	\$ 194.5	\$ 146.6	\$ 5.5	\$ 5.3	\$ 199.9	\$ 151.9
Parks	8.6	8.6	—	—	8.6	8.6
Water rights	—	—	25.0	21.3	25.0	21.3
Construction in progress	5.7	16.6	9.6	4.5	15.3	21.1
Buildings and improvements	144.9	136.8	296.0	294.3	440.8	431.0
Improvements other than buildings	21.5	22.4	9.1	8.3	30.6	30.7
Equipment and vehicles	22.5	19.6	13.0	14.7	35.6	34.4
Intangibles	4.8	5.9	0.0	0.1	4.8	6.0
Infrastructure	226.5	221.5	—	—	226.5	221.5
Lease assets	5.7	4.9	—	—	5.7	4.9
Total capital assets, net	<u>\$ 634.7</u>	<u>\$ 582.9</u>	<u>\$ 358.1</u>	<u>\$ 348.5</u>	<u>\$ 992.8</u>	<u>\$ 931.4</u>

The capital assets of the Governmental Activities increased by \$51.7 million from the prior fiscal year, net of depreciation (\$81.1 million increase before depreciation).

- ❖ Changes to the Governmental Activities capital assets for fiscal year 2022 were the result of:
 - Implementation of GASB 87 where certain leases previously recorded only when cash was received/paid, are now recorded as right-to-use capital assets.
 - Current year depreciation expense of \$30.9 million
 - Capital contributions made to the City by developers
 - \$44.8 million – right-of ways
 - \$13.9 million – streets infrastructure
- ❖ Governmental Activities construction in progress includes:
 - \$1.7 million – Sweetwater Avenue (Sarival Av. to L303)
 - \$1.3 million – Regional Communications Tower #1
 - \$0.8 million – Countryside Park

The capital assets of the Business-Type Activities funds increased by \$9.7 million from the prior fiscal year, net of depreciation (\$23.5 million increase before depreciation).

- ❖ Changes to the Business-Type Activities capital assets for fiscal year 2022 were the result of:
 - Current year depreciation expense of \$15.4 million.
 - Capital contributions made to the City by developers. The assets donated consisted primarily of water, sewer, and stormwater improvements.
 - \$4.9 million – Water lines
 - \$5.3 million – Sewer lines
 - \$3.0 million – Stormwater drains
- ❖ Business-Type Activities construction in progress includes:
 - \$4.8 million – South Plant Operations Building Remodel
 - \$1.1 million – SPA1 Recharge Expansion
- ❖ For more detailed information on Capital Assets, see Note 4 of this report.

Outstanding Debt at Year-End (in Millions)

	Governmental		Business-Type		Total	
	2022	2021	2022	2021	2022	2021
General obligations	\$ 46.6	\$ 50.3	\$ —	\$ —	\$ 46.6	\$ 50.3
Pledged revenue obligations	15.4	18.3	1.6	2.4	17.0	20.8
Senior lien utility system revenue refunding obligations	—	—	24.5	25.8	24.5	25.8
Community facilities district bonds	18.4	18.9	—	—	18.4	18.9
Community facilities district notes	2.2	2.4	—	—	2.2	2.4
Leases payable	6.0	4.9	—	—	6.0	4.9
Total debt outstanding	<u>\$ 88.6</u>	<u>\$ 94.8</u>	<u>\$ 26.2</u>	<u>\$ 28.2</u>	<u>\$ 114.7</u>	<u>\$ 123.0</u>

- ❖ **Long-term debt**, including amounts due within one year, decreased \$8.2 million this year from \$123.0 million to \$114.7 million.
- ❖ For more detailed information on long-term debt, see Note 7 of this report.

ECONOMIC FACTORS, RATES, AND NEXT YEAR'S BUDGET

The FY2021 budget was set flat to the FY2020 budget due to the financial uncertainty of national shutdowns caused by the COVID-19 global pandemic. The budget was set to provide flexibility as we monitored the economic state of our city; we were planning for the worst, but hopeful for the best. The financial outlook was surprisingly better than anticipated, and the contingency we built into the budget was utilized to implement the pre-Covid budget. This allowed us to keep up with the growing needs of our city, adding public safety funding and setting aside one-time funds for Public Safety Pension debt, future land purchases, and park improvement and expansion projects.

While the national shutdown impacted the city's non-essential amenities, we continued to provide essential services to our residents such as fire, police, and utilities. The city experienced several areas of revenue loss, but also adapted quickly to cut expenses to ensure a balanced budget.

The economic position coming out of the global pandemic was one of optimism as the City adjusted to the new normal.. Commercial and residential development did not slow down during the pandemic, which brought in one-time revenues above the FY2021 and FY2022 adopted budget.

These have combined to result in a 14.1% increase in sales tax collections while state shared sales tax revenues increased by 3.6% over the previous year. The population and commercial square footage growth has been a factor in the improved economic performance for the city.

- ❖ **Revenues are expected to decrease slightly** – Revenues are estimated to increase due to population growth and a strengthening local economy.
- ❖ **Personnel increase** – For the FY2023 budget, city employees received merit/step increases of 1.5% and COLA increases of 6.0%. Further, increases in personnel costs are also attributable to new positions added to the budget.
- ❖ **Next year's budget** – Total budgeted expenditures for the City's FY2023 is \$734.6 million, a \$248.6 million increase over the FY2022 adopted budgeted of \$485.9 million.

FINANCIAL CONTACT

The financial report is designed to provide a general overview of the City of Surprise's finances and to demonstrate accountability for the use of public funds. Questions about any of the information provided in this report, or requests for additional financial information, should be addressed to the City's Chief Financial Officer at: 16000 North Civic Center Plaza, Surprise, Arizona 85374.



**FINANCIAL SECTION - BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE FINANCIAL STATEMENTS**



SURPRISE

ARIZONA



FINANCIAL SECTION – BASIC FINANCIAL STATEMENTS GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Financial Section is divided into five subsections. The third subsection is comprised of the Basic Financial Statements that are the core of general-purpose external financial reporting for local governments and are separated into three components. The first component is comprised of the government-wide financial statements. These financial statements incorporate all of the City's governmental and business-type activities. The business-type activities are financed in whole or in part by fees charged to external parties for goods or services. There are two basic government-wide financial statements: the statement of net position and the statement of activities.

City of Surprise, Arizona
Statement of Net Position
June 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 262,188,479	\$ 77,540,334	\$ 339,728,813
Restricted cash and investments	27,127,931	15,196,496	42,324,427
Receivables (net of allowances):			
Accounts	261,746	8,088,039	8,349,785
Taxes and franchise fees	15,747,626	—	15,747,626
Grants	2,765,096	—	2,765,096
Intergovernmental	1,164,905	—	1,164,905
Leases	375,652	—	375,652
Other	2,519,788	887,612	3,407,400
Prepaid items and other assets	323,219	285,490	608,709
Inventory	1,869,089	3,502,021	5,371,110
Internal balances	(8,134,609)	8,134,609	—
Total current assets	<u>306,208,922</u>	<u>113,634,601</u>	<u>419,843,523</u>
Noncurrent assets:			
Equity interest in joint venture	904,430	—	904,430
Net other postemployment benefits asset (OPEB)	2,225,200	435,496	2,660,696
Leases receivable	18,532,862	—	18,532,862
Capital assets, non-depreciable	208,798,434	40,051,195	248,849,629
Capital assets, depreciable	866,443,150	487,058,388	1,353,501,538
Accumulated depreciation/amortization	(440,563,909)	(168,963,240)	(609,527,149)
Total noncurrent assets	<u>656,340,167</u>	<u>358,581,839</u>	<u>1,014,922,006</u>
Total assets	<u>962,549,089</u>	<u>472,216,440</u>	<u>1,434,765,529</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pension related	32,105,196	3,203,531	35,308,727
Deferred outflows of resources - OPEB related	377,385	77,943	455,328
Total deferred outflows of resources	<u>32,482,581</u>	<u>3,281,474</u>	<u>35,764,055</u>
Total assets and deferred outflows of resources	<u>995,031,670</u>	<u>475,497,914</u>	<u>1,470,529,584</u>
LIABILITIES			
Current liabilities:			
Accounts payable	7,117,562	2,288,926	9,406,488
Accrued payroll and related taxes	5,435,996	796,794	6,232,790
Deposits	401,803	422,121	823,924
Unearned revenues	1,386,117	518,756	1,904,873
Other liabilities	39,115	—	39,115
Matured bond and loan interest payable	1,556,560	612,226	2,168,786
Matured bond and loans payable	6,712,275	1,727,725	8,440,000
Total current liabilities	<u>\$ 22,649,428</u>	<u>\$ 6,366,548</u>	<u>\$ 29,015,976</u>

See accompanying Notes to Financial Statements

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Noncurrent liabilities:			
Due within one year:			
Contracts payable	\$ 10,564,891	\$ 1,545,926	\$ 12,110,817
Compensated absences payable	3,643,337	514,439	4,157,776
Bonds, loans and payables	7,155,056	1,812,513	8,967,569
Claims payable	2,393,136	—	2,393,136
Due in more than one year:			
Contracts payable	—	1,023,887	1,023,887
Compensated absences payable	5,698,554	804,634	6,503,188
Bonds, loans and payables	81,404,928	24,345,438	105,750,366
Claims payable	534,030	—	534,030
Net pension liability	74,053,809	11,553,277	85,607,086
Net OPEB liability	60,858	18,013	78,871
Total noncurrent liabilities	185,508,599	41,618,127	227,126,726
Total liabilities	208,158,027	47,984,675	256,142,702
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pension related	27,836,884	3,878,815	31,715,699
Deferred inflows of resources - OPEB related	2,206,922	373,957	2,580,879
Deferred inflows of resources - lease related	18,596,934	—	18,596,934
Total deferred inflows of resources	48,640,740	4,252,772	52,893,512
Total liabilities and deferred inflows of resources	256,798,767	52,237,447	309,036,214
NET POSITION			
Net investment in capital assets	557,077,466	331,988,392	889,065,858
Restricted for:			
Capital projects	4,390,496	12,396,990	16,787,486
Court	474,574	—	474,574
Debt service	646,268	11,380	657,648
Economic development	12,655	—	12,655
Fire-Medical	11,632,684	—	11,632,684
Human services and community vitality	36,530	—	36,530
Parks and recreation	8,903,202	—	8,903,202
Police	7,084,014	—	7,084,014
Public works	582,979	—	582,979
Transportation	5,544,456	—	5,544,456
Unrestricted	141,847,579	78,863,705	220,711,284
Total net position	\$ 738,232,903	\$ 423,260,467	\$ 1,161,493,370

City of Surprise, Arizona
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs		Program Revenues		
		Charges for	Operating	Capital Grants
Primary government:	Expenses	Services	Grants and	and
			Contributions	Contributions
Governmental activities:				
General government	\$ 23,540,312	\$ 7,074,743	\$ 60,998	\$ 954,958
Public safety	70,506,625	2,715,939	11,705,891	5,153,528
Public works and streets	44,050,913	6,154,286	11,461,412	13,893,437
Community development	16,842,667	20,408,874	5,000	44,849,980
Culture and recreation	32,115,378	4,887,693	2,002,319	3,727,038
Interest on long-term debt	2,471,982	—	—	—
Total governmental activities	189,527,877	41,241,535	25,235,620	68,578,941
Business-type activities:				
Ground ambulance services	5,577,280	5,929,650	—	—
Water	16,337,896	21,541,940	—	11,886,659
Sewer	26,366,082	21,257,199	—	7,957,035
Sanitation	10,463,274	13,054,015	—	—
Stormwater	1,269,792	2,579,333	—	3,029,305
Total business-type activities	60,014,324	64,362,137	—	22,872,999
Total primary government	\$ 249,542,201	\$ 105,603,672	\$ 25,235,620	\$ 91,451,940

General revenues:

Property taxes
Sales taxes
Franchise taxes
Unrestricted State shared revenues
Unrestricted investment earnings
Other
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning
Net position - ending

See accompanying Notes to Financial Statements

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (15,449,613)	\$ —	\$ (15,449,613)
(50,931,267)	—	(50,931,267)
(12,541,778)	—	(12,541,778)
48,421,187	—	48,421,187
(21,498,328)	—	(21,498,328)
(2,471,982)	—	(2,471,982)
(54,471,781)	—	(54,471,781)
—	352,370	352,370
—	17,090,703	17,090,703
—	2,848,152	2,848,152
—	2,590,741	2,590,741
—	4,338,846	4,338,846
—	27,220,812	27,220,812
(54,471,781)	27,220,812	(27,250,969)
19,263,163	—	19,263,163
103,406,232	—	103,406,232
6,424,278	—	6,424,278
45,691,294	—	45,691,294
(2,591,655)	(821,961)	(3,413,616)
1,420,878	282,092	1,702,970
702,041	(702,041)	—
174,316,231	(1,241,910)	173,074,321
119,844,450	25,978,902	145,823,352
618,388,453	397,281,565	1,015,670,018
\$ 738,232,903	\$ 423,260,467	\$ 1,161,493,370



SURPRISE

ARIZONA



**FINANCIAL SECTION - BASIC FINANCIAL STATEMENTS
FUND FINANCIAL STATEMENTS**



SURPRISE

ARIZONA



FINANCIAL SECTION – BASIC FINANCIAL STATEMENTS FUND FINANCIAL STATEMENTS

The Financial Section is divided into five subsections. The fourth subsection is also comprised of the Basic Financial Statements that are the core of general-purpose external financial reporting for local governments and are separated into three components. The second component is comprised of the fund financial statements. These financial statements are presented on the basis of funds, in contrast to the government-wide financial statements.

City of Surprise, Arizona

Balance Sheet

Governmental Funds

June 30, 2022

	General Fund	General Capital Projects Fund	General Government Development Fee Fund
ASSETS			
Cash and investments	\$ 107,577,757	\$ 83,179,681	\$ 733,370
Restricted cash and investments	11,814,179	4,932,982	—
Receivables (net of allowances):			
Accounts	261,746	—	—
Taxes and franchise fees	15,588,580	—	—
Grants	2,227,008	—	—
Intergovernmental	92,378	—	—
Leases	16,637,059	—	—
Due from other funds	330,307	—	—
Other	635,828	—	—
Prepaid items and other assets	310,573	6,435	—
Inventory	1,295,793	177,877	—
Total assets	<u>\$ 156,771,208</u>	<u>\$ 88,296,975</u>	<u>\$ 733,370</u>
LIABILITIES			
Accounts payable	\$ 2,623,660	\$ 2,215,868	\$ —
Accrued payroll and related taxes	5,123,833	—	—
Due to other funds	—	—	—
Deposits	349,126	—	—
Unearned revenue	1,000,702	—	—
Contracts payable	10,421,870	—	—
Other liabilities	37,619	—	—
Matured bond interest payable	—	—	—
Matured bonds and notes payable	—	—	—
Advances from other funds	—	—	4,418,040
Total liabilities	<u>19,556,810</u>	<u>2,215,868</u>	<u>4,418,040</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - unavailable revenue	210,568	—	—
Deferred inflows - leases	16,376,834	—	—
Total deferred inflow of resources	<u>16,587,402</u>	<u>—</u>	<u>—</u>
Total liabilities and deferred inflows of resources	<u>36,144,212</u>	<u>2,215,868</u>	<u>4,418,040</u>
FUND BALANCES (DEFICITS)			
Nonspendable	1,606,366	184,312	—
Restricted	419,863	4,390,496	—
Committed	25,185,400	—	—
Assigned	27,234,620	81,506,299	—
Unassigned	66,180,747	—	(3,684,670)
Total fund balances (deficits)	<u>120,626,996</u>	<u>86,081,107</u>	<u>(3,684,670)</u>
Total liabilities, deferred inflows and fund balances (deficits)	<u>\$ 156,771,208</u>	<u>\$ 88,296,975</u>	<u>\$ 733,370</u>

See accompanying Notes to Financial Statements

Highway User Revenue Fund	Transportation Improvement Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 4,863,777	\$ 18,602,758	\$ —	\$ 29,322,130	\$ 244,279,473
45,459	99,024	7,304,965	2,931,322	27,127,931
—	—	—	—	261,746
—	—	102,587	56,459	15,747,626
—	—	—	538,088	2,765,096
1,072,527	—	—	—	1,164,905
—	—	—	2,271,455	18,908,514
—	—	—	—	330,307
—	659,179	—	188,415	1,483,422
—	—	—	2,834	319,842
385,991	—	—	9,428	1,869,089
<u>\$ 6,367,754</u>	<u>\$ 19,360,961</u>	<u>\$ 7,407,552</u>	<u>\$ 35,320,131</u>	<u>\$ 314,257,951</u>
\$ 339,998	\$ 953,512	\$ 354	\$ 839,381	\$ 6,972,773
167,762	—	—	119,689	5,411,284
—	—	—	330,307	330,307
—	52,215	—	462	401,803
2,000	—	—	383,415	1,386,117
43,459	46,809	—	52,753	10,564,891
—	—	—	—	37,619
—	—	1,225,396	331,164	1,556,560
—	—	6,077,275	635,000	6,712,275
—	—	—	—	4,418,040
<u>553,219</u>	<u>1,052,536</u>	<u>7,303,025</u>	<u>2,692,171</u>	<u>37,791,669</u>
—	—	40,386	29,426	280,380
—	—	—	2,220,100	18,596,934
—	—	40,386	2,249,526	18,877,314
<u>553,219</u>	<u>1,052,536</u>	<u>7,343,411</u>	<u>4,941,697</u>	<u>56,668,983</u>
385,991	—	—	12,262	2,188,931
5,428,544	—	64,141	28,936,055	39,239,099
—	18,308,425	—	1,526,846	45,020,671
—	—	—	—	108,740,919
—	—	—	(96,729)	62,399,348
<u>5,814,535</u>	<u>18,308,425</u>	<u>64,141</u>	<u>30,378,434</u>	<u>257,588,968</u>
<u>\$ 6,367,754</u>	<u>\$ 19,360,961</u>	<u>\$ 7,407,552</u>	<u>\$ 35,320,131</u>	<u>\$ 314,257,951</u>



SURPRISE

ARIZONA

City of Surprise, Arizona**Reconciliation of Balance Sheet of Governmental Funds to the Statement of Net Position**

June 30, 2022

Fund balances - total governmental funds		\$ 257,588,968
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	1,075,241,584	
Less accumulated depreciation	<u>(440,563,909)</u>	
		634,677,675
Some revenues will not be available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
		280,380
Internal Service Funds used by management to charge the costs of employee healthcare, risk management, and workers' compensation to individual funds are included in the statement of net position.		
Net position (adjusted for interfund activity)	12,135,513	
Net pension liability	(388,506)	
Deferred outflows	100,806	
Deferred inflows	(125,876)	
Compensated absences payable	(50,811)	
Net OPEB asset	14,711	
Net OPEB asset/liability deferred outflows	2,613	
Net OPEB asset/liability deferred inflows	(12,451)	
Net OPEB liability	<u>(616)</u>	
		11,675,383
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	32,004,390	
Deferred inflows of resources related to pensions	<u>(27,711,008)</u>	
		4,293,382
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(77,658,677)	
Leases payable	(6,026,793)	
Interest payable	(1,496)	
Issuance premium (to be amortized as interest expense)	(4,874,514)	
Net pension liability	(73,665,303)	
Compensated absences payable	(9,291,080)	
Net OPEB asset	2,210,489	
Net OPEB liability	<u>(60,242)</u>	
		(169,367,616)
The equity interest in the joint venture, Regional Wireless Cooperative, is not a financial resource and, therefore, is not reported in the funds.		
		904,430
Deferred outflows and inflows of resources related to OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to OPEB	374,772	
Deferred inflows of resources related to OPEB	<u>(2,194,471)</u>	
		(1,819,699)
Net position of governmental activities		<u><u>\$ 738,232,903</u></u>

See accompanying Notes to Financial Statements

City of Surprise, Arizona

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2022

	General Fund	General Capital Projects Fund	General Government Development Fee Fund
REVENUES			
Taxes	\$ 85,463,638	\$ 15,954,824	\$ —
Licenses and permits	6,314,397	640,001	—
Intergovernmental revenues	46,912,312	—	—
Charges for services	28,805,039	20,638	—
Grants revenue	10,027,733	—	—
Fines	998,737	—	—
Rents	638,891	—	—
Development fees	—	—	954,957
Interest revenue	(1,393,544)	(577,634)	—
Donations	85,090	—	—
Indirect charges	6,254,474	—	—
Other revenue	556,047	—	—
Total revenues	184,662,814	16,037,829	954,957
EXPENDITURES			
Current:			
General government	22,359,655	106,743	—
Public safety	69,307,287	143,094	—
Public works and streets	9,703,931	48,916	—
Community development	14,323,167	98,716	—
Culture and recreation	15,861,384	2,806,910	—
Debt service:			
Administrative charges	—	—	—
Principal retirement	30,753	—	—
Interest	5,618	—	—
Capital outlay	1,285,251	17,417,019	—
Total expenditures	132,877,046	20,621,398	—
Excess (deficiency) of revenues over expenditures	51,785,768	(4,583,569)	954,957
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	166,226	—	—
Transfers in	1,643,618	39,445,800	—
Transfers out	(45,794,128)	(69,400)	(366,633)
Issuance of debt	—	—	—
Premium on debt issuance	—	—	—
Lease agreements	500,914	—	—
Total other financing sources (uses)	(43,483,370)	39,376,400	(366,633)
Net change in fund balances	8,302,398	34,792,831	588,324
Fund balances - beginning	112,127,417	51,110,399	(4,272,994)
Increase (decrease) in inventories	197,181	177,877	—
Fund balances (deficits) - ending	\$ 120,626,996	\$ 86,081,107	\$ (3,684,670)

See accompanying Notes to Financial Statements

Highway User Revenue Fund	Transportation Improvement Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
\$ —	\$ 10,878,289	\$ 5,089,127	\$ 5,286,981	\$ 122,672,859
—	—	—	—	6,954,398
10,538,762	—	—	1,223,112	58,674,186
7,500	—	—	1,843,649	30,676,826
461,310	—	—	3,131,024	13,620,067
—	—	—	505,638	1,504,375
—	—	—	478,734	1,117,625
—	—	—	8,880,566	9,835,523
(47,152)	(173,473)	(86,403)	11,071	(2,267,135)
—	—	—	2,400	87,490
—	—	—	—	6,254,474
1,059	659,179	—	34,693	1,250,978
10,961,479	11,363,995	5,002,724	21,397,868	250,381,666
142,912	—	—	216,078	22,825,388
—	—	—	1,028,913	70,479,294
8,639,671	2,933,348	—	394,051	21,719,917
—	—	—	2,374,050	16,795,933
—	—	—	7,738,518	26,406,812
—	—	2,404	600	3,004
2,814	—	6,077,275	670,396	6,781,238
83	—	2,450,792	670,348	3,126,841
1,260,853	3,476,923	—	3,477,755	26,917,801
10,046,333	6,410,271	8,530,471	16,570,709	195,056,228
915,146	4,953,724	(3,527,747)	4,827,159	55,325,438
69,000	—	—	—	235,226
—	200,000	3,433,861	3,545,604	48,268,883
—	(56,900)	—	(1,715,160)	(48,002,221)
—	—	—	—	—
—	—	—	—	—
—	—	—	724,423	1,225,337
69,000	143,100	3,433,861	2,554,867	1,727,225
984,146	5,096,824	(93,886)	7,382,026	57,052,663
4,823,121	13,211,601	158,027	22,997,018	200,154,589
7,268	—	—	(610)	381,716
\$ 5,814,535	\$ 18,308,425	\$ 64,141	\$ 30,378,434	\$ 257,588,968

City of Surprise, Arizona
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2022**

Net change in fund balances - total governmental funds		\$ 57,052,663
Amounts reported for governmental activities in the statement of activities net position are different because:		
Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Expenditures for capitalized assets	24,069,521	
Less current year depreciation	(30,861,981)	
		(6,792,460)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.		
Capital contributions	58,743,417	
Disposals of assets	(201,525)	
		58,541,892
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
		(361,594)
Inventories are recorded using the purchases method in the governmental funds and an adjustment is made to record inventory using the consumption method for the statement of activities.		
Change in inventory		381,716
Governmental funds report City pension contributions as expenditures when made. However, in the statement of activities, pension expense is the cost of benefits earned adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions, and the investment experience.		
Pension contributions	13,549,326	
Pension expense	(8,935,047)	
		4,614,279
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. There is the same effect with premiums, discounts and similar items when debt is first issued. These items are current finance resources or uses to governmental funds, whereas, the amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term liabilities and debt related items.		
Amortization of issuance premium	656,355	
Principal Paid	6,781,238	
Interest expense	(1,496)	
Lease proceeds	(1,225,337)	
		6,210,760

See accompanying Notes to Financial Statements

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when the financial resources are available.

Increase in compensated absences		(959,147)
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Internal service funds are used by management to charge the costs of employee healthcare, risk management, and workers' compensation. The net revenue of certain activities of the internal services funds is reported in the statement of activities.

Change in net position for the internal service funds (adjusted for interfund activity)	401,057	
Transfers	375,000	
		776,057

Change in equity interest in joint venture		(64,905)
--	--	----------

Governmental funds report City OPEB contributions as expenditures when made. However, in the statement of activities, OPEB expense is the cost of benefits earned adjusted for member contributions, the recognition of changes in deferred outflows, and inflows of resources related to OPEB, and the investment experience.

OPEB contributions	228,677	
OPEB expense	216,512	
		445,189

Change in net position of governmental activities		\$ 119,844,450
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City of Surprise, Arizona
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities		
	Ground Ambulance Service Fund	Water Fund	Sewer Fund
ASSETS			
Current assets:			
Cash and investments	\$ 974,348	\$ 35,849,575	\$ 29,384,460
Restricted cash and investments	—	4,510,397	10,378,538
Receivables (net of allowances):			
Accounts	772,849	2,334,135	2,385,186
Other	—	887,612	—
Other assets	—	269,847	9,892
Inventory	—	2,614,046	594,768
Total current assets	1,747,197	46,465,612	42,752,844
Noncurrent assets:			
Advances to other funds	—	—	4,418,040
Net OPEB asset	94,158	104,061	125,216
Capital assets, non depreciable	—	29,690,605	9,383,639
Capital assets, depreciable	1,909,483	135,823,277	329,838,089
Accumulated depreciation	(940,995)	(44,192,004)	(117,795,842)
Total noncurrent assets	1,062,646	121,425,939	225,969,142
Total assets	2,809,843	167,891,551	268,721,986
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	864,445	713,099	858,068
Deferred outflows related to OPEB	17,314	18,483	22,241
Total deferred outflows of resources	881,759	731,582	880,309
Total assets and deferred outflows of resources	\$ 3,691,602	\$ 168,623,133	\$ 269,602,295
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 26,777	\$ 1,262,593	\$ 485,378
Accrued payroll and related taxes	200,745	181,579	211,782
Deposits	—	122,220	233,802
Unearned revenue	—	—	390,113
Claims payable	—	—	—
Compensated absences payable, due in less than one year	47,007	161,216	197,820
Contracts payable	—	733,454	812,472
Matured bond interest payable	—	—	612,226
Matured bonds and loans payable	—	—	1,727,725
Bonds, loans and payables, due in less than one year	—	—	1,812,513
Advances from other funds	—	—	—
Total current liabilities	274,529	2,461,062	6,483,831
Noncurrent liabilities:			
Compensated absences payable, due in more than one year	73,524	252,159	309,410
Contracts payable, due in more than one year	—	1,019,484	4,403
Bonds, loans and payables, due in more than one year	—	—	24,345,438
Claims payable	—	—	—
Net pension liability	2,538,498	2,748,266	3,306,972
Net OPEB liability	3,699	4,364	5,251
Total noncurrent liabilities	2,615,721	4,024,273	27,971,474
Total liabilities	2,890,250	6,485,335	34,455,305
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	958,012	890,443	1,071,464
Deferred inflows related to OPEB	85,083	88,067	105,970
Total deferred inflows of resources	1,043,095	978,510	1,177,434
Total liabilities and deferred inflows of resources	3,933,345	7,463,845	35,632,739
NET POSITION			
Net investment in capital assets	968,488	121,321,878	195,267,935
Restricted for:			
Capital projects	—	11,755,179	641,811
Debt service	—	—	11,380
Unrestricted	(1,210,231)	28,082,231	38,048,430
Total net position	\$ (241,743)	\$ 161,159,288	\$ 233,969,556
Difference between business-type adjustments to assets and liabilities			
Net position of business-type activities			

Business-Type Activities			Governmental Activities
Sanitation Fund	Stormwater Fund	Total Enterprise Funds	Internal Service Funds
\$ 8,115,895	\$ 3,216,056	\$ 77,540,334	\$ 17,909,006
152,168	155,393	15,196,496	—
1,544,160	1,051,709	8,088,039	—
—	—	887,612	1,036,366
4,371	1,380	285,490	3,377
293,207	—	3,502,021	—
10,109,801	4,424,538	105,499,992	18,948,749
—	—	4,418,040	—
94,456	17,605	435,496	14,711
87,321	889,630	40,051,195	—
11,244,682	8,242,857	487,058,388	—
(5,517,073)	(517,326)	(168,963,240)	—
5,909,386	8,632,766	362,999,879	14,711
16,019,187	13,057,304	468,499,871	18,963,460
647,280	120,639	3,203,531	100,806
16,778	3,127	77,943	2,613
664,058	123,766	3,281,474	103,419
\$ 16,683,245	\$ 13,181,070	\$ 471,781,345	\$ 19,066,879
\$ 501,205	\$ 12,973	\$ 2,288,926	\$ 144,789
171,276	31,412	796,794	24,712
66,097	2	422,121	—
86,071	42,572	518,756	—
—	—	—	2,393,136
106,266	2,130	514,439	19,816
—	—	1,545,926	—
—	—	612,226	—
—	—	1,727,725	—
—	—	1,812,513	—
—	—	—	—
930,915	89,089	10,239,426	2,582,453
166,210	3,331	804,634	30,995
—	—	1,023,887	—
—	—	24,345,438	—
—	—	—	534,030
2,494,601	464,940	11,553,277	388,506
3,961	738	18,013	616
2,664,772	469,009	37,745,249	954,147
3,595,687	558,098	47,984,675	3,536,600
808,255	150,641	3,878,815	125,876
79,939	14,898	373,957	12,451
888,194	165,539	4,252,772	138,327
4,483,881	723,637	52,237,447	3,674,927
5,814,930	8,615,161	331,988,392	—
—	—	12,396,990	—
—	—	11,380	—
6,384,434	3,842,272	75,147,136	15,391,952
\$ 12,199,364	\$ 12,457,433	\$ 419,543,898	\$ 15,391,952
		3,716,569	
		\$ 423,260,467	

City of Surprise, Arizona
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities		
	Ground Ambulance Services Fund	Water Fund	Sewer Fund
OPERATING REVENUES			
Charges for services	\$ 3,053,657	\$ 21,278,365	\$ 21,012,778
Other revenue	2,875,993	373,567	256,421
Total operating revenues	<u>5,929,650</u>	<u>21,651,932</u>	<u>21,269,199</u>
OPERATING EXPENSES			
Costs of sales and services	4,617,812	10,093,036	12,868,338
Personnel services	—	—	—
Contractual services, materials, and supplies	—	—	—
Insurance claims, premiums, and administrative expenses	—	—	—
Indirect costs	723,828	1,781,746	1,619,971
Depreciation	240,762	4,080,322	9,618,036
Total operating expenses	<u>5,582,402</u>	<u>15,955,104</u>	<u>24,106,345</u>
Operating income (loss)	<u>347,248</u>	<u>5,696,828</u>	<u>(2,837,146)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest revenue	(9,268)	(378,999)	(316,321)
Developer reimbursement	—	(459,754)	(1,555,105)
Gain\ (Loss) on disposal of capital assets	—	12,575	(43,554)
Amortization of bond premium	—	—	309,604
Interest and fiscal charges	—	—	(1,226,573)
Total nonoperating revenues (expenses)	<u>(9,268)</u>	<u>(826,178)</u>	<u>(2,831,949)</u>
Income (loss) before contributions and transfers	<u>337,980</u>	<u>4,870,650</u>	<u>(5,669,095)</u>
Transfers in	—	1,486,801	441,684
Transfers out	(2,609)	(594,210)	(2,121,212)
Capital contributions	—	11,886,659	7,957,035
Change in net position	<u>335,371</u>	<u>17,649,900</u>	<u>608,412</u>
Total net position - beginning	(577,114)	143,509,388	233,361,144
Total net position - ending	<u>\$ (241,743)</u>	<u>\$ 161,159,288</u>	<u>\$ 233,969,556</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds
Changes in net position of business-type activities

See accompanying Notes to Financial Statements

Business-Type Activities			Governmental Activities
Sanitation Fund	Stormwater Fund	Total Enterprise Funds	Internal Service Funds
\$ 12,993,085	\$ 2,579,333	\$ 60,917,218	\$ 20,262,999
60,930	5,700	3,572,611	872,194
13,054,015	2,585,033	64,489,829	21,135,193
7,324,239	802,609	35,706,034	—
—	—	—	576,956
—	—	—	280,388
—	—	—	19,432,127
1,873,043	255,886	6,254,474	—
1,288,590	212,039	15,439,749	—
10,485,872	1,270,534	57,400,257	20,289,471
2,568,143	1,314,499	7,089,572	845,722
(85,412)	(31,961)	(821,961)	(127,353)
—	—	(2,014,859)	—
125,000	—	94,021	—
—	—	309,604	—
—	—	(1,226,573)	—
39,588	(31,961)	(3,659,768)	(127,353)
2,607,731	1,282,538	3,429,804	718,369
188,936	4,852	2,122,273	375,000
(41,751)	(4,153)	(2,763,935)	—
—	3,029,305	22,872,999	—
2,754,916	4,312,542	25,661,141	1,093,369
9,444,448	8,144,891	393,882,757	14,298,583
\$ 12,199,364	\$ 12,457,433	\$ 419,543,898	\$ 15,391,952
		317,761	
		\$ 25,978,902	

City of Surprise, Arizona
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities		
	Ground Ambulance Services Fund	Water Fund	Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	\$ 4,498,269	\$ 20,515,697	\$ 20,785,933
Cash receipts from interfund services provided	—	—	—
Payments to employees	(3,347,302)	(3,546,555)	(4,162,693)
Payments to suppliers	(1,743,355)	(12,335,276)	(10,778,436)
Payments for insurance claims and expenses	—	—	—
Other operating cash receipts	817,924	373,567	256,421
Net cash provided (used) by operating activities	<u>225,536</u>	<u>5,007,433</u>	<u>6,101,225</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash received from other governments	—	—	—
Cash received from other funds	(2,609)	—	—
Cash paid to other funds	—	(479,027)	(731,289)
Net cash provided (used) by noncapital financing activities	<u>(2,609)</u>	<u>(479,027)</u>	<u>(731,289)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds received from development fees	—	6,813,548	2,632,662
Principal and interest paid on bonds, loans and payables	—	—	(2,913,684)
Sale/Acquisition of capital assets	—	(5,933,559)	(3,988,129)
Developer reimbursements	—	(459,754)	(1,443,600)
Net cash provided (used) by capital and related financing activities	<u>—</u>	<u>420,235</u>	<u>(5,712,751)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from interest income/(loss)	(9,268)	(378,999)	(316,321)
Net cash provided (used) by investing activities	<u>(9,268)</u>	<u>(378,999)</u>	<u>(316,321)</u>
Net increase (decrease) in cash and cash equivalents	213,659	4,569,642	(659,136)
Balances - beginning of year	760,689	35,790,330	40,422,134
Balances - end of the year	<u>\$ 974,348</u>	<u>\$ 40,359,972</u>	<u>\$ 39,762,998</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income/(loss)	\$ 347,248	\$ 5,696,828	\$ (2,837,146)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	240,762	4,080,322	9,618,036
Forgiveness of debt	(2,058,069)	—	—
Changes in assets and liabilities:			
Accounts receivable	1,444,612	89,106	(207,434)
Other receivables	—	(813,267)	15,994
Other assets	300	203,837	13,307
Inventory	—	(2,084,994)	97,662
Accounts payable	(11,123)	(2,273,015)	(409,857)
Accrued payroll and related taxes	52,291	45,039	30,563
Deposits	—	18,599	(12,699)
Unearned revenue	—	(57,106)	(22,706)
Compensated absences	26,137	89,740	47,851
Net pension liability	201,989	31,049	(210,815)
Claims payable	—	—	—
Net OPEB asset/liability	(18,611)	(18,705)	(21,531)
Net cash provided (used) by operating activities	<u>\$ 225,536</u>	<u>\$ 5,007,433</u>	<u>\$ 6,101,225</u>
Noncash investing, capital and financing activities			
Capital asset contributions from developers	\$ —	\$ 5,073,111	\$ 5,324,378
Capital asset contributions to/from other funds/governmental activities	—	1,371,618	—
Forgiveness of interfund advance	2,058,069	—	—
Total noncash investing, capital and financing activities	<u>\$ 2,058,069</u>	<u>\$ 6,444,729</u>	<u>\$ 5,324,378</u>
Reconciliation to Statement of Net Position			
Cash and investments	\$ 974,348	\$ 35,849,575	\$ 29,384,460
Restricted cash and investments	—	4,510,397	10,378,538
Total cash and investments	<u>\$ 974,348</u>	<u>\$ 40,359,972</u>	<u>\$ 39,762,998</u>

			Governmental Activities
Sanitation Fund	Stormwater Fund	Total Enterprise Funds	Internal Service Funds
\$ 12,898,404	\$ 2,639,019	\$ 61,337,322	\$ —
—	—	—	19,915,953
(3,217,652)	(609,263)	(14,883,465)	(497,885)
(5,972,372)	(506,449)	(31,335,888)	(270,492)
—	—	—	(18,565,075)
60,930	5,700	1,514,542	351,134
3,769,310	1,529,007	16,632,511	933,635
—	—	—	—
147,185	700	145,276	375,000
—	—	(1,210,316)	—
147,185	700	(1,065,040)	375,000
—	—	9,446,210	—
—	—	(2,913,684)	—
117,594	(462,035)	(10,266,129)	—
—	—	(1,903,354)	—
117,594	(462,035)	(5,636,957)	—
(85,412)	(31,961)	(821,961)	(127,353)
(85,412)	(31,961)	(821,961)	(127,353)
3,948,677	1,035,711	9,108,553	1,181,282
4,319,386	2,335,738	83,628,277	16,727,724
\$ 8,268,063	\$ 3,371,449	\$ 92,736,830	\$ 17,909,006
\$ 2,568,143	\$ 1,314,499	\$ 7,089,572	\$ 845,722
1,288,590	212,039	15,439,749	—
—	—	(2,058,069)	—
(94,244)	75,360	1,307,400	—
—	—	(797,273)	(868,106)
665	129	218,238	612
(240,286)	—	(2,227,618)	—
99,758	4,578	(2,589,659)	19,387
43,819	9,353	181,065	8,437
2,057	(12,947)	(4,990)	—
(2,494)	(2,727)	(85,033)	23,180
36,997	1,048	201,773	—
83,502	(69,453)	36,272	40,136
—	—	—	867,052
(17,197)	(2,872)	(78,916)	(2,785)
\$ 3,769,310	\$ 1,529,007	\$ 16,632,511	\$ 933,635
\$ —	\$ 3,029,305	\$ 13,426,794	\$ —
—	—	1,371,618	—
—	—	2,058,069	—
\$ —	\$ 3,029,305	\$ 16,856,481	\$ —
\$ 8,115,895	\$ 3,216,056	\$ 77,540,334	\$ 17,909,006
152,168	155,393	15,196,496	—
\$ 8,268,063	\$ 3,371,449	\$ 92,736,830	\$ 17,909,006

City of Surprise, Arizona
 Statement of Fiduciary Net Position
 Fiduciary Fund
 June 30, 2022

	<u>Custodial Fund</u>
ASSETS	
Cash and investments	\$ 186,006
Total assets	<u>186,006</u>
LIABILITIES	
Accounts payable	<u>90,000</u>
Total liabilities	<u>90,000</u>
NET POSITION	
Restricted for:	
Individuals	<u>96,006</u>
Total net position	<u><u>\$ 96,006</u></u>

See accompanying Notes to Financial Statements

City of Surprise, Arizona
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended June 30, 2022

	<u>Custodial Fund</u>
ADDITIONS	
Contributions:	
Employee contributions	\$ 514,610
Total contributions	<u>514,610</u>
Total additions	<u>514,610</u>
DEDUCTIONS	
Claim settlement	<u>441,360</u>
Total deductions	<u>441,360</u>
Net increase (decrease) in net position	<u>73,250</u>
Net Position - beginning	<u>22,756</u>
Net Position - end of the year	<u><u>\$ 96,006</u></u>

See accompanying Notes to Financial Statements



SURPRISE

ARIZONA



FINANCIAL SECTION - NOTES TO THE FINANCIAL STATEMENTS



SURPRISE

ARIZONA



Financial Section – Notes to the Financial Statements

The Financial Section is divided into five subsections. The fifth subsection is also comprised of the Basic Financial Statements that are the core of general-purpose external financial reporting for local governments and are separated into three components. In addition to the government-wide and fund financial statements, the third component, the notes to the basic financial statements, are an integral part of the financial statements and include a summary of significant accounting policies and other disclosures considered necessary for a clear understanding of the accompanying financial statements.



SURPRISE

ARIZONA

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Surprise, Arizona (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

For the year ended June 30, 2022, the City implemented the provisions of GASB Statement No. 87, *Leases*, as amended, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As a result, the City's financial statements have been modified to reflect the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the contract payment provisions. A lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Capital assets and leases payable were restated by \$4,870,419 each, resulting in no net effect on beginning balances reported in the financial statements due to the implementation of the standard.

The more significant of the City's accounting policies are described below.

A. REPORTING ENTITY

The City is located approximately 20 miles northwest of downtown Phoenix and was incorporated in 1960 under the provision of the Arizona Constitution. During 2003, the voters approved the Home Rule, an alternative expenditure limitation for budget years through June 30, 2007. City of Surprise voters approved an Alternative Expenditure Limitation (Permanent Base Adjustment) on November 7, 2006. The City is governed by an elected mayor, and a six-member council, and offers the following services: public safety (police, fire-medical, and court), highways and streets, sanitation, water, sewer, stormwater, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

Component Units

As required by accounting principles generally accepted in the United States of America, these financial statements present the primary government and its component units, entities for which the government is considered to be financially accountable. A primary government is considered financially accountable for another organization when it can impose its will or have a financial benefit or burden relationship. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The following entities are blended component units of the City:

Various Street Lighting Improvement Districts (SLIDs) are maintained by the City for developing areas, and the City's council is the board for the SLIDs. The SLID property tax assessment rates are approved by the City's council. The SLIDs are reported in a special revenue fund.

NOTES TO THE FINANCIAL STATEMENTS

Marley Park Community Facilities District (CFD) is maintained by the City for a developing area. The CFD's board is the same as the City's council. CFD property tax rates are approved by the City's council. The CFD is reported in a special revenue fund.

For the fiscal year ended June 30, 2022, the City had no discretely presented component units. Separately issued financial statements are not prepared for any of the component units.

Related Organizations

A related organization is one for which the primary government is not financially accountable even though the primary government appoints a voting majority of the organization's governing board.

Excluded Organizations

Although there are schools located within the geographic boundaries of the City, school districts are separate from the municipalities in which they are located, with their own elected officials and taxing powers. Consequently, this report does not include the activities of the area school districts.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

The government-wide statements of activities present a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with the service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the receipts of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenue, are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

NOTES TO THE FINANCIAL STATEMENTS

Net position is reported as restricted when constraints placed on net position is either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Using a fund accounting system, amounts are spent in accordance with established fund authorities. Fund authorities provide rules for the fund activity and are separately established for restricted and unrestricted activity. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The internal service funds are presented in a single column on the face of the proprietary fund statements.

Governmental Funds

All governmental funds are accounted for using modified accrual basis of accounting and current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year end and on behalf of the government are also recognized as revenue. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. General capital asset acquisitions are reported as expenditures. Issuances of general long-term debt and acquisitions under lease contracts are reported as other financing sources. Major governmental funds include the following:

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

The ***General Capital Projects Fund***, a capital projects fund, accounts for revenues and expenditures relating to the acquisition of capital items.

The ***General Government Development Fee Fund****, a special revenue fund, accounts for revenues and expenditures associated with general government development impact fees assessed to fund infrastructure and other expenditures for growth-related general government projects.

The ***Highway User Revenue Fund****, a special revenue fund, accounts for State shared highway user revenues consisting of state taxes collected on gasoline, vehicle registration, vehicle license tax, and a number of other additional transportation related fees and expenditures that are legally restricted to expenditures for transportation and the construction, repairs, and maintenance of public works and streets.

The ***Transportation Improvement Fund****, a special revenue fund, accounts for revenues and expenditures that are legally restricted to expenditures for existing roadway corridor improvements and the related costs of the construction of new roadways.

NOTES TO THE FINANCIAL STATEMENTS

The ***Debt Service Fund***, a debt service fund, accounts for revenues and expenditures that are legally restricted for the payment of principal, interest, and associated costs of long-term debt of the City.

Proprietary and Fiduciary Funds

All proprietary and custodial funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues/additions are recorded when earned and expenses/deductions are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Major proprietary funds include the following:

The ***Ground Ambulance Services Fund**** accounts for ground ambulance services provided to patients in need of emergency medical services within the City.

The ***Water Fund*** accounts for the provision of the water treatment and distribution to residential and commercial customers of the City.

The ***Sewer Fund*** accounts for sanitary sewer services provided to the residential and commercial customers of the City.

The ***Sanitation Fund**** accounts for trash collection services provided to the residential and some commercial customers of the City.

The ***Stormwater Fund**** accounts for stormwater management services provided to the residential and commercial customers of the City.

* These funds have not met the criterion which mandates they be reported separately as major funds. However, the City has chosen to present these funds as major funds.

In addition, the City reports the following fund types:

Internal service funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The funds account for transactions of the City's internal insurance activities which includes general insurance, health insurance programs, and workers' compensation.

Custodial fund (not included in government-wide statements) accounts for employee contributions to their flexible spending accounts.

C. DEPOSITS AND INVESTMENTS

Cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less, including amounts on deposit with the Local Government Investment Pool and invested with the Certificate of Deposit Account Registry Service (CDARS) program through Alliance Bank of Arizona.

NOTES TO THE FINANCIAL STATEMENTS

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Local Government Investment Pool. Investments are stated at fair value.

D. RESTRICTED ASSETS

Restricted cash and investments reported in the statements are comprised of restricted deposits for development and construction agreements, for outstanding debt amounts and other contractual requirements.

E. RECEIVABLES AND PAYABLES

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Fund balance resulting from advances to other funds is shown as nonspendable and committed amounts.

All accounts receivable are shown net of allowance for un-collectibles when applicable.

F. INVENTORIES AND PREPAID ITEMS

Inventories consist of expendable supplies held for consumption. For the governmental funds, inventories are reported using the purchases method: expenditures are incurred as inventory is purchased and an adjustment is made at year end directly to inventory and fund balance. For the proprietary funds and government wide statements inventories are reported using the consumption method: inventory is recorded when it is purchased and expensed as it is used. Inventory is valued using the average cost method. Certain payments to vendors reflect costs applicable to future accounting periods and are reported using the consumption method in both government-wide and fund financial statements and are therefore recorded as prepaid items.

G. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, intangibles (e.g. software, rights such as water rights, and right-to-use lease assets), and infrastructure assets (e.g., streets, traffic signals and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City's policy defines capital assets as assets with an initial individual cost greater than \$10,000 and an estimated useful life of two or more years. Land, right-of-ways, and easements regardless of cost are capitalized. Donated (contributed) capital assets, works of art, historical treasures, and any capital assets the City may receive as part of a service concession arrangement are recorded at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Significant outlays for capital assets and improvements are capitalized as projects are constructed.

NOTES TO THE FINANCIAL STATEMENTS

Depreciation and amortization of capital assets is computed and recorded according to the straight-line method. Estimated useful lives of the various classes of depreciated and amortized capital assets are as follows:

Assets	Useful life (Years)
Buildings and improvements	20-50
Buildings and system	20-50
Improvements other than buildings	5-50
Equipment and vehicles	2-15
Intangibles	5-30
Infrastructure	5-50
Right-to-use lease assets:	
Land and land improvements	5-50
Buildings and improvements	5-50
Equipment and vehicles	2-15

Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

H. DEFERRED OUTFLOWS OF RESOURCES

The City recognizes the consumption of net position that is applicable to a future reporting period as deferred outflows of resources. Reported amounts are related to the requirements of accounting and financial reporting for pensions, other post employment benefits (OPEB), and bond refunding.

I. COMPENSATED ABSENCES

Vested or accumulated Paid Time Off (PTO) leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated PTO leave that is not expected to be liquidated with expendable available financial resources is reported in the government-wide statements. No expenditure is reported for these amounts in the governmental fund statements. Vested or accumulated PTO leave in proprietary funds and the government-wide statements is recorded as an expense and liability of those funds as the benefits accrue to employees. The internal service funds serve primarily the governmental funds, the long-term liabilities of which are included as part of the governmental activities schedule. For the governmental activities, the General Fund, Highway User Revenue Fund, Transportation Improvement Fund, the Employee Healthcare Fund, Worker's Compensation Fund, and the Risk Management Fund have been used in prior years to liquidate the compensated absences liability.

J. LONG-TERM OBLIGATIONS

In the government-wide financial statements, and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

NOTES TO THE FINANCIAL STATEMENTS

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

K. POSTEMPLOYMENT BENEFITS

For purposes of measuring the net pension and other postemployment benefits (OPEB) assets and liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the plans' fiduciary net position and additions to/ deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For the governmental activities, the General Fund, Highway User Revenue Fund, Transportation Improvement Fund, the nonmajor funds - SPD Towing Fund, Grants Fund, Neighborhood Revitalization Fund, Municipal Court FARE Fund, Municipal Court JCEF Fund, and the Municipal Court MFTG Fund; the Employee Healthcare Fund, Worker's Compensation Fund, and the Risk Management Fund have been used in prior years to liquidate the Pension and OPEB liabilities.

L. DEFERRED INFLOWS OF RESOURCES

The City recognizes the acquisition of net position that is applicable to a future reporting period as deferred inflows of resources. Reported amounts are related to the requirements of accounting and financial reporting for pensions, other postemployment benefits (OPEB), and lease accounting, and in connection with receivables for revenues that are not considered to be measurable and available to liquidate liabilities of the current period.

M. FUND BALANCE

In the fund financial statements, governmental funds report fund balance into classifications that comprise a hierarchy based on the extent to which the City is bound to honor constraints on the specific purpose for which those funds can be spent. The classifications of fund balance are Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Nonspendable fund balances include amounts that cannot be spent because they are not in a spendable form, such as inventory or prepaid items, or because resources legally or contractually must remain intact.

Restricted fund balances are the portion of fund balance that have externally enforceable limitations on their usage through legislation or limitations imposed by creditors, grantors, laws and regulations of other governments, or enabling legislation.

Committed fund balances are self-imposed limitations by the highest level of decision making authority, namely Mayor and City Council, prior to the end of the reporting period. Mayor and City Council approval is required to commit resources or to rescind the commitment through a City Council resolution. Only City Council can remove or change the constraints placed on committed fund balance through formal council resolution.

Assigned fund balances are limitations imposed internally by management based on the intended use of the funds. The City Council has designated the authority to assign amounts to be used for specific

NOTES TO THE FINANCIAL STATEMENTS

purposes to the Chief Financial Officer (CFO). Approval of the CFO is necessary to establish, modify or rescind an assignment of fund balance.

Unassigned fund balances represent the residual net resources in excess of the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance and any governmental fund can report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for specified expenditures, restricted resources are considered spent before unrestricted resources. Within unrestricted resources, committed would be considered spent first (if available), followed by assigned (if available), and then unassigned amounts.

N. MINIMUM FUND BALANCE

The minimum fund balances are not intended to be spent. The purpose of the minimum fund balance is to ensure the City has adequate resources to meet its needs. If the necessity arises to draw down a fund balance below the minimum requirements that have been set, a plan to replenish the minimum fund balance will be presented to the City Council for approval.

Minimum fund balance requirements will be evaluated annually for long-term adequacy and use requirements.

The City has formally adopted a minimum fund balance policy for the following governmental funds:

The General Fund will maintain a reserve equal to two months of budgeted personnel, supplies, and services for the General Fund, Ground Ambulance Fund, and Highway User Revenue Fund. This amount will be allocated across a three-part reserve as follows:

- i. Ten percent (10%) will be dedicated to an Emergency Reserve for unexpected, large-scale expenses resulting from events where immediate, remedial action must be taken to protect the health and safety of residents, all unassigned fund balance has been exhausted, and no amount previously appropriated by the City Council is otherwise available. Any use of the Emergency Reserve must be approved by the City Manager or designee. When this occurs, the City Manager shall provide a summary report to the City Council as soon as practical on the usage of these funds and have City Council approve any necessary budget amendments. At that time, the City Manager will also present a plan to restore the Emergency Reserve within the next fiscal year following the fiscal year in which the event occurred. For the year ended June 30, 2022 this balance totaled \$2.5 million.
- ii. Sixty percent (60%) will be dedicated to an Operating Reserve for unexpected events such as failure of the state to remit revenues to the City, loss of state shared revenues, or other impairment of a significant funding source for the remainder of the fiscal year. The Operating Reserve may also be used for unexpected mandates or other events that cause the City to incur unplanned expenses. The Operating Reserve allows for the continuance of critical City services due to these unanticipated events and is done so after all unassigned fund balance has been exhausted and no amount previously appropriated by the City Council is otherwise available. Any use of the Operating Reserve, and associated budget amendments, must be approved by the City Council and include a repayment plan that projects to restore the Operating Reserve within

NOTES TO THE FINANCIAL STATEMENTS

two fiscal years following the fiscal year in which the event occurred. For the year ended June 30, 2022 the operating reserve totaled \$15.1 million.

iii. Thirty percent (30%) will be dedicated to a Stabilization Reserve to provide funding to offset reductions in revenues resulting from fluctuations in the economic cycle that cannot be otherwise absorbed by the operating budget. The reserve funds will provide time for the City to restructure its operations in a deliberate manner to ensure continuance of critical City activities and is used after all unassigned fund balance has been exhausted and no amount previously appropriated by the City Council is otherwise available. Any use of the Budget Stabilization Reserve, and associated budget amendments, must be approved by the City Council and include a repayment plan, based on a multi-year financial projection, that plans to restore the Budget Stabilization Reserve within the three fiscal years following the fiscal year in which the event occurred. For the year ended June 30, 2022 the stabilization reserve totaled \$7.5 million.

General Capital Projects Fund - \$1.0 million

Transportation Improvement Fund - \$0.5 million

Tourism Fund - \$5,000

Sports & Tourism Fund - will have a minimum fund balance of \$600,000. Any excess fund balance remaining as of June 30 shall be remitted to the General Fund.

Street Light Improvement Districts Fund - SLIDs have a maximum levy limit of \$1.20 per \$100 of assessed valuation in accordance with A.R.S. 48-616. To the extent that the levy limit has not been exceeded, taxes will be levied at a rate that will approach an individual ending fund balance reserve of 5% of its budgeted annual expenses.

These minimum fund balance policies do not affect the presentation of fund balance on the face of the financial statements. The City is in compliance with its established minimum fund balance policies.

O. NET POSITION

The government-wide, proprietary and fiduciary fund financial statements present ending resources as net position. Net position is categorized to help signify their availability.

Net Investment in Capital Assets includes all capital assets of the City both depreciable and non-depreciable net of accumulated depreciation and outstanding debt balances attributable to the acquisition, construction or improvement of these assets. Net position in this category represents infrastructure of the City and is not available to meet the City's needs.

Restricted Net Position consists of amounts that have external restrictions imposed upon them by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Net position in this category represents amounts that are not available to meet the City's needs as they have been promised for other purposes.

Unrestricted Net Position represents amounts that have not been restricted for any project or other purpose. These amounts are available to meet any needs of the City. While unrestricted net position is technically available to be spent by the City, it is important to remember that the City has established

NOTES TO THE FINANCIAL STATEMENTS

financial policies that would prevent this. There are certain self-imposed criteria, such as maintaining a minimum operating fund balance that would further reduce the amount the City is willing to spend.

P. MINIMUM NET POSITION

Minimum net position is not intended to be spent. The purpose of the minimum net position balance is to ensure the City has adequate resources to meet its operational needs in the event of unusual and unforeseen circumstances.

The Ground Ambulance Service Fund will have a reserve as follows:

- i. The City will maintain an amount equal to two percent (2%) of tangible capital assets of the system as of June 30 from the previous fiscal year for repair and replacement. For the year ended June 30, 2022 this balance totaled \$38,190.

The Water Fund will have a four-part reserve as follows:

- i. The City will maintain an Operating Reserve equal to the average of budgeted personnel, supplies, and services expenses over a three-month period for that year's Council Adopted Budget for the Water Fund. For the year ended June 30, 2022 this balance totaled \$3,076,400.
- ii. The City will maintain an Asset Reserve equal to two percent (2%) of tangible capital assets of the system as of June 30 from the previous fiscal year. For the year ended June 30, 2022 this balance totaled \$2,635,239.
- iii. The City will maintain a Rate Stabilization Reserve equal to five percent (5%) of the total charges for services revenue. Monies may be withdrawn from this reserve to supplement operating revenue shortfalls caused by various economic factors which may cause either reduced revenues or an unforeseen increase in expenses. Any use of the Rate Stabilization Reserve, and associated budget amendments, must be approved by the City Council and include a repayment plan, based on a multi-year financial projection, that plans to restore the Rate Stabilization Reserve within the four fiscal years following the fiscal year in which the event occurred. For the year ended June 30, 2022 this balance totaled \$996,800.
- iv. The City will maintain a Resource Portfolio Reserve equal to fifteen percent (15%) of the total cost of delivery and capital charges for Municipal and Industrial water plus the Phoenix Active Management Area (AMA) Underground Storage charges multiplied by the total amount of the City's Central Arizona Project (CAP) allocation. For the year ended June 30, 2022 this balance totaled \$459,200.

The Sewer Fund will have a three-part reserve as follows:

- i. The City will maintain an Operating Reserve equal to the average of budgeted personnel, supplies, and services expenses over a three-month period for that year's Council Adopted Budget for the Wastewater Fund. For the year ended June 30, 2022 this balance totaled \$3,420,300.
- ii. The City will maintain an Asset Reserve equal to two percent (2%) of tangible capital assets of the system as of June 30 from the previous fiscal year. For the year ended June 30, 2022 this balance totaled \$6,596,060.

NOTES TO THE FINANCIAL STATEMENTS

iii. The City will maintain a Rate Stabilization Reserve equal to five percent (5%) of the total revenues collected through charges for services. Monies may be withdrawn from this reserve to supplement operating revenue shortfalls caused by various economic factors which may cause either reduced revenues or an unforeseen increase in expenses. Any use of the Rate Stabilization Reserve, and associated budget amendments, must be approved by the City Council and include a repayment plan, based on a multi-year financial projection, that plans to restore the Rate Stabilization Reserve within the four fiscal years following the fiscal year in which the event occurred. For the year ended June 30, 2022 this balance totaled \$1,047,600.

The Sanitation Fund will have a four-part reserve as follows:

i. The City will maintain an Operating Reserve equal to the average of budgeted personnel, supplies, and services expenses over a three-month period for that year's Council Adopted Budget for the Sanitation Fund. For the year ended June 30, 2022 this balance totaled \$2,022,000.

ii. The City will maintain an Asset Reserve equal to two percent (2%) of tangible capital assets of the system as of June 30 from the previous fiscal year. For the year ended June 30, 2022 this balance totaled \$252,925.

iii. The City will maintain a Rate Stabilization Reserve equal to five percent (5%) of the total revenues collected through charges for services. Monies may be withdrawn from this reserve to supplement operating revenue shortfalls caused by various economic factors which may cause either reduced revenues or an unforeseen increase in expenses. Any use of the Rate Stabilization Reserve, and associated budget amendments, must be approved by the City Council and include a repayment plan, based on a multi-year financial projection, that plans to restore the Rate Stabilization Reserve within the four fiscal years following the fiscal year in which the event occurred. For the year ended June 30, 2022 this balance totaled \$654,500.

iv. As the Sanitation Fund has excess revenues, the City will maintain a phased Contingency Reserve equal to one-half percent (0.5%) beginning in FY2022 and increases to one percent (1%) for each subsequent year through FY2024. For the year ended June 30, 2022, this balance was \$65,400.

The Stormwater Fund will have a three-part reserve as follows:

i. The City will maintain an amount equal to the average budgeted personnel, supplies, and services expenses over a two-month period for that year's Council Adopted Budget for the Stormwater Fund. For the year ended June 30, 2022 this balance totaled \$184,600.

ii. The City will maintain an amount equal to two percent (2%) of tangible capital assets of the system as of June 30 from the previous fiscal year for repair and replacement. For the year ended June 30, 2022 this balance totaled \$112,819.

iii. The City will maintain a Rate Stabilization Reserve equal to five percent (5%) of the total revenues collected through charges for services. Monies may be withdrawn from this reserve to supplement operating revenue shortfalls caused by various economic factors which may cause either reduced revenues or an unforeseen increase in expenses. Any use of the Rate Stabilization Reserve, and associated budget amendments, must be approved by the City Council and include a repayment plan, based on a multi-year financial projection, that plans to restore the Rate

NOTES TO THE FINANCIAL STATEMENTS

Stabilization Reserve within the four fiscal years following the fiscal year in which the event occurred. For the year ended June 30, 2022 this balance totaled \$136,400.

The Risk Management Fund will maintain an amount that, together with purchased insurance policies, will adequately indemnify the City. The appropriate funding level will be set at three times the maximum annual loss of \$250,000 which is equal to \$750,000, which will be approved by the City Council.

The Employee Healthcare Trust Fund (“Trust Fund”) will maintain an amount at a level which, together with purchased insurance policies (individual and aggregate stop loss), will adequately indemnify the City. The City has established an Adverse Times Reserve. The purpose of this reserve is to address cash flow needs caused by periods in which claim payments exceed projections. The target amount of this reserve is at least twenty-five percent (25%) of expected annual claims. If, at any time prior to the end of the fiscal year, the Trust Fund’s target reserve is met and fully funded for the entire fiscal year based on the original budget projections approved by the City Council, the Finance Director shall document such funding and, after consulting with the City Manager, may conduct an evaluation of the claims incurred by the Trust Fund year to date, and if fiscally and financially prudent based on the claims incurred, transfer from the City’s various operating funds only that portion of the employer premium necessary to cover actual claims incurred, such that the Trust Fund revenues are equal to the Trust Fund expenses, and the Trust Fund account experiences a zero change in net position. At all times the City will continue to transfer and deposit into the Trust Fund 100% of the monthly employee premiums collected.

The Workers’ Compensation Fund will maintain an amount which, together with the purchased excess insurance policy, will adequately indemnify the City. The City has established an Adverse Times Reserve of \$3,000,000. The purpose of this reserve is to maintain the regulatory required reserve. For the year ended June 30, 2022, the balance was \$3,046,358.

The City is in compliance with its established minimum net position policies.

Q. PROPERTY TAX

An annual primary tax levy is limited to an increase of two percent over the previous year’s maximum allowable primary levy plus an increased dollar amount due to a net gain in property not taxed the previous year (Section 42-301, Arizona Revised Statutes). The two percent increase is based on the City’s “maximum allowable levy” for the prior year.

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

The County levies real property taxes on or before the third Monday in August, that become due and payable in two equal installments. The first installment is due on the first day of October, and becomes delinquent after the first business day in November. The second installment is due on the first day of March of the next year, and becomes delinquent after the first business day of May. The County also levies various personal property taxes during the year, which are due the second Monday of the month following receipt of the tax notice and become delinquent 30 days thereafter.

NOTES TO THE FINANCIAL STATEMENTS

R. GRANT REVENUES

Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. All other federal reimbursement grants are recorded as intergovernmental receivables and revenues when the related expenditures are incurred.

S. INTEREST REVENUE

Investment revenue is composed of interest, dividends, and net changes in the fair value of applicable investments. Investment revenue is included in other local revenue in the governmental fund financial statements and in nonoperating revenues in the proprietary fund financial statements.

T. INTERFUND TRANSACTIONS

Interfund services provided or used are presented as revenues, expenditures or expenses. All other interfund transactions are reported as transfers.

U. ESTIMATES

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

V. LEASES

As lessee, the City recognizes lease liabilities with an initial, individual value of \$10,000 or more. The City does not have an incremental borrowing rate or any current debt instruments representing leasing arrangements as a basis for calculating such a rate. Therefore, the City uses discounted lease rates of comparable governmental entities in similar leasing arrangements to measure lease liabilities unless it can readily determine the interest rate implicit in the lease.

As lessor, the City recognizes receivables with an initial, individual value of \$10,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses discounted lease rates of comparable governmental entities in similar leasing arrangements to measure lease receivables.

NOTE 2 – CASH AND INVESTMENTS

Arizona Revised Statutes authorize the City to invest public monies in the State Treasurer's local government investment pools, the County Treasurer's investment pool, obligations of the U.S. Government and its agencies, obligations of the State and certain local government subdivisions, interest-bearing savings accounts and certificates of deposit, collateralized repurchase agreements, certain obligations of U.S. corporations, and certain other securities. The statutes do not include any requirements for credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the City's investments.

NOTES TO THE FINANCIAL STATEMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the City's deposits may not be returned to the City. The City does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the City's deposits were \$214,856,438 and the bank balance was \$217,014,158. At year end, \$586,028 of the City's deposits were covered by federal depository insurance. The remaining bank balance not covered by federal depository insurance, \$216,428,130, was fully collateralized. The collateral is held in the pledging bank's trust department in the name of the pledging bank.

A reconciliation of the bank balance to the City's deposit balance as of June 30, 2022 follows:

Cash in bank	\$ 217,014,158
<i>Reconciling items:</i>	
Outstanding checks	(2,581,667)
Deposits in transit	424,231
Other	(284)
	<u>\$ 214,856,438</u>
Less:	
Custodial Fund	\$ 186,006
Total City deposits	<u><u>\$ 214,670,432</u></u>

The City's investments consisted of the following as of June 30, 2022:

Investment Type	Total Fair Value	Less than 1 year	1-2 years	2-3 years
U. S. government securities	\$ 85,261,034	\$ 9,401,223	\$ 32,741,282	\$ 43,118,529
Government sponsored entity debt	26,593,046	8,662,395	17,930,651	—
Money market mutual funds	3,802,900	3,802,900	—	—
Local government investment pool	50,516,738	50,516,738	—	—
	<u>\$ 166,173,718</u>	<u>\$ 72,383,256</u>	<u>\$ 50,671,933</u>	<u>\$ 43,118,529</u>

The State Treasurer's pools are external investment pools, the Local Government Investment Pool (Pool 5) and Local Government Investment Pool-Government (Pool 7), with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The activity and performance of the pools are reviewed monthly by the State Board of Investment. The fair value of each participant's position in the State Treasurer investment pools approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments.

Total cash and investments for the City as of June 30, 2022, are as follows:

City's deposits	\$ 214,856,438
Cash on hand	3,800
City's investments	166,173,718
Cash held by trustee	1,205,290
Total	<u><u>\$ 382,239,246</u></u>

NOTES TO THE FINANCIAL STATEMENTS

Interest Rate Risk. The City's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The City's investments in securities included \$26,593,046 of government sponsored entity debt. At June 30, 2022, these investments were rated by Standard and Poor's at AA+, the money market mutual funds were rated at AAAm, and the Local Government Investment Pool was rated at AA Af. The City's formal investment policy limits investment choices to the following:

- (1) Certificates of deposit in eligible depositories that must be insured or fully collateralized;
- (2) Interest bearing savings accounts in banks and savings and loan institutions doing business in the State of Arizona whose accounts are insured by federal deposit insurance for their industry, but only if deposits in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under Arizona Revised Statute 35-323 (A);
- (3) The pooled investment funds established by the State Treasurer pursuant to Arizona Revised Statute 35-326;
- (4) Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities;
- (5) Bonds or other evidence of indebtedness of the State of Arizona or any of its counties, incorporated cities, towns, school districts, or special taxing districts, including registered warrants, substitute checks, and electronic funds transfers that bear interest pursuant to section Arizona Revised Statute 11-635;
- (6) Bonds, notes, evidences of indebtedness of any county, municipal district, municipal utility, or special taxing district within the State of Arizona that are payable from revenues, earnings, or a special tax specifically pledged for the payment of the principal and interest on the obligations that are rated "A" or the equivalent by a nationally recognized statistical rating organization; and
- (7) bonds, notes, or evidences of indebtedness issued by any county improvement district or municipal improvement district in the State of Arizona to finance local improvements authorized by law that are rated "A" or the equivalent by a nationally recognized statistical rating organization.

Custodial Credit Risk – Investments. All of the City's security investments are held in the City's name. The City's investment in the State Treasurer's investment pool represents a proportionate interest in the pool's portfolio; however, the City's portion is not identified with specific investments and is not subject to custodial credit risk.

Concentration of Credit Risk. The City's investment policy places a limit on certain investment choices as follows:

- (1) Certificates of deposits have a 50% sector limit;
- (2) Bonds or other evidence of indebtedness of the State of Arizona or any of its counties, incorporated cities, towns, school districts, or special taxing districts, including registered warrants, substitute checks, and electronic funds transfers that bear interest pursuant to section Arizona Revised Statute 11-635 have a 40% sector limit and a 5% issuer limit;
- (3) Bonds, notes, evidences of indebtedness of any county, municipal district, municipal utility, or special taxing district within the State of Arizona that are payable from revenues, earnings, or a special tax specifically pledged for the payment of the principal and interest on the obligations

NOTES TO THE FINANCIAL STATEMENTS

that are rated “A” or the equivalent by a nationally recognized statistical rating organization have a 40% sector limit and a 5% issuer limit; and

- (4) Bonds, notes, or evidences of indebtedness issued by any county improvement district or municipal improvement district in the State of Arizona to finance local improvements authorized by law that are rated “A” or the equivalent by a nationally recognized statistical rating organization have a 40% sector limit and a 5% issuer limit. All other eligible investment choices do not have a concentration limit placed on them by the City’s investment policy.

The City’s current investments are in U.S. government securities, government sponsored entity debt, money market mutual funds and the local governmental investment pool which policy does not constrain.

The City had investments at June 30, 2022, of 5% or more in Federal Home Loan Mortgage Corporation and Federal National Mortgage Association. These investments were 8.9% and 7.1%, respectively, of the City’s total investments.

Fair Value Measurements. The City uses fair value measurements to record fair value adjustments to certain assets and liabilities to determine fair value disclosures. The City follows an accounting standard that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. In accordance with this standard, the City has categorized its investments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Financial assets and liabilities recorded on the statement of net position are categorized based on the inputs to the valuation techniques as follows:

- Level 1 – Financial assets and liabilities are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of identical financial assets and liabilities. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other U.S. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.
- Level 2 – Financial assets and liabilities are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.
- Level 3 – Financial assets and liabilities are valued using pricing inputs which are unobservable for the asset, or inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset.

NOTES TO THE FINANCIAL STATEMENTS

Investments are measured as follows:

	Disclosure of Fair Value Inputs		
	Total	Level 1	Level 2
Investments by Fair Value Level:			
U. S. Treasury Notes	\$ 85,261,034	\$ 85,261,034	\$ —
Federal Agency	26,593,046	—	26,593,046
Total investments by fair value level	<u>\$ 111,854,080</u>	<u>\$ 85,261,034</u>	<u>\$ 26,593,046</u>
External Investment Pool Measured at Fair Value:			
LGIP	50,516,738		
Total investments measured at fair value	<u>\$ 162,370,818</u>		
Investments Measured at Amortized Cost:			
Money market funds	3,802,900		
Total investments	<u><u>\$ 166,173,718</u></u>		

Cash Reconciliation to Financial Statements

The following reconciliations are provided to reconcile cash to the government wide and fund financial statements:

Government-wide Financial Statements

Total cash and investments	\$ 339,728,813
Total restricted cash and investments	42,324,427
Subtotal	<u>382,053,240</u>
Government-wide total cash and investments	382,053,240
Plus: Custodial Fund cash and cash equivalents	186,006
Total	<u><u>\$ 382,239,246</u></u>

Fund Financial Statements

<i>Governmental Funds</i>	
Cash and investments	\$ 244,279,473
Restricted cash and cash equivalents	27,127,931
<i>Enterprise Funds</i>	
Cash and investments	77,540,334
Restricted cash and cash equivalents	15,196,496
<i>Internal Service Fund</i>	
Cash and investments	17,909,006
<i>Custodial Fund</i>	
Cash and cash equivalents	186,006
Total	<u><u>\$ 382,239,246</u></u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 – RECEIVABLES

The intergovernmental receivable of \$1,164,905, as reported in the statement of net position includes \$1,072,527 in highway user tax and \$92,378 in wildland fire reimbursements.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also report unearned revenue recognition in connection with resources that have been received, but not yet earned.

The amounts reported in the governmental funds for the year ended June 30, 2022 are as follows:

ACFR Fund Name	Unearned	Unavailable
General Fund	\$ 1,000,702	\$ 210,568
Highway User Revenue Fund	2,000	—
Debt Service Fund	—	40,386
Nonmajor Governmental Funds	383,415	29,426
	<u>\$ 1,386,117</u>	<u>\$ 280,380</u>

Proprietary funds also report unearned revenue in connection with resources that have been received, but not yet earned.

The amounts reported in the proprietary funds for the year ended June 30, 2022 are as follows:

ACFR Fund Name	Unearned
Sewer	\$ 390,113
Sanitation	86,071
Stormwater	42,572
	<u>\$ 518,756</u>

Lease receivables—The City leases land, buildings and building improvements to third parties under the provisions of various lease agreements. One of the buildings is a sublease to the third party. During the fiscal year ended June 30, 2022, the City recognized total lease-related revenues, including lease revenue and interest revenue on leases, of \$779,438.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2022, was as follows:

	Primary Government				Balance June 30, 2022
	Balance July 1, 2021	Increases	Decreases	Transfers	
Governmental activities:					
Not being depreciated:					
Land and land improvements	\$ 146,576,147	\$ 44,849,987	\$ —	\$ 3,032,862	\$ 194,458,996
Parks	8,607,783	—	—	—	8,607,783
Construction in progress	16,640,497	18,176,081	—	(29,084,923)	5,731,655
Total not being depreciated	171,824,427	63,026,068	—	(26,052,061)	208,798,434
Other capital assets:					
Buildings and improvements	231,115,590	93,579	(266,068)	16,380,269	247,323,370
Improvements other than buildings	34,675,716	118,836	(18,971)	313,080	35,088,661
Equipment and vehicles	56,721,032	4,143,337	(1,346,029)	3,296,601	62,814,941
Intangibles	11,563,894	251,965	—	—	11,815,859
Infrastructure	483,353,567	13,893,437	(64,931)	6,122,490	503,304,563
Right-to-use lease assets:					
Land and land improvements	11,380	—	—	—	11,380
Buildings and improvements	4,848,998	1,225,337	—	—	6,074,335
Equipment and vehicles	10,041	—	—	—	10,041
Total other capital assets	822,300,218	19,726,491	(1,695,999)	26,112,440	866,443,150
Total assets before depreciation/ amortization	994,124,645	82,752,559	(1,695,999)	60,379	1,075,241,584
Accumulated depreciation/amortization					
Building and improvements	(94,343,056)	(8,105,322)	—	—	(102,448,378)
Improvements other than buildings	(12,277,386)	(1,280,276)	—	—	(13,557,662)
Equipment and vehicles	(37,083,047)	(4,720,292)	1,494,474	—	(40,308,865)
Intangibles	(5,632,114)	(1,428,263)	—	—	(7,060,377)
Infrastructure	(261,860,799)	(14,945,240)	—	—	(276,806,039)
Right-to-use lease assets:					
Land and land improvements	—	(2,845)	—	—	(2,845)
Buildings and improvements	—	(371,136)	—	—	(371,136)
Equipment and vehicles	—	(8,607)	—	—	(8,607)
Total accumulated depreciation/ amortization	(411,196,402)	(30,861,981)	1,494,474	—	(440,563,909)
Net capital assets - governmental activities	\$ 582,928,243	\$ 51,890,578	\$ (201,525)	\$ 60,379	\$ 634,677,675

Depreciation/Amortization was charged by function as follows:

General government	\$ 1,772,164
Public safety	3,804,246
Public works and streets	19,148,237
Community development	42,915
Culture and recreation	6,094,419
Total governmental activities depreciation/ amortization expense	\$ 30,861,981

NOTES TO THE FINANCIAL STATEMENTS

	Primary Government				Balance June 30, 2022
	Balance July 1, 2021	Increases	Decreases	Transfers	
Business-type activities:					
Not being depreciated:					
Land	\$ 5,332,044	\$ 208,881	\$ —	\$ (60,379)	\$ 5,480,546
Water rights	21,305,388	3,684,856	—	—	24,990,244
Construction in progress	4,456,145	7,167,770	—	(2,043,510)	9,580,405
Total not being depreciated	31,093,577	11,061,507	—	(2,103,889)	40,051,195
Other capital assets:					
Buildings and system	435,137,529	13,225,331	—	765,326	449,128,186
Improvements other than buildings	9,551,467	—	—	1,108,452	10,659,919
Vehicles and equipment	27,293,867	865,067	(1,609,475)	169,732	26,719,191
Intangibles	551,092	—	—	—	551,092
Total other capital assets	472,533,955	14,090,398	(1,609,475)	2,043,510	487,058,388
Total assets before depreciation	503,627,532	25,151,905	(1,609,475)	(60,379)	527,109,583
Accumulated depreciation:					
Buildings and system	(140,864,888)	(12,309,307)	—	—	(153,174,195)
Improvements other than buildings	(1,229,869)	(357,034)	—	—	(1,586,903)
Vehicles and equipment	(12,561,229)	(2,718,299)	1,609,475	—	(13,670,053)
Intangibles	(476,980)	(55,109)	—	—	(532,089)
Total accumulated depreciation	(155,132,966)	(15,439,749)	1,609,475	—	(168,963,240)
Net capital assets business type activities	\$ 348,494,566	\$ 9,712,156	\$ —	\$ (60,379)	\$ 358,146,343

Depreciation was charged by function as follows:

Ground ambulance	\$ 240,762
Water	4,080,322
Sewer	9,618,036
Sanitation	1,288,590
Stormwater	212,039
Total depreciation expense	<u>\$ 15,439,749</u>

NOTE 5 - DEVELOPER AGREEMENTS

The City of Surprise has entered into agreements with developers for infrastructure related to commercial and residential development. The developers construct the infrastructure and convey the assets to the City. Based on the terms of the agreements, over a designated period of time, the City pays the developers for the infrastructure with collections of impact fees and other specified revenues, up to the maximum amount per agreement. Commitments to reimburse developers under these agreements are not currently recognized until the requirements of the agreements are met. If the term of the agreement expires before the maximum amount has been repaid, the City has no further obligation to continue making payments under the agreement.

Development agreements related to water system infrastructure will be reimbursed using water system impact fees. Total water system infrastructure value conveyed is \$25,629,990. Depending on the terms of the specific agreement, this value is eligible for reimbursement during the next eleven years. Once an

NOTES TO THE FINANCIAL STATEMENTS

agreement expires, water system fees are no longer eligible for developer reimbursement. As of June 30, 2022, \$19,219,660 had expired or been reimbursed, leaving a potential remaining balance of \$6,410,330.

Development agreement reimbursements related to wastewater system infrastructure will be calculated based on specified sales tax revenues. The total net value reimbursable for wastewater system infrastructure is \$15,340,869. Depending on the terms of the specific agreements, this value is eligible for reimbursement over the next twenty-eight years. Once the agreements expire, the remaining unpaid balance of these infrastructure costs is no longer subject to repayment. As of June 30, 2022, \$451,520 had expired or been reimbursed, leaving a potential remaining balance of \$14,889,349.

Infrastructure installed in connection with development agreements related to transportation will be reimbursed using a portion of sales tax collections as prescribed in the agreements. The total net reimbursable value for this infrastructure is \$71,691,632 at June 30, 2022. Depending on the terms of the specific agreements, this value is eligible for reimbursement over the next twenty-eight years. Once the agreements expire, no further developer reimbursement of the unpaid balance is required. As of June 30, 2022, \$3,954,189 had expired or been reimbursed, leaving a potential remaining balance of \$67,737,443.

Development agreements related to park infrastructure will be reimbursed using park impact fees. Total park infrastructure value conveyed is \$4,777,882. Depending on the terms of the specific agreement, this value is eligible for reimbursement through November 2030. Once an agreement expires, park impact fees are no longer eligible for developer reimbursement. As of June 30, 2022, the City has reimbursed \$900,475 leaving a potential balance remaining of \$3,877,407.

In addition, the City has entered into a number of developer agreements for infrastructure that has not yet been conveyed to the City. The total cost to be incurred under these agreements is currently indeterminable.

Tax Abatements

The City of Surprise participates in two tax abatement programs, foreign trade zones and a sales tax incentive program.

Foreign Trade Zones

The City of Surprise provides property tax abatements in any area of the City deemed to be foreign trade zone in accordance with Section 44-6501, Arizona Revised Statutes. The State of Arizona, any county, city or town within the state or a public or private corporation or any combination thereof can apply to the foreign trade zones board, United States Department of Commerce, for the right to establish, operate and maintain a foreign trade zone and subzones. For tax purposes, property in foreign trade zones is classified as class six property in accordance with Section 42-12006, Arizona Revised Statutes. The change in tax classification is administered by the County who levies and collects property taxes on the City's behalf. The property would otherwise be class one property. Class six foreign trade zones have a property tax assessment ratio of six percent compared to class one properties which have an assessment ratio of 18 percent. For fiscal year 2022, \$31,563 of property taxes were abated by this program.

Sales Tax Incentive Program

The City of Surprise administers a sales tax (transaction privilege tax) incentive program in accordance with Ariz. Rev. Stat. § 42-6010. The City has entered into agreements with specific businesses to return a portion of the sales tax generated by the business and paid to the Arizona State Department of Revenue.

NOTES TO THE FINANCIAL STATEMENTS

The City will return up to 50% of the sales tax generated by the business. The amount of taxes paid and returned is determined by the City's review of the monthly reports received from the Arizona State Department of Revenue. The exact amount of taxes abated during fiscal year 2022 cannot be disclosed in accordance with Ariz. Rev. Stat. § 42-2002.

The City has entered into a development agreement to reimburse developers for the construction of public infrastructure that will benefit the community. These reimbursements are paid over time from collections within a defined area. For the fiscal year ended June 30, 2022, the city reimbursed \$8,623,111.

NOTE 6 – SIGNIFICANT COMMITMENTS

The City of Surprise has active construction projects as of June 30, 2022. At year end, the City commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment	Funding Source
Animal Control Kennels	\$ 25,753	\$ 139,959	General Capital Projects Fund
Art Pavement Preservation	22,921	105,779	Pavmnt Preservtn Election 2017
Art Pavement Preservation	30,509	148,218	Traffic Election 2017
Baseball Park Audio System	159,999	50,000	General Capital Projects Fund
Bell Road Landscaping	63,036	86,406	General Capital Projects Fund
Camino Permit Intake Platform	290,162	221,600	General Capital Projects Fund
CDBG Community Center	37,645	47,225	Neighborhood Revitalization
Circle City Water Acquisition	1,125,790	231,370	Water Utility Capital
City Hall Access and Video	14,182	28,592	General Capital Projects Fund
Community Park Improvements	162,460	3,826,104	General Capital Projects Fund
Community Park Improvements	150,620	1,849,380	Parks/Rec Dev Fee 2020
Countryside Park	755,336	9,916,902	General Capital Projects Fund
Desert Oasis Facility Security	107,026	494,455	Water Utility Capital
Improv - Regional Communication Tower #1	1,289,576	554,218	General Capital Projects Fund
Improv - Regional Communication Tower #1	159,795	69,589	Sewer Utility Capital
Improv - Regional Communication Tower #1	160,041	69,589	Water Utility Capital
Land for Substation	5,990	3,308,921	Public Safety Election 2017
Plant Capacity Increase / Enhancement	660,675	577,049	Sewer Utility Capital
Rancho Mercado WSF Ph II	251,450	20,472	Water Utility Capital
Reems Rd Flooding Control Cactus & Waddell	374,652	23,405	Stormwater Capital
SCADA Integration/Enhancement	215,361	105,506	Sewer Utility Capital
SCADA Integration/Enhancement	20,175	18,439	Water Utility Capital
Security Measures	110,320	16,137	General Capital Projects Fund
South Plant Ops Bldg Remodel	2,433,958	132,242	Sewer Utility Capital
South Plant Ops Bldg Remodel	1,309,123	122,047	Water Utility Capital
SPA1 Recharge Expansion	833,361	528,384	Sewer Utility Capital
Sweetwater Avenue (Sarival Ave-303)	1,721,406	4,077,217	Transportation Improvement
Traffic Signal - Cactus/Magnolia & 163Av/PTilman	71,349	73,155	Transportation Improvement
Traffic Signal - Waddell & 140th Dr	28,405	4,795	Transportation Improvement
Water Storage Tank Dick McComb Park	42,800	1,680,006	General Capital Projects Fund
	<u>\$ 12,633,876</u>	<u>\$ 28,527,161</u>	

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 - LONG-TERM DEBT & OTHER PAYABLES

PLEDGED REVENUE OBLIGATIONS

In 2015, the City of Surprise issued Pledged Revenue Obligations and Pledged Revenue Refunding Obligations secured by a pledge on excise tax revenues and state shared revenues. A portion of the issuance was for the purpose of refunding the former MPC Series 2003 Bonds, and the remainder was for the construction of stadium improvements.

The issuance requires excise tax and state shared revenues to be maintained at a minimum of 3.0 times the combined debt service requirement payable. The debt service coverage ratio at June 30, 2022 (revenues to debt service payable) is 44.1.

The Pledged Revenue Obligations, Series 2015, were issued in the amount of \$17,385,000, and have an outstanding principal balance at June 30, 2022 of \$10,645,000. Proceeds of these obligations are designated for the construction of stadium improvements. The obligations are payable solely from pledged revenues and are payable through 2030. Principal and interest payments and pledged revenues for the current year were \$1,584,800 and \$186,992,086, respectively. Next year's principal and interest payments of \$1,585,800 constitute approximately .8% of the current year pledged revenue.

The Pledged Revenue Refunding Obligations, Series 2015, were issued in the amount of \$19,280,000 and have an outstanding principal balance at June 30, 2022 of \$4,930,002. The proceeds of these obligations were used to refund (extinguish the debt) of the former MPC Series 2003 Bonds and pay costs of issuance. The refunding obligations are payable solely from pledged revenue and mature in 2024. Principal and interest payable and pledged revenues for the current year were \$2,651,000 and \$186,992,086, respectively. Next year's principal and interest payments totaling \$2,651,500 constitute approximately 1.4% of current year pledged revenue.

In August 2018, the City of Surprise issued Senior Lien Utility System Revenue Refunding Obligations, Series 2018, secured by a pledge of revenues of the system, which are revenues (including any unrestricted fund balances of the System) remaining after deducting operation expenses. A portion of the proceeds of the obligations, together with other legally available funds of the City, were placed in a trust fund which fully defeased the City of Surprise Municipal Property Corporation Wastewater Development Impact Fee and Subordinate Lien Wastewater Revenue Bonds, Series 2007, on October 1, 2018.

The Senior Lien Utility System Revenue Refunding Obligations, Series 2018, were issued in the amount of \$25,255,000, and have an outstanding principal balance at June 30, 2022 of \$21,270,000. The refunding obligations have interest rates that range between 4%-5%, are payable solely from pledged revenue, and mature in 2036. Principal and interest payable and pledged revenues for the current year were \$2,150,250 and \$17,326,318, respectively. Current year pledged revenue equals approximately 806 percent of next year's principal and interest payments, which total \$2,148,500.

The issuance requires pledged revenues to be at least 175 percent of the Parity Lien Test Debt Service. Parity Lien Test Debt Service is the highest aggregate Principal Requirement and Interest Requirement of all Series 2018 Senior Lien Utility System obligations and additional Utility System obligations then outstanding, to fall due and payable in the current or any future Bond Year. At June 30, 2022 the Parity Lien Test Debt Service is \$2,952,177 and pledged revenues are \$17,326,318. The current year ratio is 587 percent of the Parity Lien Test Debt Service.

The issuance also requires the City to establish and maintain rates, fees, and charges for all services supplied by the System, to provide Pledged Revenues fully sufficient to produce pledged revenue in each fiscal year equal to at least 125 percent of the Principal Requirement and Interest Requirement on all Series 2018 Senior Lien Utility System Obligations and Additional Utility Obligations then outstanding

NOTES TO THE FINANCIAL STATEMENTS

for the corresponding Bond Year. At June 30, 2022 pledged revenue equals 806 percent of the Principal Requirement and Interest Requirement.

GENERAL OBLIGATIONS

The City of Surprise has two issues of General Obligation Bonds, secured by secondary property taxes, which are currently outstanding. The Bonds are issued pursuant to the Arizona Constitution and laws of the State of Arizona, including particularly Title 35, Chapter 3, Article 3, Arizona Revised Statutes, and a vote of the qualified electors of the City at an election held on November 7, 2017 (the "Election"), and a resolution authorizing issuance of the Bonds adopted by the Mayor and Council of the City on April 3, 2018 (the "Bond Resolution"). The Bonds were issued for the purpose of paying for certain facilities improvements including a Fire Station, an Evidence and Readiness Center, a Public Works Operations Facility, and road projects including improvements to Greenway, Litchfield, and Waddell Roads, and the costs of issuance of the Bonds.

Series 2018 of the General Obligation Bonds were issued in May 2018 in the amount of \$37,730,000. These bonds have coupon rates ranging from 3%-5% with final maturity occurring in 2038, and a principal balance at June 30, 2022 of \$29,880,000.

The Series 2020 General Obligation Bonds were issued in September 2020 in the amount of \$17,460,000, and represent the second and last installment of general obligation bonds approved at the Election. The Bonds carry interest rates ranging from 2% to 4%, have a final maturity in 2038, and have a remaining principal balance at June 30, 2022 of \$13,345,000.

COMMUNITY FACILITIES DISTRICT BONDS AND NOTES

Community Facilities District (CFD) Bonds and Notes are special purpose government entity debt which the City Council and District Board may issue under Arizona law to (among other things) acquire and improve public infrastructure.

In October 2016, Marley Park Community Facilities District defeased certain general obligation bonds related to the Series 2006, 2007 and 2008 Bond Series' through a new issuance of Marley Park Series 2016 general obligation bonds. The new bonds were issued in the original amount of \$11,365,000 of which \$4,800,000 was new issuance and \$6,565,000 was in refunding obligations for the purpose of accomplishing the aforementioned defeasance.

In October 2017, Marley Park Community Facilities District directly borrowed \$3,000,000 through new general obligation notes. These new note funds were used for the cost of issuance as well as the acquisition of infrastructure. These notes have an interest rate of 2.690% with final maturity occurring in 2032. The notes contain a gross up provision in the event they become taxable due to actions or omissions of the District. In such a case the taxable rate would be 4.14% and would be effective as of the date of a final determination of the Internal Revenue Service or a court of competent jurisdiction, or an opinion of a nationally recognized bond counsel selected by the lender.

In October 2019, Marley Park Community Facilities District issued \$8,470,000 in new general obligation bonds. The proceeds were used for the cost of issuance as well as the acquisition of capital assets. The bonds carry interest rates from 3% to 4% with final maturity occurring in 2044.

At June 30, 2022, there remained \$55,020,000 in authorized but unissued debt authority. Such debt could be issued in future years, when and if qualifying infrastructure costs are incurred and presented for acceptance by the District.

NOTES TO THE FINANCIAL STATEMENTS

Long-term debt as of June 30, 2022 is comprised of the following:

Classified in Governmental Activities on the Government-wide Financial Statements:

City of Surprise General and Revenue Obligations	Long-Term Debt Outstanding
2015, Pledged Revenue Obligation (issued June 23, 2015) due in annual installments of \$1,025,000 to \$1,505,000 through July 1, 2030; interest at 3 percent to 5 percent. Original issue amount \$17,385,000	\$ 10,645,000
2015, Pledged Revenue Refunding Obligation (issued June 23, 2015) due in annual installments of \$2,185,000 to \$2,525,000 through July 1, 2024; interest at 3 percent to 5 percent. Original issue amount \$19,280,000. 69.75 percent of this issue pertains to governmental activities	3,438,677
Total 2015 Pledged Revenue Obligation	14,083,677
2015, Pledged Revenue Revenue Obligations, Issuance Premium	1,290,141
2018, General Obligation Bonds, (issued May 9, 2018) due in annual installments of \$1,205,000 to \$2,400,000 through July 1, 2038; interest at 3 percent to 5 percent. Original issue amount of \$37,730,000	29,880,000
2018, General Obligation Bonds, Issuance Premium.	1,806,000
2020, General Obligation Bonds, (issued September 30, 2020) due in annual installments of \$260,000 to \$3,010,000 through July 1, 2028; interest at 2 percent to 4 percent. Original issue amount of \$17,460,000	13,345,000
2020, General Obligation Bonds, Issuance Premium	1,536,591
Total General and Revenue Obligations	\$ 61,941,409
Community Facilities District General Obligation Bonds and Notes	Long-Term Debt Outstanding
2016 Marley Park Community Facilities District General Obligation and General Obligation Refunding Bonds, due in annual installments of \$385,000 to \$665,000 through July 15, 2041; interest from 2 to 4%. Original issue amount \$11,365,000 of which \$4,800,000 was new issuance and \$6,565,000 was refunding obligations	\$ 9,950,000
2016 Marley Park Community Facilities District General Obligation and General Obligation Refunding Bonds, Issuance Premium	205,620
2017 Marley Park Community Facilities District General Obligation Notes, directly placed borrowing, due in annual installments of \$185,000 to \$245,000 through July 15, 2032; interest at 2.690%. Original issue amount \$3,000,000	2,200,000
2019 Marley Park Community Facilities District General Obligation Bonds, due in annual installments of \$50,000 to \$1,260,000 through July 15, 2044; interest from 3% to 4%. Original issue amount \$8,470,000	8,200,000
2019 Marley Park Community Facilities District General Obligation Bonds, Issuance Premium	36,162
Total Community Facilities Districts General Obligation Bonds and Notes Outstanding	20,591,782
Total Bonds and Notes Payable Recorded in Governmental Activities	\$ 82,533,191

NOTES TO THE FINANCIAL STATEMENTS

Classified in Business-type Activities on the Government-wide Financial Statements:

Revenue Obligations	Long-Term Debt Outstanding
2015, Pledged Revenue Refunding Obligation (issued June 23, 2015) due in annual installments of \$2,185,000 to \$2,525,000 through July 1, 2024; interest at 3% to 5%. Original issue amount \$19,280,000. 30.25% of this issue pertains to business-type activities	\$ 1,491,325
2015, Pledged Revenue Refunding Obligation, Issuance Premium	156,305
2018, Senior Lien Utility System Revenue Refunding Obligations (issued August 7, 2018) due in installments of \$985,000 to \$2,045,000 through July 1, 2036; interest from 4% to 5%. Original issue amount \$25,255,000	21,270,000
2018, Senior Lien Utility System Revenue Refunding Obligations, Issuance Premium	3,240,321
Total Bonds Payable Recorded in Business-type Activities	26,157,951
Total Long-Term Bonds Payable	\$ 108,691,142

NOTES TO THE FINANCIAL STATEMENTS

The following is a summary of long-term liabilities for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Due within 1 Year
Governmental activities					
Bonds and notes payable:					
City of Surprise, Series 2015 Pledged revenue obligations \$28,701,375 (\$36,665,000 issued)	\$ 16,760,952	\$ —	\$ (2,677,275)	\$ 14,083,677	\$ 2,812,488
City of Surprise, Series 2018 General obligations \$37,730,000	31,145,000	—	(1,265,000)	29,880,000	1,330,000
City of Surprise, Series 2020 General obligations \$17,460,000	15,480,000	—	(2,135,000)	13,345,000	2,280,000
For issuance premium 2015	1,586,560	—	(296,419)	1,290,141	—
For issuance premium 2018	1,863,499	—	(57,499)	1,806,000	—
For issuance premium 2020	1,816,451	—	(279,860)	1,536,591	—
Community Facilities District					
Series 2016 Bonds \$11,365,000 issued	10,345,000	—	(395,000)	9,950,000	405,000
Series 2017 Direct Placement Note \$3,000,000 issued	2,390,000	—	(190,000)	2,200,000	195,000
Series 2019 Bonds, \$8,470,000 issued	8,250,000	—	(50,000)	8,200,000	55,000
For issuance premium 2016	226,553	—	(20,933)	205,620	—
For issuance premium 2019	37,806	—	(1,644)	36,162	—
Leases payable	4,870,419	1,225,337	(68,963)	6,026,793	77,568
Total bonds and notes payable	94,772,240	1,225,337	(7,437,593)	88,559,984	7,155,056
Compensated absences payable	8,359,564	6,030,827	(5,048,500)	9,341,891	3,643,337
Contracts and developer payable	8,666,397	6,158,727	(4,260,233)	10,564,891	10,564,891
Claims payable	2,060,114	15,733,189	(14,866,137)	2,927,166	2,393,136
Total governmental activities long-term liabilities	<u>\$ 113,858,315</u>	<u>\$29,148,080</u>	<u>\$ (31,612,463)</u>	<u>\$ 111,393,932</u>	<u>\$ 23,756,420</u>
Business-type activities					
City of Surprise, Series 2015 Pledged revenue obligations \$5,278,625 (\$36,665,000 issued)	\$ 2,184,050	\$ —	\$ (692,725)	\$ 1,491,325	\$ 727,513
Senior Lien Utility System Revenue Refunding Obligations, Series 2018	22,305,000	—	(1,035,000)	21,270,000	1,085,000
For issuance premium 2015	234,458	—	(78,153)	156,305	—
For issuance premium 2018	3,471,772	—	(231,451)	3,240,321	—
Total bonds payable	28,195,280	—	(2,037,329)	26,157,951	1,812,513
Compensated absences payable	1,117,300	916,778	(715,005)	1,319,073	514,439
Contracts and developer payable	2,525,338	1,550,329	(1,505,854)	2,569,813	1,545,926
Total business-type activities long-term liabilities	<u>\$ 31,837,918</u>	<u>\$ 2,467,107</u>	<u>\$ (4,258,188)</u>	<u>\$ 30,046,837</u>	<u>\$ 3,872,878</u>

NOTES TO THE FINANCIAL STATEMENTS

The City's outstanding bonds had the following ratings:

Description	Fitch Rating	Standard & Poor's Rating
City of Surprise, Arizona, Pledged Revenue and Revenue Refunding Obligations SERIES 2015	AAA	AA+
City of Surprise, Arizona, General Obligation Bonds SERIES 2018	Not rated	AA
City of Surprise, Arizona, General Obligation Bonds SERIES 2020	Not rated	AA
City of Surprise, Arizona, Senior Lien Utility System Revenue Refunding Obligations SERIES 2018	Not rated	AA+
Marley Park Community Facilities District General Obligation Bonds SERIES 2019*	Not rated	AA
Marley Park Community Facilities District General Obligation Bonds SERIES 2017	Not rated	Not rated
Marley Park Community Facilities District General Obligation and General Obligation Refunding Bonds SERIES 2016*	Not rated	AA

* Insured by Building America Mutual

NOTES TO THE FINANCIAL STATEMENTS

The following is a summary of debt service requirements for the year ended June 30, 2022. Deferred amounts are not included:

Year Ended June 30	Governmental Activities					
	Refunding/Stadium Imp 2015		GO Bonds 2018		GO Bonds 2020	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 2,812,488	\$ 622,734	\$ 1,330,000	\$ 1,148,544	\$ 2,280,000	\$ 439,700
2024	2,951,189	482,109	1,395,000	1,082,044	2,425,000	394,100
2025	1,250,000	334,550	1,465,000	1,012,294	2,580,000	345,600
2026	1,310,000	272,050	1,540,000	939,044	2,790,000	242,400
2027	1,375,000	206,550	1,620,000	862,044	3,010,000	130,800
2028-2032	4,385,000	363,250	9,235,000	3,163,320	260,000	10,400
2033-2037	—	—	10,895,000	1,504,863	—	—
2038-2042	—	—	2,400,000	81,000	—	—
2043-2044	—	—	—	—	—	—
Total	<u>\$ 14,083,677</u>	<u>\$ 2,281,243</u>	<u>\$ 29,880,000</u>	<u>\$ 9,793,153</u>	<u>\$ 13,345,000</u>	<u>\$ 1,563,000</u>

Year Ended June 30	Governmental Activities					
	Marley Park CFD 2016		Marley Park CFD 2017 Direct Placement		Marley Park CFD 2019	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 405,000	\$ 329,138	\$ 195,000	\$ 59,180	\$ 55,000	\$ 255,550
2024	415,000	316,987	200,000	53,934	60,000	253,900
2025	425,000	304,538	205,000	48,555	65,000	252,100
2026	435,000	296,037	210,000	43,040	65,000	250,150
2027	445,000	286,250	215,000	37,391	70,000	248,200
2028-2032	2,470,000	1,188,406	1,175,000	96,168	365,000	1,207,750
2033-2037	2,805,000	678,906	—	—	1,980,000	1,026,950
2038-2042	2,550,000	202,031	—	—	3,055,000	693,450
2043-2044	—	—	—	—	2,485,000	112,350
Total	<u>\$ 9,950,000</u>	<u>\$ 3,602,293</u>	<u>\$ 2,200,000</u>	<u>\$ 338,268</u>	<u>\$ 8,200,000</u>	<u>\$ 4,300,400</u>

Year Ended June 30	Governmental Activities	
	Total	
	Principal	Interest
2023	\$ 7,077,488	\$ 2,854,846
2024	7,446,189	2,583,074
2025	5,990,000	2,297,637
2026	6,350,000	2,042,721
2027	6,735,000	1,771,235
2028-2032	17,890,000	6,029,294
2033-2037	15,680,000	3,210,719
2038-2042	8,005,000	976,481
2043-2044	2,485,000	112,350
Total	<u>\$ 77,658,677</u>	<u>\$ 21,878,357</u>

NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30	Business-Type Activities					
	Refunding/Stadium Imp 2015		Sr. Lien Utility System Revenue Refunding 2018		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 727,513	\$ 74,566	\$ 1,085,000	\$ 1,063,500	\$ 1,812,513	\$ 1,138,066
2024	763,812	38,190	1,140,000	1,009,250	1,903,812	1,047,440
2025	—	—	1,195,000	952,250	1,195,000	952,250
2026	—	—	1,255,000	892,500	1,255,000	892,500
2027	—	—	1,320,000	829,750	1,320,000	829,750
2028-2032	—	—	7,655,000	3,090,750	7,655,000	3,090,750
2033-2036	—	—	7,620,000	975,500	7,620,000	975,500
Total	<u>\$ 1,491,325</u>	<u>\$ 112,756</u>	<u>\$ 21,270,000</u>	<u>\$ 8,813,500</u>	<u>\$ 22,761,325</u>	<u>\$ 8,926,256</u>

Contracts Payable

General Government Activities

A balance of \$10,564,891 is owed based on improvements and deposits paid toward improvements made by developers per development agreements for various infrastructure items the City will own, and amounts owed to contractors for the retainage of on-going projects.

Business Type Activities

A balance of \$2,569,813 is owed based on improvements made by developers per development agreements for various equipment and infrastructure items the City will own and amounts owed to contractors for the retainage of on-going projects.

Legal Debt Limit

The Arizona Constitution provides that the general obligation bonded indebtedness for a city may not exceed twenty percent of the net assessed full cash value of the taxable property of the city for projects for purposes of water, wastewater, artificial light, open space preserves, parks and recreational facilities, public safety, law enforcement, fire and emergency services facilities, streets, and transportation facilities. Outstanding general obligation bonded indebtedness for all other purposes may not exceed six percent of the City's net assessed full cash value of the taxable property of the city. The following summarizes the City of Surprise, Arizona's legal general obligation bonded debt borrowing capacity at June 30, 2022:

20% Limitation		6% Limitation	
20% Constitutional Limit	\$ 357,855,740	6% Constitutional Limit	\$ 107,356,722
Less General Obligation 20% Bonds Outstanding	(43,225,000)	Less General Obligation 6% Bonds Outstanding	—
Reduction for Excess Premium	<u>(3,342,591)</u>	Reduction for Excess Premium	<u>—</u>
Available 20% Limitation Borrowing Capacity	<u>\$ 311,288,149</u>	Available 6% Limitation Borrowing Capacity	<u>\$ 107,356,722</u>

NOTES TO THE FINANCIAL STATEMENTS

LEASES

The City has acquired intangible right-to-use assets of land, copier equipment and buildings, such as a church, a social hall and nearby university facilities, under the provisions of various lease agreements. The City subleases the church building to a third party.

The total amount of lease assets and related accumulated amortization, as of June 30, 2022, are as follows:

Total intangible right-to-use lease assets	\$ 6,095,756
Less: accumulated amortization	<u>382,588</u>
Carrying value	<u><u>\$ 5,713,168</u></u>

The following schedule details minimum lease payments to maturity for the City's leases payable at June 30, 2022:

Year ending June 30	Governmental activities	
	Principal	Interest
2023	\$ 77,568	\$ 17,242
2024	74,907	16,112
2025	311,778	29,241
2026	1,024,218	63,904
2027	1,037,304	51,552
2028-2032	3,114,452	93,337
2033-2037	386,566	12,647
Total	<u><u>\$ 6,026,793</u></u>	<u><u>\$ 284,035</u></u>

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The City contributes to the Arizona State Retirement System (ASRS), the Public Safety Personnel Retirement System (PSPRS) for police officers and firefighters, and the Elected Officials Retirement Plan (EORP) for elected officials and judges. The plans are component units of the State of Arizona.

At June 30, 2022, the City reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental activities	Business-type activities	Total
Net OPEB asset	\$ 2,225,200	\$ 435,496	\$ 2,660,696
Net pension liabilities	74,053,809	11,553,277	85,607,086
Net OPEB liabilities	60,858	18,013	78,871
Deferred outflows of resources related to pensions	32,105,196	3,203,531	35,308,727
Deferred outflows of resources related to OPEB	377,385	77,943	455,328
Deferred inflows of resources related to pensions	27,836,884	3,878,815	31,715,699
Deferred inflows of resources related to OPEB	2,206,922	373,957	2,580,879
Pension expense	8,935,047	1,024,452	9,959,499
OPEB expense	(216,512)	(21,752)	(238,264)
Pension contributions	13,549,326	1,358,392	14,907,718
OPEB contributions	228,677	43,096	271,773

The City reported accrued payroll and employee benefits of \$909,549 for outstanding pension and OPEB contribution amounts payable to all plans for the year ended June 30, 2022. Also, the City reported \$8,718,535 of pension and OPEB expenditures in the governmental funds related to all plans to which it contributes.

Arizona State Retirement System

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

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

NOTES TO THE FINANCIAL STATEMENTS

Arizona State Retirement System

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

*With actuarially reduced benefits.

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

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

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

Contributions — In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2022, statute required active ASRS members to contribute at the actuarially determined rate of 12.41 percent (12.22 percent for retirement and 0.19 percent for long-term disability) of the members' annual covered payroll, and statute required the City to contribute at the actuarially determined rate of 12.41 percent (12.01 percent for retirement, 0.21 percent for health insurance premium benefit, and 0.19 percent for long-term disability) of the active members' annual covered payroll.

In addition, the City was required by statute to contribute at the actuarially determined rate of 10.22 percent (10.13 percent for retirement and 0.09 percent for long-term disability) of annual covered payroll of retired members who worked for the City in positions that an employee who contributes to the ASRS would typically fill. The City's contributions to the pension, health insurance premium benefit, and long-

NOTES TO THE FINANCIAL STATEMENTS

term disability plans for the year ended June 30, 2022, were \$5,478,357, \$97,559, and \$86,437, respectively.

During fiscal year 2022, the City paid for ASRS pension and OPEB contributions as follows: 73% from the General Fund, 22% from enterprise funds, and 5% from other funds.

Liability/(Asset) — At June 30, 2022, the City reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability.

ASRS	Net Pension/OPEB (asset) liability
Pension	\$ 49,671,464
Health insurance premium benefit	(1,880,770)
Long-term disability	78,871

The net asset and net liabilities were measured as of June 30, 2021. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2020, to the measurement date of June 30, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5% to 7.0% and changing the projected salary increases from 2.7–7.2% to 2.9–8.4%.

The City's proportion of the net asset or net liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The City's proportions measured as of June 30, 2021, and the change from its proportions measured as of June 30, 2020, were:

ASRS	Proportion June 30, 2021	Increase (decrease) from June 30, 2020
Pension	0.38%	—%
Health insurance premium benefit	0.39%	0.01%
Long-term disability	0.38%	—%

Expense — For the year ended June 30, 2022, the City recognized the following pension and OPEB expense.

ASRS	Pension/OPEB expense
Pension	\$ 4,401,850
Health insurance premium benefit	(141,760)
Long-term disability	49,471

NOTES TO THE FINANCIAL STATEMENTS

Deferred outflows/inflows of resources — At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ 757,196	\$ —
Changes in assumptions or other inputs	6,465,138	—
Difference between projected and actual investment earnings	—	15,737,667
Changes in proportion and differences between City contributions and proportionate share of contributions	187,683	355,969
City contributions subsequent to the measurement date	5,478,357	—
Total	<u>\$ 12,888,374</u>	<u>\$ 16,093,636</u>

	Health insurance premium benefit	
	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ —	\$ 652,255
Changes in assumptions or other inputs	93,243	76,040
Difference between projected and actual investment earnings	—	697,671
Changes in proportion and differences between City contributions and proportionate share of contributions	731	1,587
City contributions subsequent to the measurement date	97,559	—
Total	<u>\$ 191,533</u>	<u>\$ 1,427,553</u>

	Long-term disability	
	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ 22,783	\$ 6,427
Changes in assumptions or other inputs	25,225	99,381
Difference between projected and actual investment earnings	—	54,625
Changes in proportion and differences between City contributions and proportionate share of contributions	8,084	3,714
City contributions subsequent to the measurement date	86,437	—
Total	<u>\$ 142,529</u>	<u>\$ 164,147</u>

NOTES TO THE FINANCIAL STATEMENTS

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ending June 30	Pension	Health insurance premium benefit	Long-term disability
2023	\$ (58,223)	\$ (312,606)	\$ (14,225)
2024	267,270	(299,694)	(13,276)
2025	(3,469,349)	(328,621)	(15,249)
2026	(5,423,317)	(363,205)	(23,515)
2027	—	(29,453)	(8,570)
Thereafter	—	—	(33,220)

Actuarial assumptions — The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9–8.4% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent benefit increase	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pensions and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes, which were applied to the June 30, 2020 actuarial valuation.

NOTES TO THE FINANCIAL STATEMENTS

The long-term expected rate of return on ASRS plan investments was determined to be 7.5% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

ASRS Asset Class	Target Allocation	Long-term expected geometric real rate of return
Equity	50%	4.90%
Credit	20%	5.20%
Interest rate sensitive bonds	10%	0.70%
Real estate	20%	5.70%
Total	100%	

Discount rate — At June 30, 2021, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0%, which was a decrease of 0.5% from the discount rate used as of June 30, 2020.. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

Sensitivity of the City's proportionate share of the ASRS net pension/OPEB (asset) liability to changes in the discount rate — The following table presents the City's proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.0%, as well as what the City's proportionate share of the net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

ASRS City's proportionate share	1% Decrease (6.0%)	Current discount rate (7.0%)	1% Increase (8.0%)
Net pension liability	\$ 78,129,052	\$ 49,671,464	\$ 25,945,709
Net health insurance premium benefit liability (asset)	(1,245,265)	(1,880,770)	(2,421,159)
Net long-term disability liability	102,703	78,871	55,816

Plan fiduciary net position — Detailed information about the plans' fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

Public Safety Personnel Retirement System

Plan descriptions — City police employees and City firefighters who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSDCRP). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool) which are not further disclosed because of their relative insignificance to the City's financial statements. The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPRS plans. The report is available on the PSPRS website at www.psprs.com.

NOTES TO THE FINANCIAL STATEMENTS

Benefits provided — The PSPRS provides retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefit terms. Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit based on initial membership date as follows:

PSPRS	Initial membership date:		
Retirement and disability	Before January 1, 2012 (Tier 1)	On or after January 1, 2012 and before July 1, 2017 (Tier 2)	On or after July 1, 2017 (Tier 3)
Years of service and age required to receive benefit	20 years of service, any age, or 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5	15 or more years of service, age 55, or 15 years of credited service, age 52.5*
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years	Highest 60 consecutive months of last 15 years
Benefit percent			
Normal retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5% to 2.5% per year of credited service, not to exceed 80%	
Accidental disability retirement	50% or normal retirement, whichever is greater		
Catastrophic disability retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater		
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20		
Survivor benefit			
Retired members	80% to 100% of retired member's pension benefit		
Active members	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job		

*with actuarially reduced benefits

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

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents.

NOTES TO THE FINANCIAL STATEMENTS

Employees covered by benefit terms — At June 30, 2022, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police		PSPRS Fire	
	Pension	Health	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	59	59	15	15
Inactive employees entitled to but not yet receiving benefits	24	8	12	10
Active employees	98	98	109	109
Total	181	165	136	134

Contributions — State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with State statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2022, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS			
	Police		Fire	
	Tier 1 & 2	Tier 3	Tier 1 & 2	Tier 3
Active members - pension	7.65% - 11.65%	9.05%	7.65% - 11.65%	9.05%
Active members - health benefit	0.00%	0.13%	0.00%	0.13%
City Pension	34.51%	9.05%	26.08%	9.05%
Health insurance premium benefit	0.21%	0.13%	0.31%	0.13%

In addition, statute required the City to contribute at the actuarially determined rate indicated below of annual covered payroll of retired members who worked for the City in positions that an employee who contributes to the PSPRS would typically fill.

	PSPRS	
	Police	Fire
Alternative contribution rate- pension and health	20.67 %	11.03 %

The City's contributions to the plans for the year ended June 30, 2022, were:

	PSPRS Police	PSPRS Fire
Contributions made		
Pension	\$ 4,670,817	\$ 4,637,873
Health Insurance premium benefit	41,394	46,383

NOTES TO THE FINANCIAL STATEMENTS

During fiscal year 2022, the City paid for PSPRS pension and OPEB contributions primarily from the General Fund.

Liability — At June 30, 2022, the City reported the following net pension/OPEB liabilities/(assets):

	Net pension liability	Net OPEB liability/(asset)
PSPRS Police	\$ 25,282,699	\$ (546,060)
PSPRS Fire	9,056,463	(233,866)

The net assets and net liabilities were measured as of June 30, 2021, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date.

Actuarial assumptions — The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

PSPRS

Actuarial valuation date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.3%
Wage inflation	3.5% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.75% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

The long-term expected rate of return on PSPRS pension plan investments was determined to be 7.3% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

PSPRS Asset class	Target allocation	Long-term expected geometric real rate of return
U.S. Public Equity	24%	4.08%
International Public Equity	16%	5.20%
Global Private Equity	20%	7.67%
Other Assets (Capital Appreciation)	7%	5.43%
Core Bonds	2%	0.42%
Private Credit	20%	5.74%
Diversifying Strategies	10%	3.99%
Cash Mellon	1%	(0.31)%
Total	100%	

NOTES TO THE FINANCIAL STATEMENTS

Discount rate — At June 30, 2021, the discount rate used to measure the PSPRS total pension/OPEB liability was 7.3%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability (asset).

Changes in the net pension/OPEB liability (asset) – The following tables present changes in the City's net pension/OPEB liability (asset) for the PSPRS – Police and PSPRS – Fire plans as follows:

	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (asset) (a) – (b)
PSPRS - Police - Pension			
Balances at June 30, 2021	\$ 82,022,723	\$ 47,648,979	\$ 34,373,744
Adjustment to Beginning of Year	—	—	—
Changes for the year:			
Service cost	2,331,614	—	2,331,614
Interest on the total pension liability	6,036,548	—	6,036,548
Changes of benefit terms	—	—	—
Difference between expected and actual experience of the total pension liability	2,228,040	—	2,228,040
Changes of assumptions	—	—	—
Contributions—employer	—	4,486,148	(4,486,148)
Contributions—employee	—	1,228,642	(1,228,642)
Net investment income	—	14,037,729	(14,037,729)
Benefit payments, including refunds of employee contributions	(3,323,784)	(3,323,784)	—
Administrative expense	—	(65,272)	65,272
Other changes	—	—	—
Net changes	7,272,418	16,363,463	(9,091,045)
Balances at June 30, 2022	\$ 89,295,141	\$ 64,012,442	\$ 25,282,699

NOTES TO THE FINANCIAL STATEMENTS

PSPRS - Police - Health insurance premium benefit	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (asset) (a) – (b)
Balances at June 30, 2021	\$ 1,104,863	\$ 1,255,795	\$ (150,932)
Adjustment to Beginning of Year	—	—	—
Changes for the year:			
Service cost	43,797	—	43,797
Interest on the total OPEB liability	82,702	—	82,702
Difference between expected and actual experience of the total OPEB liability	(146,929)	—	(146,929)
Changes of assumptions	—	—	—
Contributions—employer	—	33,459	(33,459)
Contributions—employee	—	—	—
Net investment income	—	342,648	(342,648)
Benefit payments, including refunds of employee contributions	(31,522)	(31,522)	—
OPEB plan administrative expense	—	(1,409)	1,409
Other changes	—	—	—
Net changes	(51,952)	343,176	(395,128)
Balances at June 30, 2022	<u>\$ 1,052,911</u>	<u>\$ 1,598,971</u>	<u>\$ (546,060)</u>
PSPRS - Fire - Pension	Total pension liability (a)	Plan fiduciary net position (b)	Net pension liability (asset) (a) – (b)
Balances at June 30, 2021	\$ 71,669,589	\$ 51,950,043	\$ 19,719,546
Adjustment to Beginning of Year	—	—	—
Changes for the year:			
Service cost	2,605,918	—	2,605,918
Interest on the total pension liability	5,389,067	—	5,389,067
Difference between expected and actual experience of the total pension liability	2,288,365	—	2,288,365
Changes of assumptions	—	—	—
Contributions—employer	—	4,411,913	(4,411,913)
Contributions—employee	—	1,194,804	(1,194,804)
Net investment income	—	15,348,395	(15,348,395)
Benefit payments, including refunds of employee contributions	(905,343)	(905,343)	—
Administrative expense	—	(71,250)	71,250
Other changes	—	62,571	(62,571)
Net changes	9,378,007	20,041,090	(10,663,083)
Balances at June 30, 2022	<u>\$ 81,047,596</u>	<u>\$ 71,991,133</u>	<u>\$ 9,056,463</u>

NOTES TO THE FINANCIAL STATEMENTS

PSPRS - Fire - Health insurance premium benefit	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability (asset) (a) - (b)
Balances at June 30, 2021	\$ 1,055,865	\$ 1,034,541	\$ 21,324
Adjustment to Beginning of Year	—	—	—
Changes for the year:			
Service cost	42,778	—	42,778
Interest on the total OPEB liability	79,625	—	79,625
Difference between expected and actual experience of the total OPEB liability	(57,371)	—	(57,371)
Changes of assumptions	—	—	—
Contributions—employer	—	37,731	(37,731)
Net investment income	—	283,657	(283,657)
Benefit payments, including refunds of employee contributions	(15,780)	(15,780)	—
OPEB plan administrative expense	—	(1,166)	1,166
Other changes	—	—	—
Net changes	49,252	304,442	(255,190)
Balances at June 30, 2022	<u>\$ 1,105,117</u>	<u>\$ 1,338,983</u>	<u>\$ (233,866)</u>

Sensitivity of the City's net pension/OPEB liability/(asset) to changes in the discount rate — The following table presents the City's net pension/OPEB liabilities (assets) calculated using the discount rate of 7.3%, as well as what the City's net pension/OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.3%) or 1 percentage point higher (8.3%) than the current rate:

	1% Decrease (6.3%)	Current discount rate (7.3%)	1% Increase (8.3%)
PSPRS Police			
Net pension liability	\$ 39,096,752	\$ 25,282,699	\$ 14,156,274
Net OPEB liability (asset)	(411,393)	(546,060)	(658,745)
PSPRS Fire			
Net pension liability	\$ 22,439,993	\$ 9,056,463	\$ (1,753,201)
Net OPEB liability (asset)	(91,119)	(233,866)	(353,939)

Plan fiduciary net position — Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial reports. These reports are available on the PSPRS website at www.psprs.com.

Expense — For the year ended June 30, 2022, the City recognized the following pension and OPEB expense:

	Pension expense	OPEB expense
PSPRS Police	\$ 4,013,991	\$ (92,839)
PSPRS Fire	825,509	(29,158)

NOTES TO THE FINANCIAL STATEMENTS

Deferred outflows/inflows of resources — At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

PSPRS - Police - Pension	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ 4,443,608	\$ 303,454
Changes in assumptions or other inputs	1,902,942	—
Net difference between projected and actual earnings on pension plan investments	—	6,406,374
City contributions subsequent to the measurement date	4,670,817	—
Total	<u>\$ 11,017,367</u>	<u>\$ 6,709,828</u>

PSPRS - Police - Health insurance premium benefit	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ —	\$ 398,869
Changes in assumptions or other inputs	15,145	34,358
Net difference between projected and actual earnings on OPEB plan investments	—	145,883
City contributions subsequent to the measurement date	41,394	—
Total	<u>\$ 56,539</u>	<u>\$ 579,110</u>

PSPRS - Fire - Pension	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ 4,598,162	\$ 1,871,004
Changes in assumptions or other inputs	2,034,154	—
Net difference between projected and actual earnings on pension plan investments	—	6,938,648
City contributions subsequent to the measurement date	4,637,873	—
Total	<u>\$ 11,270,189</u>	<u>\$ 8,809,652</u>

PSPRS - Fire - Health insurance premium benefit	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	\$ 9,008	\$ 226,814
Changes in assumptions or other inputs	9,336	62,213
Net difference between projected and actual earnings on OPEB plan investments	—	121,042
City contributions subsequent to the measurement date	46,383	—
Total	<u>\$ 64,727</u>	<u>\$ 410,069</u>

NOTES TO THE FINANCIAL STATEMENTS

The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability (asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ending June 30	PSPRS			
	Police		Fire	
	Pension	Health	Pension	Health
2023	\$ 420,704	\$ (120,409)	\$ (684,229)	\$ (63,926)
2024	(186,847)	(121,305)	(723,698)	(64,695)
2025	(559,582)	(110,400)	(921,687)	(68,366)
2026	(1,100,983)	(116,956)	(1,646,697)	(80,615)
2027	1,063,430	(61,694)	458,734	(38,502)
Thereafter	—	(33,201)	1,340,241	(75,621)

PSPDCRP plan—City police and fire employees who are not members of PSPRS participate in the PSPDCRP. The PSPDCRP is a defined contribution pension plan. The PSPRS Board of Trustees governs the PSPDCRP according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.1. Benefit terms, including contribution requirements, are established by State statute.

For the year ended June 30, 2022, active PSPDCRP members were required by statute to contribute at least 9% of the members' annual covered payroll, and the City was required by statute to contribute 9% of active members' annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the earnings on those contributions. Employees vest in a portion of the City's contributions each year as set forth in statute. The plan retains nonvested City contributions when forfeited because of employment terminations. For the year ended June 30, 2022, the City recognized pension expense of \$111,533.

Elected Officials Retirement Plan

Plan description — Elected officials and judges participate in the Elected Officials Retirement Plan (EORP), ASRS, or the Elected Officials Defined Contribution Retirement System (EODCRS). EORP administers a cost-sharing multiple-employer defined benefit pension plan and a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan for elected officials and judges who were members of the plan on December 31, 2013. The EORP pension and OPEB plans were closed to new members as of January 1, 2014. The PSPRS Board of Trustees governs the EORP according to the provisions of A.R.S. Title 38, Chapter 5, Article 3. The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for the EORP plans. The report is available on PSPRS's website at www.psprs.com. The EORP OPEB is immaterial to the financial statements of the City; therefore, it is not included in the financial statements or presented here in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

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

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

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

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

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 8 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 7 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

NOTES TO THE FINANCIAL STATEMENTS

Contributions — State statutes establish active member and employer contribution requirements. Statute also appropriates \$5 million annually through fiscal year 2043 for the EORP from the State of Arizona to supplement the normal cost plus an amount to amortize the unfunded accrued liability and designates a portion of certain court fees for the EORP. For the year ended June 30, 2022, statute required active EORP members to contribute 7% or 13% of the members' annual covered payroll and the City to contribute at the actuarially determined rate of 61.43% of all active EORP members' annual covered payroll. Also, statute required the City to contribute 49.21% to EORP of the annual covered payroll of elected officials and judges who were ASRS members and 55.43% to EORP of the annual covered payroll of elected officials and judges who were EODCRS members, in addition to the City's required contributions to ASRS and EODCRS for these elected officials and judges. The City's contributions to the pension and health insurance premium benefit plans for the year ended June 30, 2022, were \$120,671 and \$100, respectively.

During fiscal year 2022, the City paid for EORP pension contributions as follows: 100% from the General Fund.

Liability — At June 30, 2022, the City reported a liability for its proportionate share of the EORP's net pension liability that reflected a reduction for the City's proportionate share of the State's appropriation for EORP. The amount the City recognized as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the EORP net pension liability	\$ 1,596,460
State's proportionate share of the EORP net pension liability associated with the City	160,464
Total	<u><u>\$ 1,756,924</u></u>

The net liability was measured as of June 30, 2021, and the total liability used to calculate the net liability was determined by an actuarial valuation as of that date.

The City's proportion of the net pension liability was based on the City's required contributions to the pension plan relative to the total of all participating employers' required contributions for the year ended June 30, 2021. The City's proportion measured as of June 30, 2021, and the change from its proportions measured as of June 30, 2020, were:

EORP	Proportion June 30, 2021	Increase (decrease) from June 30, 2020
Pension	0.26%	—%

Expense — For the year ended June 30, 2022, the City recognized pension expense for EORP of \$223,920 and revenue of \$37,868 for the City's proportionate share of the State's appropriation to EORP and the designated court fees.

NOTES TO THE FINANCIAL STATEMENTS

Deferred outflows/inflows of resources — At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

EORP - Pension	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ —	\$ 21,246
Changes of assumptions or other inputs	—	—
Net difference between projected and actual earnings on plan investments	—	81,337
Changes in proportion and differences between City contributions and proportionate share of contributions	12,126	—
City contributions subsequent to the measurement date	120,671	—
Total	<u>\$ 132,797</u>	<u>\$ 102,583</u>

The amounts reported as deferred outflows of resources related to EORP pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to EORP pensions will be recognized as expenses as follows:

<u>Year ending June 30</u>	<u>Pension</u>
2023	\$ (25,819)
2024	(16,937)
2025	(20,004)
2026	(27,697)
2027	—

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

Actuarial Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	7.3%
Wage Inflation	3.75%
Price Inflation	2.5%
Cost of Living Adjustment	1.75%
Mortality rate	PUBG-2010 Tables

Actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2017.

The long-term expected rate of return on EORP plan investments was determined to be 7.3% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

NOTES TO THE FINANCIAL STATEMENTS

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

EORP

Asset class	Target allocation	Long-term expected geometric real rate of return
U. S. Public Equity	24%	4.08%
International Public Equity	16%	5.20%
Global Private Equity	20%	7.67%
Other Assets (Capital Appreciation)	7%	5.43%
Core Bonds	2%	0.42%
Private Credit	20%	5.74%
Diversifying Strategies	10%	3.99%
Cash-Mellon	1%	(0.31)%
Total	100%	

Discount rates — At June 30, 2021, the discount rate used to measure the EORP total pension liability was 7.3%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, employer contributions will be made at the actuarially determined rates, and State contributions will be made as currently required by statute. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the EORP net pension liability to changes in the discount rate — The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.3%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.3%) or 1 percentage point higher (8.3%) than the current rate:

EORP	1% Decrease (6.3%)	Current discount rate (7.3%)	1% Increase (8.3%)
City's proportionate share of the net pension liability	\$ 1,834,457	\$ 1,596,460	\$ 1,392,203

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

EODCRS plan — Elected officials and judges who are not members of EORP or ASRS participate in the EODCRS and the Elected Officials Defined Contribution Retirement System Disability Program (EODCDP). The EODCRS is a defined contribution pension plan. The EODCDP is a cost-sharing multiple-employer defined benefit disability (OPEB) plan for EODCRS members. The PSPRS Board of Trustees governs the EODCRS and EODCDP according to the provisions of A.R.S. Title 38, Chapter 5, Articles 3.1 and 3.2. Benefit terms, including contribution requirements, are established by State statute. The EODCDP is not further disclosed because of its relative insignificance to the City's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended June 30, 2022, active EODCRS members were required by statute to contribute 8% of the members' annual covered payroll, and the City was required by statute to contribute 6% of active members' annual covered payroll to an individual employee account. Employees are immediately vested in their own contributions and the City's contributions to the individual employee account and the earnings on those contributions. For the year ended June 30, 2022, the City recognized pension expense of \$4,909.

Deferred Compensation Plans

The City offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary until future years. A governing board (committee) makes decisions about investment options available within each Plan. In fiscal year 2022, the City contributed to the 457 plan on behalf of eligible employees in an amount equal to a percentage of base annual salary. The City contributed \$777,316 for the year ended June 30, 2022. The deferred compensation is not available to participants until termination, retirement, death, or an unforeseeable emergency.

The City's fiduciary responsibility for the plan is that of exercising "due care" in selecting a third-party administrator. Federal legislation requires that Section 457 plan assets be held in trust for employees; therefore, employee assets held in Section 457 plan assets are held in trust for employees. Employee assets held in Section 457 plans are not the property of the City and are not subject to claims of the City's general creditors. Therefore, the Deferred Compensation Custodial Fund is not included in the City's Financial Statements.

Defined Contribution Other Postemployment Plans

The City also offers a Post-Employment Health Plan (PEHP). The PEHP is a defined contribution plan designed to allow the City and employees to set aside money during the course of employment with the City, for the payment of qualified medical expenses incurred post-employment. The Post-Employment Health Plan consists of two sub-accounts that can accept contributions. One account accepts fixed contributions from the City and the other accepts earned and unused personal time off (vacation and sick leave). After voluntary termination of employment with the City, employees are provided with the option to be paid for all, or a portion of, earned and unused personal time off, or move earned and unused personal time off into their PEHP account.

The City is contributing \$45 per pay period to the plan for members of the Surprise Police Employees Association and the Northwest Valley Fire Fighters Association Local 4361. Employees are not required to contribute in order to receive the City's contribution.

Further, eligible employees that are Tier 1 members of the Public Safety Personnel Retirement System (PSPRS), who enter the Deferred Retirement Option Plan (DROP) are eligible for an additional benefit. Upon the employee's acceptance by the local board and PSPRS to the DROP program, the City will contribute eight percent of total PSPRS eligible earnings, per pay period, to the employee's PEHP. If for any reason an employee terminates participation in DROP, this additional benefit shall cease.

The City contributed \$613,749 for the year ended June 30, 2022.

The City's fiduciary responsibility for the plan is that of exercising "due care" in selecting a third-party administrator. Federal legislation requires that post-employment health plan assets be held in trust for employees; therefore, employee assets held in post-employment plan assets are held in trust for

NOTES TO THE FINANCIAL STATEMENTS

employees. Employee assets held in post-employment health plans are not the property of the City and are not subject to claims of the City's general creditors. Therefore, the Deferred Compensation Custodial Fund is not included in the City's Financial Statements.

NOTE 9 - RISK MANAGEMENT

Risk Management Fund

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Thus, the City participates in the Arizona Municipal Risk Retention Pool (AMRRP), which provides a comprehensive municipal coverage program covering property, general liability, public officials' liability, automobile liability and physical damage, bonds and crime. The basic coverage program is standard for all participants and deemed to be appropriate by the governing board of the AMRRP. Individual limits are determined by the Council and staff members.

The limit for basic coverage is \$2 million per occurrence and \$13 million under an umbrella policy for a total of \$15 million on a claim made basis. The AMRRP is structured such that member premiums are based on actuarial review that will provide adequate reserves to allow the Pool to meet its expected financial obligation. The Pool has the authority to assess its members' additional premiums should reserves and annual premiums be insufficient to meet the Pool's obligations. The City can be assessed up to the amount of the current year's contribution. The City's obligation is to file claims timely. The AMRRP is responsible for investigating claims, settling claims and billing the City for any deductible portion. The City's loss has not exceeded its coverage in any of the last three years, and the deductible portion has not been material to the City's financial position.

As of June 30, 2022, unpaid claims were as follows:

	Risk Management Fund	
	2021	2022
Beginning unpaid claims	\$ 117,564	\$ 245,082
Claims incurred and changes in estimates	854,618	584,381
Payments made	(727,100)	(509,637)
Ending unpaid claims	<u>\$ 245,082</u>	<u>\$ 319,826</u>

Employee Healthcare Fund

The City has established the Employee Healthcare Fund to account for the costs of claims incurred by the City through a self-insurance program. The City is self-insured for individual health claims up to \$250,000. Commercial stop loss insurance is in place for claims in excess of the individual limit as well as aggregate insurance for claims in excess of 125% of the City's total actuarially projected claims.

The claims liability includes an estimated amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends and other economic and social factors. Claims that have been incurred but not reported make up \$905,413 of the total claims payable reported. The remaining \$846,400 is made up of outstanding claims at year end. The City's loss has not exceeded its coverage over the last year.

NOTES TO THE FINANCIAL STATEMENTS

As of June 30, 2022, unpaid claims were as follows:

	Employee Healthcare Fund	
	2021	2022
Beginning unpaid claims	\$ 1,810,817	\$ 1,511,371
Claims incurred and changes in estimates	12,271,613	13,705,945
Payments made	(12,571,059)	(13,465,503)
Ending unpaid claims	<u>\$ 1,511,371</u>	<u>\$ 1,751,813</u>

Worker's Compensation Fund

Following in-depth analysis including an actuarial study to determine feasibility, the Mayor and City Council approved establishing a Workers' Compensation Fund on January 3, 2017, to administer a self-insured workers' compensation program. The City sought and gained authority to self-insure/self-administer workplace injury claims through the Industrial Commission of Arizona (ICA), effective July 1, 2017. The program assumed responsibility for all new workplace injury/exposures deemed commendable, while leaving liability of prior claims with the previous insurance carrier.

The program assumes first-dollar losses up to the established self-insured retention (SIR) levels of two categories of employees. The first category, General Employee Population, carries a self-insured retention level of \$500,000 per occurrence. Public Safety Population assumes a self-insured retention of \$1,000,000 per occurrence. Should a claim exceed the respective SIR, the excess carrier assumes liability up to statutory limits. All claims below the SIR are managed in-house and resolved via funds established for claims settlement. Expenses within the program are reported regularly to the Workers' Compensation Trust Board, as prescribed by Arizona Revised Statute.

Excess insurance premiums are calculated following underwriting evaluation to include actuarial study and loss history. Being a newly designated self-administered program, the City has been assigned an experience modifier of 1.0, which designates an insurance premium of \$0.28 per \$100 of payroll. These premiums are assigned to each department based on industry hazard codes and total payroll.

The Workers' Compensation fund currently has an established reserve of \$3,000,000, which exceeds the required amount designated by the Industrial Commission of Arizona. The funds held in this reserve account are maintained by the City following approval from both City Council and the ICA for exemption from posting security for outstanding workers' compensation claims, per Arizona Administrative Code R20-5-114.

The claims liability includes an estimated amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends and other economic and social factors. Claims that have been incurred but not reported make up \$824,950 of the total claims payable reported. The remaining \$30,577 is made up of outstanding claims at year end. The City's loss has not exceeded its coverage over the last year.

NOTES TO THE FINANCIAL STATEMENTS

As of June 30, 2022, unpaid claims were as follows:

	Workers' Compensation Fund	
	2021	2022
Beginning unpaid claims	\$ 202,747	\$ 303,661
Claims incurred and changes in estimates	660,908	1,442,863
Payments made	(559,994)	(890,997)
Ending unpaid claims	<u>\$ 303,661</u>	<u>\$ 855,527</u>

NOTE 10 - CONTINGENT LIABILITIES

The City is a defendant in various lawsuits that are incidental to the ordinary course of its operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's legal counsel, the resolution of these matters will not have a material adverse effect on the City's financial position.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 11 - INTERFUND BORROWING AND TRANSFERS

As of June 30, 2022, interfund balances were as follows:

Due to/from other funds:

Due from	Due to
Non-Major Governmental Funds	General Fund
Grants	\$ 330,307

At year end, the Grants Fund, a non-major governmental fund, had a negative cash balance in the pooled cash account. The short-term negative cash balance was eliminated by interfund borrowing with the General Fund and is expected to be repaid within one year.

Advances to/from other funds:

Advances to	Advances from	
General Government Development Fee Fund	Sewer Fund	Total
Total	\$ 4,418,040	\$ 4,418,040
	<u>\$ 4,418,040</u>	<u>\$ 4,418,040</u>

NOTES TO THE FINANCIAL STATEMENTS

As of June 30, 2022, the City had several long-term loans outstanding. The loans relate to expenditures for projects to be funded by impact fees. These loans will be repaid as impact fees are collected in future years.

Interfund Transfers:

	Transfers Out	Transfers In
Governmental Funds		
General Fund	\$ 45,794,128	\$ 1,643,618
General Capital Projects Fund	69,400	39,445,800
General Government Development Fee Fund	366,633	—
Debt Service Fund	—	3,433,861
Transportation Improvement Fund	56,900	200,000
Non-Major Governmental Funds	1,715,160	3,545,604
Total Governmental Funds	48,002,221	48,268,883
Enterprise Funds		
Ground Ambulance Services Fund	2,609	—
Water Fund	594,210	1,486,801
Sewer Fund	2,121,212	441,684
Sanitation Fund	41,751	188,936
Stormwater Fund	4,153	4,852
Total Enterprise Funds	2,763,935	2,122,273
Internal Service Funds	—	375,000
Total Transfers	<u>\$ 50,766,156</u>	<u>\$ 50,766,156</u>

Transfers between funds were used to (1) record payments in lieu of franchise fees from the enterprise funds to the General Fund (2) record payments in lieu of property taxes from the enterprise funds to the General Fund and Debt Service Fund (3) support as needed replacement of vehicles and maintenance and construction or purchase of city assets (4) move amounts for debt service payments (5) to fund municipal arts projects, and (6) transfer water rights (capital assets) generated by the Sewer Fund to the Water Fund to be used for water services.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12 – FUND BALANCE CLASSIFICATION

The fund balance classifications of the governmental funds as of June 30, 2022, were as follows:

	General Fund	General Capital Projects Fund	General Govt Development Fee Fund	Highway User Revenue Fund	Transportation Improvement Fund	Debt Service Fund	Non-Major Governmental Fund	Total
Fund balance								
Nonspendable:								
Inventory	\$ 1,295,793	\$ 177,877	\$ —	\$ 385,991	\$ —	\$ —	\$ 9,428	\$ 1,869,089
Prepays	310,573	6,435	—	—	—	—	2,834	319,842
Total Nonspendable	1,606,366	184,312	—	385,991	—	—	12,262	2,188,931
Restricted:								
Court	—	—	—	—	—	—	474,574	474,574
Debt service	—	—	—	—	—	64,141	533,363	597,504
Economic development	12,655	—	—	—	—	—	—	12,655
Fire and medical	8,668	—	—	—	—	—	11,624,016	11,632,684
Human services and community vitality	23,062	—	—	—	—	—	—	23,062
Parks and recreation	296,620	—	—	—	—	—	8,606,582	8,903,202
Police	78,858	—	—	—	—	—	7,005,156	7,084,014
Public works	—	—	—	—	—	—	576,452	576,452
Transportation	—	—	—	5,428,544	—	—	115,912	5,544,456
Unspent bond proceeds - public safety	—	3,305,407	—	—	—	—	—	3,305,407
Unspent bond proceeds - traffic mitigation	—	645,655	—	—	—	—	—	645,655
Unspent bond proceeds - pavement preservation	—	439,434	—	—	—	—	—	439,434
Total Restricted	419,863	4,390,496	—	5,428,544	—	64,141	28,936,055	39,239,099
Committed:								
Emergency reserve	2,518,500	—	—	—	—	—	—	2,518,500
Operating reserve	15,111,300	—	—	—	—	—	—	15,111,300
Stabilization reserve	7,555,600	—	—	—	—	—	—	7,555,600
Transportation	—	—	—	—	18,308,425	—	—	18,308,425
Tourism	—	—	—	—	—	—	1,526,846	1,526,846
Total Committed	25,185,400	—	—	—	18,308,425	—	1,526,846	45,020,671
Assigned:								
Construction projects	—	77,178,136	—	—	—	—	—	77,178,136
FS package replacement reserve	—	93,045	—	—	—	—	—	93,045
Vehicle replacement	—	2,168,219	—	—	—	—	—	2,168,219
IT asset replacement	—	831,777	—	—	—	—	—	831,777
Parks and recreation	—	1,083,249	—	—	—	—	—	1,083,249
PSPRS funding	26,625,600	—	—	—	—	—	—	26,625,600
Public safety	12,421	—	—	—	—	—	—	12,421
Wildland vehicle replacement	269,173	—	—	—	—	—	—	269,173
Other	327,426	151,873	—	—	—	—	—	479,299
Total Assigned	27,234,620	81,506,299	—	—	—	—	—	108,740,919
Unassigned:								
Unassigned or negative fund balance	66,180,747	—	(3,684,670)	—	—	—	(96,729)	62,399,348
Total	\$ 120,626,996	\$ 86,081,107	\$ (3,684,670)	\$ 5,814,535	\$ 18,308,425	\$ 64,141	\$ 30,378,434	\$ 257,588,968

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 – DEFICIT FUND BALANCES

As of June 30, 2022, the following individual governmental funds reported deficits in fund balances:

<u>Fund</u>	<u>Deficit</u>
Major Funds:	
General Government Development Fee Fund	\$ 3,684,670
Non-Major Governmental Funds:	
Grants Fund	28,361
Neighborhood Revitalization Fund	65,534
Proprietary Funds:	
Ground Ambulance Services Fund	241,743

Deficits arose due to project and grant expenditures incurred in current and prior years exceeding impact fee and available grant revenues. The deficit fund balances are expected to be funded with future development impact fees, ambulance revenues, and grant revenue reimbursements.

NOTE 14 – BUDGET BASIS OF ACCOUNTING

The City records expenditures for prepaid items as an expenditure in the period goods or services are received; however, on the budgetary basis of accounting the expenditure is recorded in the period of the actual cash outlay.

NOTE 15 – JOINT VENTURE

The City currently participates with nineteen cities, towns and fire districts in the Regional Wireless Cooperative (RWC) agreement for the administration, operation, management, construction, and maintenance of a regional public safety communications network. The RWC is an Arizona joint venture, multi-jurisdictional organization throughout the Phoenix Metropolitan Region. The City of Phoenix is both the Network Managing Member and the Administrative Managing Member. As the Network Managing Member, the City of Phoenix operates and maintains the network. As the Administrative Managing Member, the City of Phoenix is responsible for accounting, budgeting, procurement and contracting for the RWC.

The City has an ongoing financial responsibility as a result of the agreement to participate in the cost to construct, operate and maintain the network. The City's share of costs is determined based on the proportionate number of subscriber units in use at the time of assessment. The equity interest of the City in the RWC at June 30, 2022, was \$904,430.

Separate financial statements may be obtained from the RWC Director's Office, 200 W. Washington Street, 14th Floor, Phoenix, Arizona 85003.

NOTE 16 – SUBSEQUENT EVENTS

On July 21, 2022, the Marley Park Community Facilities District issued \$13,065,000 of principal and \$27,551 of premium in General Obligation Bonds, Series 2022. The bonds were issued to acquire certain public infrastructure benefiting the District that was constructed by the developer. The bonds are payable in annual installments through July 15, 2047 of \$40,000 to \$6,865,000, with coupon rates of 4.125% to 5.0%. This issuance of bonds reduced the authorized but unissued debt authority of the District to \$41,927,449.



SURPRISE

ARIZONA



REQUIRED SUPPLEMENTARY INFORMATION



SURPRISE

ARIZONA

Required supplementary information
Schedule of the City's proportionate share of the net pension/OPEB liability (asset)
Cost-sharing plans

Arizona State Retirement System - Pension

	Reporting fiscal year (measurement date)							
	2022	2021	2020	2019	2018	2017	2016	2016
	(2021)	(2020)	(2019)	(2018)	(2017)	(2016)	(2015)	(2015)
City's proportion of the net pension liability	0.38%	0.38%	0.38%	0.37%	0.36%	0.35%	0.32%	0.29%
City's proportionate share of the net pension liability	\$49,671,464	\$65,171,972	\$55,824,084	\$51,433,226	\$56,257,015	\$56,796,968	\$50,841,272	\$42,980,167
City's covered payroll	\$42,528,059	\$42,439,245	\$38,971,217	\$37,581,388	\$35,238,842	\$32,932,534	\$30,121,665	\$26,536,195
City's proportionate share of the net pension liability as a percentage of its covered payroll	116.80%	153.57%	143.24%	136.86%	159.64%	172.46%	168.79%	161.97%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

Information not available for fiscal years 2012 through 2014

Arizona State Retirement System - Health insurance premium benefit

	Reporting fiscal year (measurement date)				
	2022	2021	2020	2019	2018
	(2021)	(2020)	(2019)	(2018)	(2017)
City's proportion of the net OPEB (asset)	0.38 %	0.38 %	0.39 %	0.38 %	0.37 %
City's proportionate share of the net OPEB (asset)	\$ (1,880,770)	\$ (270,717)	\$ (108,422)	\$ (135,084)	\$ (199,174)
City's covered payroll	\$ 42,528,059	\$ 42,439,245	\$ 38,971,217	\$ 37,581,388	\$ 35,238,842
City's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	-4.42%	-0.64%	-0.28%	-0.36%	-0.57%
Plan fiduciary net position as a percentage of the total OPEB liability	130.24%	104.33%	101.62%	102.20%	103.57%

Information not available for fiscal years 2012 through 2017

Arizona State Retirement System - Long-term disability

	Reporting fiscal year (measurement date)				
	2022	2021	2020	2019	2018
	(2021)	(2020)	(2019)	(2018)	(2017)
City's proportion of the net OPEB liability	0.38%	0.38%	0.39%	0.37%	0.36%
City's proportionate share of the net OPEB liability	\$ 78,871	\$ 287,923	\$ 253,425	\$ 193,112	\$ 131,344
City's covered payroll	\$ 42,528,059	\$ 42,439,245	\$ 38,971,217	\$ 37,581,388	\$ 35,238,842
City's proportionate share of the net OPEB liability) as a percentage of its covered payroll	0.19%	0.68%	0.65%	0.51%	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	90.38%	68.01%	72.85%	77.83%	84.44%

Information not available for fiscal years 2012 through 2017

Elected Official Retirement Plan - Pension

	Reporting fiscal year (measurement date)							
	2022	2021	2020	2019	2018	2017	2016	2015
	(2021)	(2020)	(2019)	(2018)	(2017)	(2016)	(2015)	(2014)
City's proportion of the net pension liability	0.26%	0.26%	0.23%	0.29%	0.17%	0.19%	0.16%	0.22%
City's proportionate share of the net pension liability	\$1,596,460	\$1,745,940	\$1,511,837	\$1,849,518	\$2,034,660	\$1,829,709	\$1,276,030	\$1,505,462
State's proportionate share of the net pension liability associated with the city	\$ 160,464	\$ 165,938	\$ 142,097	\$ (90,103)	\$ 213,700	\$ 100,812	\$ 107,037	\$ 136,820
Total	\$1,756,924	\$1,911,878	\$1,653,934	\$1,759,415	\$2,248,360	\$1,930,521	\$1,383,067	\$1,642,282
City's covered payroll	\$ 205,522	\$ 206,644	\$ 176,123	\$ 150,767	\$ 154,566	\$ 155,470	\$ 155,470	\$ 154,983
City's proportionate share of the net pension liability as a percentage of its covered payroll	854.86%	925.20%	939.08%	1166.98%	1454.63%	1241.73%	889.60%	1059.65%
Plan fiduciary net position as a percentage of the total pension liability	36.27%	29.80%	30.14%	30.36%	19.66%	23.42%	28.32%	31.91%

Information not available for fiscal years 2012 through 2014

See accompanying notes to this schedule

Required supplementary information
Schedule of the City's proportionate share of the net pension/OPEB liability (asset)
Agent plans

PSPRS - Police - Pension	Reporting fiscal year (measurement date)							
	2022	2021	2020	2019	2018	2017	2016	2015
	(2021)	(2020)	(2019)	(2018)	(2017)	(2016)	(2015)	(2014)
Total pension liability								
Service cost	\$ 2,331,614	\$ 2,500,116	\$ 2,625,724	\$ 2,432,053	\$ 2,580,430	\$ 2,064,206	\$ 1,663,042	\$ 1,565,018
Interest on the total pension liability	6,036,548	5,548,786	4,977,350	4,564,294	4,152,228	3,530,011	2,833,422	2,300,961
Changes of benefit terms	—	—	—	—	431,035	4,507,117	—	241,790
Differences between expected and actual experience in the measurement of the pension liability	2,228,040	1,718,866	1,469,073	(615,366)	884,245	144,478	5,574,308	1,218,340
Changes of assumptions or other inputs	—	—	2,103,228	—	950,588	2,249,172	—	2,469,394
Benefit payments, including refunds of employee contributions	(3,323,784)	(2,511,403)	(2,089,561)	(2,328,125)	(2,887,339)	(1,829,352)	(965,851)	(1,157,301)
Net change in total pension liability	\$ 7,272,418	\$ 7,256,365	\$ 9,085,814	\$ 4,052,856	\$ 6,111,187	\$ 10,665,632	\$ 9,104,921	\$ 6,638,202
Total pension liability-beginning	82,022,723	74,766,358	65,680,544	61,627,688	55,516,501	44,850,869	35,745,948	29,107,746
Total pension liability-ending (a)	<u>\$89,295,141</u>	<u>\$82,022,723</u>	<u>\$74,766,358</u>	<u>\$65,680,544</u>	<u>\$61,627,688</u>	<u>\$55,516,501</u>	<u>\$44,850,869</u>	<u>\$35,745,948</u>
Plan fiduciary net position								
Contributions-employer	\$ 4,486,148	\$ 3,698,985	\$ 4,065,062	\$ 3,608,348	\$ 2,601,364	\$ 2,303,420	\$ 1,729,946	\$ 1,359,213
Contributions-employee	1,228,642	972,696	1,015,880	1,121,032	1,376,163	1,496,064	1,196,870	977,373
Net investment income	14,037,729	607,678	2,315,207	2,508,024	3,589,391	168,147	951,951	2,875,527
Benefit payments, including refunds of employee contributions	(3,323,784)	(2,511,403)	(2,089,561)	(2,328,125)	(2,887,339)	(1,829,352)	(965,851)	(1,157,301)
Pension plan administrative expense	(65,272)	(49,546)	(41,215)	(38,871)	(32,160)	(24,595)	(23,613)	—
Other changes	—	—	—	20,867	36,754	138,888	210,447	(462,996)
Net change in plan fiduciary net position	\$16,363,463	\$ 2,718,410	\$ 5,265,373	\$ 4,891,275	\$ 4,684,173	\$ 2,252,572	\$ 3,099,750	\$ 3,591,816
Plan fiduciary net position-beginning	47,648,979	44,930,566	39,693,746	34,802,471	30,118,298	27,865,726	24,765,976	21,174,160
Adjustment to Beginning of Year	—	3	(28,553)	—	—	—	—	—
Plan fiduciary net position-ending (b)	<u>\$64,012,442</u>	<u>\$47,648,979</u>	<u>\$44,930,566</u>	<u>\$39,693,746</u>	<u>\$34,802,471</u>	<u>\$30,118,298</u>	<u>\$27,865,726</u>	<u>\$24,765,976</u>
City's net pension (asset) liability-ending (a) - (b)	<u>\$25,282,699</u>	<u>\$34,373,744</u>	<u>\$29,835,792</u>	<u>\$25,986,798</u>	<u>\$26,825,217</u>	<u>\$25,398,203</u>	<u>\$16,985,143</u>	<u>\$10,979,972</u>
Plan fiduciary net position as a percentage of the total pension liability	71.69%	58.09%	60.09%	60.43%	56.47%	54.25%	62.13%	69.28%
Covered payroll	\$13,066,287	\$12,989,361	\$13,066,419	\$12,326,006	\$11,769,882	\$11,159,388	\$10,682,880	\$8,730,979
City's net pension (asset) liability as a percentage of covered payroll	193.50%	264.63%	228.34%	210.83%	227.91%	227.59%	158.99%	125.76%

Information not available for fiscal years 2012 through 2014

See accompanying notes to this schedule

Required supplementary information

Schedule of changes in the City's net pension/OPEB liability (asset) and related ratios

Agent plans

PSPRS - Police - OPEB	Reporting fiscal year (measurement date)				
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability					
Service cost	\$ 43,797	\$ 47,355	\$ 33,493	\$ 34,574	\$ 37,056
Interest on the total pension liability	82,702	83,812	88,366	87,925	94,154
Changes of benefit terms	—	—	—	—	6,912
Differences between expected and actual experience of the total OPEB liability	(146,929)	(97,685)	(194,295)	(105,683)	(68,029)
Changes of assumptions or other inputs	—	—	24,230	—	(107,363)
Benefit payments, including refunds of employee contributions	(31,522)	(27,706)	(26,693)	(27,446)	(29,932)
Net change in total pension liability	\$ (51,952)	\$ 5,776	\$ (74,899)	\$ (10,630)	\$ (67,202)
Total OPEB liability-beginning	1,104,863	1,099,087	1,173,986	1,184,616	1,251,818
Total OPEB liability-ending (a)	<u>\$ 1,052,911</u>	<u>\$ 1,104,863</u>	<u>\$ 1,099,087</u>	<u>\$ 1,173,986</u>	<u>\$ 1,184,616</u>
Plan fiduciary net position					
Contributions-employer	\$ 33,459	\$ 34,570	\$ 42,535	\$ 26,730	\$ 55,927
Contributions-employee	—	—	—	—	—
Net investment income	342,648	15,453	61,524	73,735	110,362
Benefit payments, including refunds of employee contributions	(31,522)	(27,706)	(26,693)	(27,446)	(29,932)
OPEB plan administrative expense	(1,409)	(1,257)	(1,062)	(1,122)	(976)
Other changes	—	—	—	1	—
Net change in plan fiduciary net position	\$ 343,176	\$ 21,060	\$ 76,304	\$ 71,898	\$ 135,381
Plan fiduciary net position-beginning	1,255,795	1,234,735	1,129,879	1,057,981	922,600
Adjustment to beginning of year	—	—	28,552	—	—
Plan fiduciary net position-ending (b)	<u>\$ 1,598,971</u>	<u>\$ 1,255,795</u>	<u>\$ 1,234,735</u>	<u>\$ 1,129,879</u>	<u>\$ 1,057,981</u>
City's net OPEB (asset) liability-ending (a) - (b)	<u>\$ (546,060)</u>	<u>\$ (150,932)</u>	<u>\$ (135,648)</u>	<u>\$ 44,107</u>	<u>\$ 126,635</u>
Plan fiduciary net position as a percentage of the total OPEB liability	151.86%	113.66%	112.34%	96.24%	89.31%
Covered payroll	\$13,066,287	\$12,989,361	\$13,066,419	\$12,326,006	\$11,769,882
City's net OPEB (asset) liability as a percentage of covered payroll	-4.18%	-1.16%	-1.04%	0.36%	1.08%

Information not available for fiscal years 2012 through 2017

See accompanying notes to this schedule

Required supplementary information

Schedule of changes in the City's net pension/OPEB liability (asset) and related ratios

Agent plans

PSPRS - Fire - Pension	Reporting fiscal year (measurement date)							
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Total pension liability								
Service cost	\$ 2,605,918	\$ 2,585,747	\$ 2,703,787	\$ 2,629,254	\$ 2,540,844	\$ 1,944,045	\$ 1,709,096	\$ 1,635,304
Interest on the total pension liability	5,389,067	4,775,536	4,299,178	3,959,756	3,537,634	2,858,919	2,480,922	2,170,938
Changes of benefit terms	—	—	—	—	324,839	4,813,386	—	25,204
Differences between expected and actual experience in the measurement of the pension liability	2,288,365	2,107,451	223,172	(2,685,396)	721,498	(428,646)	991,201	122,957
Changes of assumptions or other inputs	—	—	1,224,623	—	36,178	2,042,866	—	1,068,570
Benefit payments, including refunds of employee contributions	(905,343)	(1,263,395)	(759,444)	(652,543)	(1,074,336)	(485,385)	(481,494)	(1,740,565)
Net change in total pension liability	\$ 9,378,007	\$ 8,205,339	\$ 7,691,316	\$ 3,251,071	\$ 6,086,657	\$10,745,185	\$ 4,699,725	\$ 3,282,408
Total pension liability-beginning	71,669,589	63,464,250	55,772,934	52,521,863	46,435,206	35,690,021	30,990,296	27,707,888
Total pension liability-ending (a)	<u>\$81,047,596</u>	<u>\$71,669,589</u>	<u>\$63,464,250</u>	<u>\$55,772,934</u>	<u>\$52,521,863</u>	<u>\$46,435,206</u>	<u>\$35,690,021</u>	<u>\$30,990,296</u>
Plan fiduciary net position								
Contributions-employer	\$ 4,411,913	\$ 2,592,924	\$ 3,232,317	\$ 3,149,148	\$ 1,828,952	\$ 1,773,960	\$ 1,394,750	\$ 1,298,311
Contributions-employee	1,194,804	1,086,498	955,090	1,036,287	1,340,153	1,188,041	1,085,819	916,860
Net investment income	15,348,395	662,772	2,477,023	2,659,343	3,742,608	170,022	956,696	2,973,644
Benefit payments, including refunds of employee contributions	(905,343)	(1,263,395)	(759,444)	(652,543)	(1,074,336)	(485,385)	(481,494)	(1,740,565)
Pension plan administrative expense	(71,250)	(54,041)	(44,033)	(41,175)	(33,516)	(24,864)	(23,732)	—
Other changes	62,571	—	—	147,401	141,131	30,036	23,521	(491,977)
Net change in plan fiduciary net position	\$20,041,090	\$ 3,024,758	\$ 5,860,953	\$ 6,298,461	\$ 5,944,992	\$ 2,651,810	\$ 2,955,560	\$ 2,956,273
Plan fiduciary net position-beginning	51,950,043	48,925,283	43,082,800	36,784,339	30,839,347	28,187,537	25,231,977	22,275,704
Adjustment to Beginning of Year	—	2	(18,470)	—	—	—	—	—
Plan fiduciary net position-ending (b)	<u>\$71,991,133</u>	<u>\$51,950,043</u>	<u>\$48,925,283</u>	<u>\$43,082,800</u>	<u>\$36,784,339</u>	<u>\$30,839,347</u>	<u>\$28,187,537</u>	<u>\$25,231,977</u>
City's net pension (asset) liability-ending (a) - (b)	<u>\$ 9,056,463</u>	<u>\$19,719,546</u>	<u>\$14,538,967</u>	<u>\$12,690,134</u>	<u>\$15,737,524</u>	<u>\$15,595,859</u>	<u>\$ 7,502,484</u>	<u>\$ 5,758,319</u>
Plan fiduciary net position as a percentage of the total pension liability	88.83%	72.49%	77.09%	77.25%	70.04%	66.41%	78.98%	81.42%
Covered payroll	\$13,277,038	\$11,738,436	\$11,767,811	\$11,534,304	\$11,296,060	\$10,648,460	\$ 9,802,389	\$ 8,942,409
City's net pension (asset) liability as a percentage of covered payroll	68.21%	167.99%	123.55%	110.02%	139.32%	146.46%	76.54%	64.39%

Information not available for fiscal years 2012 through 2014

See accompanying notes to this schedule

Required supplementary information
Schedule of changes in the City's net pension/OPEB liability (asset) and related ratios
Agent plans

PSPRS - Fire - OPEB	Reporting fiscal year (measurement date)				
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability					
Service cost	\$ 42,778	\$ 42,441	\$ 28,223	\$ 28,223	\$ 28,898
Interest on the total pension liability	79,625	72,508	78,968	72,743	78,136
Changes of benefit terms	—	—	—	—	8
Differences between expected and actual experience of the total OPEB liability	(57,371)	11,259	(206,517)	(17,297)	(28,004)
Changes of assumptions or other inputs	—	—	12,836	—	(124,948)
Benefit payments, including refunds of employee contributions	(15,780)	(15,486)	(14,571)	(12,727)	(12,382)
Net change in total pension liability	\$ 49,252	\$ 110,722	\$ (101,061)	\$ 70,942	\$ (58,292)
Total OPEB liability-beginning	1,055,865	945,143	1,046,204	975,262	1,033,554
Total OPEB liability-ending (a)	<u>\$ 1,105,117</u>	<u>\$ 1,055,865</u>	<u>\$ 945,143</u>	<u>\$ 1,046,204</u>	<u>\$ 975,262</u>
Plan fiduciary net position					
Contributions-employer	\$ 37,731	\$ 35,723	\$ 34,300	\$ 29,385	\$ 40,649
Contributions-employee	—	—	—	—	—
Net investment income	283,657	12,652	50,072	58,948	86,787
Benefit payments, including refunds of employee contributions	(15,780)	(15,486)	(14,571)	(12,727)	(12,382)
OPEB plan administrative expense	(1,166)	(1,029)	(864)	(897)	(769)
Other changes	—	—	—	1	—
Net change in plan fiduciary net position	\$ 304,442	\$ 31,860	\$ 68,937	\$ 74,710	\$ 114,285
Plan fiduciary net position-beginning	1,034,541	1,002,681	915,274	840,564	726,279
Adjust to Beginning of Year	—	—	18,470	—	—
Plan fiduciary net position-ending (b)	<u>\$ 1,338,983</u>	<u>\$ 1,034,541</u>	<u>\$ 1,002,681</u>	<u>\$ 915,274</u>	<u>\$ 840,564</u>
City's net OPEB (asset) liability-ending (a) - (b)	<u>\$ (233,866)</u>	<u>\$ 21,324</u>	<u>\$ (57,538)</u>	<u>\$ 130,930</u>	<u>\$ 134,698</u>
Plan fiduciary net position as a percentage of the total OPEB liability	121.16%	97.98%	106.09%	87.49%	86.19%
Covered payroll	\$13,277,038	\$11,738,436	\$11,767,811	\$11,534,304	\$11,296,060
City's net OPEB (asset) liability as a percentage of covered payroll	-1.76%	0.18%	-0.49%	1.14%	1.19%

Information for fiscal years 2012 through 2017 is not available.

See accompanying notes to this schedule



SURPRISE

ARIZONA

Required supplementary information
Schedule of City pension/OPEB contributions

**Arizona State Retirement System -
Pension**

	Reporting fiscal year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$5,478,357	\$4,940,338	\$4,678,053	\$4,349,366	\$4,084,163	\$3,773,263	\$3,569,994	\$3,259,073	\$2,801,701
City's contributions in relation to the statutorily required contribution	5,478,357	4,940,338	4,678,053	4,349,366	4,084,163	3,773,263	3,569,994	3,259,073	2,801,701
City's contribution deficiency	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$45,673,733	\$42,528,059	\$42,439,245	\$38,971,217	\$37,581,388	\$35,238,842	\$32,932,534	\$30,121,665	\$26,536,195
City's contributions as a percentage of covered payroll	11.99%	11.62%	11.02%	11.16%	10.87%	10.71%	10.84%	10.82%	10.56%

Information for fiscal years 2012 through 2013 is not available.

**Arizona State Retirement System - Health insurance premium
benefit**

	Reporting fiscal year					
	2022	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 97,559	\$ 172,796	\$ 191,599	\$ 178,575	\$ 164,581	\$ 196,952
City's contributions in relation to the statutorily required contribution	97,559	172,796	191,599	178,575	164,581	196,952
City's contribution deficiency	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$45,673,733	\$42,528,059	\$42,439,245	\$38,971,217	\$37,581,388	\$35,238,842
City's contributions as a percentage of covered payroll	0.21%	0.41%	0.45%	0.46%	0.44%	0.56%

Information for fiscal years 2012 through 2016 is not available.

Arizona State Retirement System - Long-term disability

	Reporting fiscal year					
	2022	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 86,437	\$ 76,187	\$ 69,064	\$ 62,149	\$ 61,374	\$ 49,278
City's contributions in relation to the statutorily required contribution	86,437	76,187	69,064	62,149	61,374	49,278
City's contribution deficiency	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 45,673,733	\$ 42,528,059	\$ 42,439,245	\$ 38,971,217	\$ 37,581,388	\$ 35,238,842
City's contributions as a percentage of covered payroll	0.19%	0.18%	0.16%	0.16%	0.16%	0.14%

Reporting fiscal years 2016 through 2012 information not available.

See accompanying notes to this schedule

Required supplementary information
Schedule of City pension/OPEB contributions

Elected Official Retirement Plan - Pension

	Reporting fiscal year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 120,671	\$ 115,754	\$ 117,327	\$ 101,371	\$ 66,206	\$ 34,133	\$ 36,535	\$ 35,199	\$ 47,836
City's contributions in relation to the statutorily required contribution	120,671	115,754	117,327	101,371	66,206	34,133	36,535	35,199	47,836
City's contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 376,872	\$ 205,523	\$ 206,644	\$ 176,123	\$ 150,767	\$ 154,566	\$ 155,470	\$ 155,470	\$ 154,983
City's contributions as a percentage of covered payroll	32.02%	56.32%	56.78%	57.56%	43.91%	22.08%	23.50%	22.64%	30.87%

Information for fiscal years 2012 through 2013 is not available.

The City was not required to and did not contribute to the EORP health insurance premium benefit plan for fiscal years 2022, 2021, 2020, 2019, 2018, or 2017. Information for fiscal years 2016 through 2012 is not available.

PSPRS - Police - Pension

	Reporting fiscal year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$4,670,817	\$4,094,704	\$3,850,896	\$3,977,387	\$5,056,552	\$2,598,440	\$2,301,028	\$1,753,988	\$1,359,213
City's contributions in relation to the actuarially determined contribution	4,670,817	4,094,704	3,850,896	3,977,387	5,056,552	2,598,440	2,301,028	1,753,988	1,359,213
City's contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$13,046,658	\$13,066,287	\$12,989,361	\$13,066,419	\$12,326,006	\$11,769,882	\$11,159,388	\$10,682,880	\$8,730,979
City's contributions as a percentage of covered payroll	35.80 %	31.34 %	29.65 %	30.44 %	41.02 %	22.08 %	20.62 %	16.42 %	15.57 %

Information for fiscal years 2012 through 2013 is not available.

PSPRS - Police - OPEB

	Reporting fiscal year					
	2022	2021	2020	2019	2018	2017
Statutorily required contribution	\$ 41,394	\$ 40,791	\$ 37,796	\$ 44,365	\$ 79,382	\$ 58,849
City's contributions in relation to the actuarially determined contribution	41,394	40,791	37,796	44,365	79,382	58,849
City's contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$13,046,658	\$13,066,287	\$12,989,361	\$13,066,419	\$12,326,006	\$11,769,882
City's contributions as a percentage of covered payroll	0.32%	0.31%	0.29%	0.34%	0.64%	0.50%

Information for fiscal years 2012 through 2016 is not available.

See accompanying notes to this schedule

Required supplementary information
Schedule of City pension/OPEB contributions

PSPRS - Fire - Pension

	Reporting fiscal year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$4,637,873	\$3,569,521	\$3,060,602	\$2,977,137	\$4,499,428	\$1,832,987	\$1,716,087	\$1,417,546	\$1,298,311
City's contributions in relation to the actuarially determined contribution	4,637,873	3,569,521	3,060,602	2,977,137	4,499,428	1,832,987	1,716,087	1,417,546	1,298,311
City's contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$15,441,184	\$13,277,038	\$11,738,436	\$11,767,811	\$11,534,304	\$11,296,060	\$10,648,460	\$9,802,389	\$8,492,409
City's contributions as a percentage of covered payroll	30.04%	26.88%	26.07%	25.30%	39.01%	16.23%	16.12%	14.46%	15.29%

Information for fiscal years 2012 through 2013 is not available.

PSPRS - Fire - OPEB

	Reporting fiscal year					
	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 46,383	\$ 40,124	\$ 36,517	\$ 35,366	\$ 77,072	\$ 40,740
City's contributions in relation to the actuarially determined contribution	46,383	40,124	36,517	35,366	77,072	40,740
City's contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll	\$ 15,441,184	\$ 13,277,038	\$ 11,738,436	\$ 11,767,811	\$ 11,534,304	\$ 11,296,060
City's contributions as a percentage of covered payroll	0.30%	0.30%	0.31%	0.30%	0.67%	0.36%

Information for fiscal years 2012 through 2016 is not available.

See accompanying notes to this schedule

Required supplementary information

Notes to Pension/OPEB Schedules

Note 1 – Actuarially determined contribution rates

Actuarially determined contribution rates are calculated as of June 30 each year for ASRS which is 12 months prior to the beginning of the fiscal year in which contributions are reported. Actuarial determined contribution rates for PSPRS are calculated as of June 30, two years prior to the beginning of the fiscal year in which contributions are reported. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, Closed
Remaining amortization period as of the 2017 actuarial valuation	20 years; if the actuarial value of assets exceeded the actuarial accrued liability, the excess was amortized over an open period of 20 years and applied as a credit to reduce normal cost which otherwise would be payable.
Asset valuation method	7-year smoothed market value; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%–8.0% to 3.5%–7.5% for PSPRS. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5%–8.5% to 4.0%–8.0% for PSPRS. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%–9.0% to 4.5%–8.5% for PSPRS.
Wage growth	In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5%.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	In the 2019 actuarial valuation, changed to PubS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).

Note 2 – Factors that affect trends

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS and EORP changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS and EORP also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes increased the PSPRS required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. EORP-required contributions are not based on actuarial valuations, and therefore, these changes did not affect them. Also, the City refunded excess employee contributions to PSPRS and EORP members. PSPRS and EORP provided the City the option to reduce its actual employer contributions for the refunded amounts; however, the City elected not to reduce its actual employer contributions for the refunded amounts.

The fiscal year 2020 (measurement date 2019) pension liabilities for EORP reflects the replacement of the permanent benefit increase (PBI) for retirees based on investment returns with a cost of living adjustment based on inflation. Also, the EORP liability and required pension contributions for fiscal year 2020 reflect a statutory change that requires the employer contribution rate to be actuarially determined. This change increased the discount rate used to calculate the liability thereby reducing the total pension liability.

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

General Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 69,499,600	\$ 69,499,600	\$ 85,463,638	\$ 15,964,038
Licenses and permits	6,464,300	6,464,300	6,314,397	(149,903)
Intergovernmental revenues	42,618,100	43,168,100	46,912,312	3,744,212
Charges for services	11,365,400	11,365,400	28,805,039	17,439,639
Grants revenue	—	—	10,027,733	10,027,733
Fines	1,170,600	1,170,600	998,737	(171,863)
Rents	299,900	336,000	638,891	302,891
Interest revenue	478,500	478,500	(1,393,544)	(1,872,044)
Donations	142,500	142,500	85,090	(57,410)
Indirect charges	6,254,700	6,254,700	6,254,474	(226)
Other revenue	367,400	367,400	556,047	188,647
Total revenues	138,661,000	139,247,100	184,662,814	45,415,714
EXPENDITURES				
Current:				
General government:				
City council	703,800	703,800	549,250	154,550
City manager	3,556,000	3,556,000	3,559,449	(3,449)
City attorney	2,580,700	2,580,700	2,462,830	117,870
City clerk	912,500	916,300	911,336	4,964
Finance	5,398,900	5,223,900	4,045,210	1,178,690
Human resources	3,009,200	3,009,200	2,633,957	375,243
Information technology	6,719,300	6,721,700	6,373,444	348,256
General operations	4,327,600	4,327,600	1,824,179	2,503,421
Total general government	27,208,000	27,039,200	22,359,655	4,679,545
Public safety:				
Police	34,426,900	35,590,400	34,978,854	611,546
Fire-medical	26,475,800	28,950,800	31,685,965	(2,735,165)
Court	2,781,200	2,781,200	2,642,468	138,732
Total public safety	63,683,900	67,322,400	69,307,287	(1,984,887)
Community development:				
Economic development	11,114,000	11,166,400	8,750,576	2,415,824
Community development	6,267,800	6,235,300	5,572,591	662,709
Total community development	17,381,800	17,401,700	14,323,167	3,078,533

Culture and recreation:				
Human services and community vitality	2,690,900	2,676,500	2,220,917	455,583
Parks and recreation	13,489,700	13,776,300	13,633,347	142,953
Sports and tourism	193,800	193,800	7,120	186,680
Total culture and recreation	<u>16,374,400</u>	<u>16,646,600</u>	<u>15,861,384</u>	<u>785,216</u>
Public works and streets:				
Public works and streets	9,648,800	9,931,300	9,703,931	227,369
Total public works and streets	<u>9,648,800</u>	<u>9,931,300</u>	<u>9,703,931</u>	<u>227,369</u>
Contingency	4,283,600	4,063,100	—	4,063,100
Total contingency	<u>4,283,600</u>	<u>4,063,100</u>	<u>—</u>	<u>4,063,100</u>
Total current	<u>138,580,500</u>	<u>142,404,300</u>	<u>131,555,424</u>	<u>10,848,876</u>
Debt service:				
Principal retirement	—	—	30,753	(30,753)
Interest	—	—	5,618	(5,618)
Total debt service	<u>—</u>	<u>—</u>	<u>36,371</u>	<u>(36,371)</u>
Capital outlay	<u>212,000</u>	<u>240,200</u>	<u>1,285,251</u>	<u>(1,045,051)</u>
Total expenditures	<u>138,792,500</u>	<u>142,644,500</u>	<u>132,877,046</u>	<u>9,767,454</u>
Excess (deficiency) of revenues over expenditures	<u>(131,500)</u>	<u>(3,397,400)</u>	<u>51,785,768</u>	<u>55,183,168</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	77,100	77,100	166,226	89,126
Transfers in	2,057,700	2,067,000	1,643,618	(423,382)
Transfers out	(18,683,600)	(19,058,600)	(45,794,128)	(26,735,528)
Lease agreements	—	—	500,914	500,914
Total other financing sources (uses)	<u>(16,548,800)</u>	<u>(16,914,500)</u>	<u>(43,483,370)</u>	<u>(26,568,870)</u>
Net change in fund balances	<u>\$ (16,680,300)</u>	<u>\$ (20,311,900)</u>	<u>\$ 8,302,398</u>	<u>\$ 28,614,298</u>

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

General Government Development Fee Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Development fees	\$ 721,900	\$ 721,900	\$ 954,957	\$ 233,057
Interest revenue	11,900	11,900	—	(11,900)
Total revenues	733,800	733,800	954,957	221,157
EXPENDITURES				
Current:				
Contingency	360,600	360,600	—	360,600
Total current	360,600	360,600	—	360,600
Total expenditures	360,600	360,600	—	360,600
Excess (deficiency) of revenues over expenditures	373,200	373,200	954,957	581,757
OTHER FINANCING SOURCES (USES)				
Transfers out	(367,300)	(367,300)	(366,633)	667
Total other financing sources (uses)	(367,300)	(367,300)	(366,633)	667
Net change in fund balances	\$ 5,900	\$ 5,900	\$ 588,324	\$ 582,424

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Highway User Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental revenues	\$ 9,411,100	\$ 9,411,100	\$ 10,538,762	\$ 1,127,662
Charges for services	8,100	8,100	7,500	(600)
Interest revenue	—	—	(47,152)	(47,152)
Grants revenue	—	—	461,310	461,310
Other revenue	1,500	1,500	1,059	(441)
Total revenues	9,420,700	9,420,700	10,961,479	1,540,779
EXPENDITURES				
Current:				
General government	153,900	153,900	142,912	10,988
Public works and streets	9,824,100	9,172,300	8,639,671	532,629
Contingency	—	1,131,600	—	1,131,600
Total current	9,978,000	10,457,800	8,782,583	1,675,217
Debt service:				
Principal retirement	—	—	2,814	(2,814)
Interest	—	—	83	(83)
Total debt service	—	—	2,897	(2,897)
Capital outlay	2,639,200	2,159,400	1,260,853	898,547
Total expenditures	12,617,200	12,617,200	10,046,333	2,570,867
Excess (deficiency) of revenues over expenditures	(3,196,500)	(3,196,500)	915,146	4,111,646
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	—	—	69,000	69,000
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Lease agreements	—	—	—	—
Total other financing sources (uses)	—	—	69,000	69,000
Net change in fund balances	\$ (3,196,500)	\$ (3,196,500)	\$ 984,146	\$ 4,180,646

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Transportation Improvement Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 9,835,100	\$ 9,835,100	\$ 10,878,289	\$ 1,043,189
Interest revenue	114,700	114,700	(173,473)	(288,173)
Other revenue	—	—	659,179	659,179
Total revenues	9,949,800	9,949,800	11,363,995	1,414,195
EXPENDITURES				
Current:				
Public works and streets	4,971,500	3,126,300	2,933,348	192,952
Contingency	2,467,900	5,143,400	—	5,143,400
Total current	7,439,400	8,269,700	2,933,348	5,336,352
Capital outlay	9,146,400	8,516,100	3,476,923	5,039,177
Total expenditures	16,585,800	16,785,800	6,410,271	10,375,529
Excess (deficiency) of revenues over expenditures	(6,636,000)	(6,836,000)	4,953,724	11,789,724
OTHER FINANCING SOURCES (USES)				
Transfers in	—	—	200,000	200,000
Transfers out	(90,300)	(90,300)	(56,900)	33,400
Total other financing sources (uses)	(90,300)	(90,300)	143,100	233,400
Net change in fund balances	\$ (6,726,300)	\$ (6,926,300)	\$ 5,096,824	\$ 12,023,124

Note to Required Supplementary Information

Note 1 – BUDGETARY BASIS OF ACCOUNTING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds with the following exceptions: (1) Capital Projects, the Grants, and Neighborhood Revitalization Funds adopt project-length budgets which normally extend beyond the fiscal year (2) Compensated absences are expended when paid, (3) Capital outlays within the enterprise funds are expended on a budget basis, (4) Bad debt expense represents revenue the City won't receive, rather than an actual cash outlay, and (5) Prepaid items, leases, and inventory are expended when paid not when the goods or services are received or used.

Prior to the third Monday in July, the City Manager submits to the City Council, and Council adopts a tentative budget for the fiscal year commencing on July 1. The tentative budget includes a schedule of the estimated expenditures and revenues. The proposed budget sets the maximum limit. The tentative budget is then published once a week for two consecutive weeks in a local newspaper. Finally, the City holds a public hearing on the budget and convenes a special meeting to adopt the final proposed budget on or before the 14th day before the tax levy is adopted.

The annual budget is adopted by resolution and serves as the foundation for the City of Surprise's financial planning and control. It has been programmed to allow as much flexibility as possible while still establishing useful guidelines. The maximum legal expenditure permitted for the fiscal year is the total budget as adopted. The City budget is adopted by department within each fund and by project in the capital funds. In addition, the full-time equivalent (FTE) position count is adopted by department within each fund. Changes to the adopted budget must be made in accordance with the City's Budget Amendment Policy. This policy specifies the approval levels required for various types of budget amendments. During the fiscal year, amendment requests are submitted to the Finance Department for preparation and processing. Changes can be made pursuant to the policy only if funds are unencumbered and available.



SURPRISE

ARIZONA



**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**



SURPRISE

ARIZONA

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and changes in Fund Balances - Budget to Actual

General Capital Projects Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 14,424,800	\$ 14,424,800	\$ 15,954,824	\$ 1,530,024
Licenses and permits	—	—	640,001	640,001
Charges for services	—	—	20,638	20,638
Interest revenue	325,100	325,100	(577,634)	(902,734)
Other revenue	—	—	—	—
Total revenues	14,749,900	14,749,900	16,037,829	1,287,929
EXPENDITURES				
Current:				
General government:				
City manager	120,800	107,800	58,684	49,116
Information technology	44,000	14,900	3,637	11,263
General operations	76,200	76,200	44,422	31,778
Public safety:				
Police	272,400	173,400	140,094	33,306
Fire-Medical	183,500	55,500	3,000	52,500
Public works and streets	208,200	126,500	48,916	77,584
Community development:				
Economic development	150,000	150,000	89,355	60,645
Community development	—	—	9,361	(9,361)
Culture and recreation:				
Human services and community vitality	42,700	36,700	29,120	7,580
Parks and recreation	2,361,800	2,082,600	1,297,056	785,544
Sports and tourism	2,302,500	1,919,300	1,480,734	438,566
Contingency	5,000,000	13,262,100	—	13,262,100
Total current	10,762,100	18,005,000	3,204,379	14,800,621
Capital outlay	45,456,200	46,813,300	17,417,019	29,396,281
Total expenditures	56,218,300	64,818,300	20,621,398	44,196,902
Excess (deficiency) of revenues over expenditures	(41,468,400)	(50,068,400)	(4,583,569)	45,484,831
OTHER FINANCING SOURCES (USES)				
Transfers in	13,445,800	13,445,800	39,445,800	26,000,000
Transfers out	(108,300)	(108,300)	(69,400)	38,900
Total other financing sources (uses)	13,337,500	13,337,500	39,376,400	26,038,900
Net change in fund balances	\$ (28,130,900)	\$ (36,730,900)	\$ 34,792,831	\$ 71,523,731



SURPRISE

ARIZONA

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and changes in Fund Balances - Budget to Actual

Debt Service Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 5,097,800	\$ 5,097,800	\$ 5,089,127	\$ (8,673)
Interest revenue	—	—	(86,403)	(86,403)
Total revenues	<u>5,097,800</u>	<u>5,097,800</u>	<u>5,002,724</u>	<u>(95,076)</u>
EXPENDITURES				
Debt service:				
Administrative charges	8,000	8,000	2,404	5,596
Principal retirement	6,077,300	6,077,300	6,077,275	25
Interest	<u>2,450,800</u>	<u>2,450,800</u>	<u>2,450,792</u>	<u>8</u>
Total debt service	<u>8,536,100</u>	<u>8,536,100</u>	<u>8,530,471</u>	<u>5,629</u>
Total expenditures	<u>8,536,100</u>	<u>8,536,100</u>	<u>8,530,471</u>	<u>5,629</u>
Excess (deficiency) of revenues over expenditures	<u>(3,438,300)</u>	<u>(3,438,300)</u>	<u>(3,527,747)</u>	<u>(89,447)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>3,438,900</u>	<u>3,438,900</u>	<u>3,433,861</u>	<u>(5,039)</u>
Total other financing sources (uses)	<u>3,438,900</u>	<u>3,438,900</u>	<u>3,433,861</u>	<u>(5,039)</u>
Net change in fund balances	<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ (93,886)</u>	<u>\$ (94,486)</u>

NON MAJOR GOVERNMENTAL FUND DESCRIPTIONS

- ❖ Special Revenue Funds – These funds account for specific non-capital revenues that are restricted in their allowable use.
 - *Grants Fund* - this fund has been established to account for revenues and expenditures from the various grants received by the City.
 - *LTAF II/ALF Fund* - This fund has been established to account for revenues and expenditures received by the City from the state of Arizona. These funds are a portion of lottery money collected and can be used to fund transit operations, facilities, and equipment purchases.
 - *Municipal Court Enhancement Fund* - Established in FY2003, this fund tracks revenue associated with fines dedicated to Municipal Court technology improvements. City policy restricts the use of these funds.
 - *Municipal Court FARE fund* - This fund is used to discretely track funds received by the City that are restricted to use on projects which enhance the fine collections process. FARE - Fare/fees and restitution enforcement.
 - *Municipal Court JCEF Fund* - This fund is used to discretely track funds received by the City that are restricted to use on technology improvements in the Municipal Court. JCEF - Judicial court enhancement fund.
 - *Municipal Court MFTG Fund* - This fund is used to discretely track funds received by the City that are restricted to use on projects which aid in the processing of criminal cases. MFTG - Municipal fill the gap.
 - *Neighborhood Revitalization Fund* - This fund is used to track all revenues and expenditures associated with the City's neighborhood revitalization program. This program is funded through a combination of federal, state and local funds. City policy, grant agreements, and contractual obligations restrict the use of these funds.
 - *Net Premium Seating Fund* - This fund was established to account for the revenues and expenditures for a ticket surcharge on the sale of spring training tickets for premium seats.
 - *Proposition 400 Fund* - This fund is used to track all revenues and expenditures for the county-wide half-cent sales tax to be used for regional transportation improvements.
 - *SB1398 Fines Fund* - This fund was established to account for funds the City receives from the state of Arizona for penalties charged on certain violations. These revenues are limited to the purchase of officer safety equipment.
 - *SPD DEA Fund* - This fund is used to discretely track funds received from the participation on DEA task forces in the Greater Phoenix area. The use of these funds is limited to approval by the disbursing program manager and is generally related to purchase and maintenance of department equipment not included in the general budget. SPD - Surprise Police Department. DEA - Drug Enforcement Activity.
 - *SPD RICO Fund* - This fund is used to discretely track funds received from participation in the Maricopa County Attorney's Office Anti-Racketeering Influenced and Corrupt Organizations (RICO) task force.
 - *SPD Towing Fund* - This fund is used to track activity in the Police Department for vehicle impounds. The use of these funds is limited to administrative management of the vehicle impound program.
 - *Sports & Tourism Fund* - This fund is used to track all revenues and expenditures from a \$1 per ticket surcharge on the sale of spring training tickets. These revenues are limited to operational improvements to stadium facilities.

NON MAJOR GOVERNMENTAL FUND DESCRIPTIONS (continued)

- *Smart & Safe Police Fund* - This fund is used to track Police revenues and expenditures related to Prop 207.
- *Smart & Safe Fire-Medical Fund* - This fund is used to track Fire revenues and expenditures related to Prop 207.
- *Tourism Fund* - This fund is used to track all revenues and expenditures associated with the City's 2.52% bed tax. The funds are used to support tourism within the City. City policy and state statute restrict the use of these funds.
- *163rd Avenue Roadway Development Impact Fee Fund* - This fund was established to account for development impact fees which are assessed to the service area identified as the 163rd Avenue Roadway.
- *Fire Development Fee Fund* - This fund was established to account for the inflow of Fire and EMS development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing and furnishing of new capital or one- time items directly related to the increased demand on Fire and EMS services caused by growth.
- *Parks and Recreation Development Fee Fund* - This fund was established to account for the inflow of parks and recreation development fees levied on new residential construction. This fee can only be used for the purchase, construction, financing and furnishing of new items directly related to the increased demand on parks and recreation services caused by growth.
- *Police Development Fee Fund* - This fund was established to account for the inflow of police development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction financing and furnishing of new capital or one-time items directly related to the increased demand of police services caused by growth.
- *Street Lighting District Fund* – 142 Street Light Improvement Districts (SLIDs) have been established by ordinance to provide a centralized location for the collection of taxes from properties located in the district. These proceeds are legally restricted to the payment of expenses to operate the street lights within the district.
- *Marley Park Community Facility District Fund* – This fund was established to provide a location to process operating expenditures and for the collection of the related portion of the property taxes from properties located in the district. These proceeds are legally restricted to the payment of operations expenses and debt service within the district.

City of Surprise, Arizona
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	Grants Fund	LTAF II/ALF Fund	Municipal Court Enhancement Fund	Municipal Court FARE Fund	Municipal Court JCEF Fund
ASSETS					
Cash and investments	\$ 34	\$ 1,203	\$ 312,124	\$ 20,107	\$ 94,975
Restricted cash and investments	—	—	—	—	—
Receivables (net of allowances):					
Taxes and franchise fees	—	—	—	—	—
Grants	321,162	—	—	—	—
Leases	—	—	—	—	—
Other	—	—	—	—	—
Prepaid items and other assets	2,834	—	—	—	—
Inventory	—	—	—	—	—
Total assets	<u>\$ 324,030</u>	<u>\$ 1,203</u>	<u>\$ 312,124</u>	<u>\$ 20,107</u>	<u>\$ 94,975</u>
LIABILITIES					
Accounts payable	\$ 2,858	\$ —	\$ —	\$ —	\$ —
Accrued payroll and related taxes	—	—	—	—	—
Due to other fund	330,307	—	—	—	—
Deposits	—	—	—	—	—
Unearned revenue	5,758	—	—	—	—
Contracts payable	—	—	—	—	—
Matured bond interest payable	—	—	—	—	—
Matured bonds payable	—	—	—	—	—
Total liabilities	<u>338,923</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows - unavailable revenue	13,468	—	—	—	—
Deferred Inflows - leases	—	—	—	—	—
Total deferred inflow of resources	<u>13,468</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total liabilities and deferred inflows of resources	<u>352,391</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
FUND BALANCES (DEFICITS)					
Nonspendable	2,834	—	—	—	—
Restricted	—	1,203	312,124	20,107	94,975
Committed	—	—	—	—	—
Unassigned	(31,195)	—	—	—	—
Total fund balances (deficits)	<u>(28,361)</u>	<u>1,203</u>	<u>312,124</u>	<u>20,107</u>	<u>94,975</u>
Total liabilities and fund balances (deficits)	<u>\$ 324,030</u>	<u>\$ 1,203</u>	<u>\$ 312,124</u>	<u>\$ 20,107</u>	<u>\$ 94,975</u>

Municipal Court MFTG Fund	Neighborhood Revitalization Fund	Net Premium Seating Fund	Proposition 400 Fund	SB1398 Fines Fund	SPD DEA Fund	SPD RICO Fund
\$ 47,368	\$ —	\$ 167,896	\$ 392	\$ 41,369	\$ —	\$ —
—	201,099	—	—	—	16,922	1,258,677
—	—	—	—	—	—	—
—	216,926	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
<u>\$ 47,368</u>	<u>\$ 418,025</u>	<u>\$ 167,896</u>	<u>\$ 392</u>	<u>\$ 41,369</u>	<u>\$ 16,922</u>	<u>\$ 1,258,677</u>
\$ —	\$ 105,902	\$ 1,928	\$ —	\$ —	\$ —	\$ 7,560
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	377,657	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
<u>—</u>	<u>483,559</u>	<u>1,928</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,560</u>
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
<u>—</u>	<u>483,559</u>	<u>1,928</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,560</u>
—	—	—	—	—	—	—
47,368	—	—	392	41,369	16,922	1,251,117
—	—	165,968	—	—	—	—
—	(65,534)	—	—	—	—	—
<u>47,368</u>	<u>(65,534)</u>	<u>165,968</u>	<u>392</u>	<u>41,369</u>	<u>16,922</u>	<u>1,251,117</u>
<u>\$ 47,368</u>	<u>\$ 418,025</u>	<u>\$ 167,896</u>	<u>\$ 392</u>	<u>\$ 41,369</u>	<u>\$ 16,922</u>	<u>\$ 1,258,677</u>

(Continued)

City of Surprise, Arizona
Combining Balance Sheet
Nonmajor Special Revenue Funds (Continued)
June 30, 2022

	SPD Towing Fund	Sports & Tourism Fund	Smart & Safe Police Fund	Smart & Safe Fire-Medical Fund	Tourism Fund
ASSETS					
Cash and investments	\$ 48,919	\$ 784,565	\$ 407,587	\$ 397,011	\$ 1,378,490
Restricted cash and investments	—	—	—	—	—
Receivables (net of allowances):					
Taxes and franchise fees	—	—	—	—	—
Grants	—	—	—	—	—
Leases	—	2,271,455	—	—	—
Other	—	156,165	—	—	—
Prepaid items and other assets	—	—	—	—	—
Inventory	—	9,428	—	—	—
Total assets	<u>\$ 48,919</u>	<u>\$ 3,221,613</u>	<u>\$ 407,587</u>	<u>\$ 397,011</u>	<u>\$ 1,378,490</u>
LIABILITIES					
Accounts payable	\$ 4,893	\$ 182,135	\$ —	\$ —	\$ 17,612
Accrued payroll and related taxes	1,897	117,792	—	—	—
Due to other funds	—	—	—	—	—
Deposits	—	—	—	—	—
Unearned revenue	—	—	—	—	—
Contracts payable	—	—	—	—	—
Matured bond interest payable	—	—	—	—	—
Matured bonds payable	—	—	—	—	—
Total liabilities	<u>6,790</u>	<u>299,927</u>	<u>—</u>	<u>—</u>	<u>17,612</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows - unavailable revenue	—	—	—	—	—
Deferred Inflows - leases	—	2,220,100	—	—	—
Total deferred inflow of resources	<u>—</u>	<u>2,220,100</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total liabilities and deferred inflows of resources	<u>6,790</u>	<u>2,520,027</u>	<u>—</u>	<u>—</u>	<u>17,612</u>
FUND BALANCES (DEFICITS)					
Nonspendable	—	9,428	—	—	—
Restricted	42,129	692,158	407,587	397,011	—
Committed	—	—	—	—	1,360,878
Unassigned	—	—	—	—	—
Total fund balances (deficits)	<u>42,129</u>	<u>701,586</u>	<u>407,587</u>	<u>397,011</u>	<u>1,360,878</u>
Total liabilities and fund balances (deficits)	<u>\$ 48,919</u>	<u>\$ 3,221,613</u>	<u>\$ 407,587</u>	<u>\$ 397,011</u>	<u>\$ 1,378,490</u>

163rd Ave Development Fee Fund	Fire Development Fee Fund	Parks and Recreation Development Fee Fund	Police Development Fee Fund	Street Lighting Districts Fund	Marley Park Community Facility District Fund	Total Nonmajor Special Revenue Funds
\$ 114,317	\$ 11,227,005	\$ 8,098,333	\$ 5,255,856	\$ 749,782	\$ 174,797	\$ 29,322,130
—	—	—	—	—	1,454,624	2,931,322
—	—	—	—	33,443	23,016	56,459
—	—	—	—	—	—	538,088
—	—	—	—	—	—	2,271,455
—	—	—	—	—	32,250	188,415
—	—	—	—	—	—	2,834
—	—	—	—	—	—	9,428
<u>\$ 114,317</u>	<u>\$ 11,227,005</u>	<u>\$ 8,098,333</u>	<u>\$ 5,255,856</u>	<u>\$ 783,225</u>	<u>\$ 1,684,687</u>	<u>\$ 35,320,131</u>
\$ —	\$ —	\$ 150,620	\$ 9,824	\$ 199,522	\$ 156,527	\$ 839,381
—	—	—	—	—	—	119,689
—	—	—	—	—	—	330,307
—	—	—	—	462	—	462
—	—	—	—	—	—	383,415
—	—	52,753	—	—	—	52,753
—	—	—	—	—	331,164	331,164
—	—	—	—	—	635,000	635,000
—	—	203,373	9,824	199,984	1,122,691	2,692,171
—	—	—	—	6,789	9,169	29,426
—	—	—	—	—	—	2,220,100
—	—	—	—	6,789	9,169	2,249,526
—	—	203,373	9,824	206,773	1,131,860	4,941,697
—	—	—	—	—	—	12,262
114,317	11,227,005	7,894,960	5,246,032	576,452	552,827	28,936,055
—	—	—	—	—	—	1,526,846
—	—	—	—	—	—	(96,729)
<u>114,317</u>	<u>11,227,005</u>	<u>7,894,960</u>	<u>5,246,032</u>	<u>576,452</u>	<u>552,827</u>	<u>30,378,434</u>
<u>\$ 114,317</u>	<u>\$ 11,227,005</u>	<u>\$ 8,098,333</u>	<u>\$ 5,255,856</u>	<u>\$ 783,225</u>	<u>\$ 1,684,687</u>	<u>\$ 35,320,131</u>

City of Surprise, Arizona

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Special Revenue Funds

For the Year Ended June 30, 2022

	Grants Fund	LTAF II/ALF Fund	Municipal Court Enhancement Fund	Municipal Court FARE Fund	Municipal Court JCEF Fund
REVENUES					
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —
Intergovernmental revenues	—	362,834	—	1,591	—
Charges for services	—	—	—	—	—
Grants revenue	1,953,835	—	—	—	—
Fines	—	—	78,511	—	13,998
Rents	—	—	—	—	—
Development fees	—	—	—	—	—
Interest revenue	—	73	(3,106)	(192)	(925)
Donations	—	—	—	—	—
Other revenue	—	23,889	—	—	—
Total revenues	1,953,835	386,796	75,405	1,399	13,073
EXPENDITURES					
Current:					
General government	1,520	—	—	—	—
Public safety	914,294	—	—	—	—
Public works and streets	—	394,051	—	—	—
Community development	—	—	—	—	—
Culture and recreation	708,189	—	—	—	—
Debt service:					
Administrative charges	—	—	—	—	—
Principal retirement	—	—	—	—	—
Interest	—	—	—	—	—
Capital outlay	65,000	—	—	—	—
Total expenditures	1,689,003	394,051	—	—	—
Excess (deficiency) of revenues over expenditures	264,832	(7,255)	75,405	1,399	13,073
OTHER FINANCING SOURCES (USES)					
Transfers in	—	—	—	—	—
Transfers out	—	—	—	—	—
Issuance of debt	—	—	—	—	—
Lease agreements	—	—	—	—	—
Total other financing sources (uses)	—	—	—	—	—
Net change in fund balance	264,832	(7,255)	75,405	1,399	13,073
Fund balances - beginning	(293,193)	8,458	236,719	18,708	81,902
Increase / (decrease) in inventories	—	—	—	—	—
Fund balances - ending	\$ (28,361)	\$ 1,203	\$ 312,124	\$ 20,107	\$ 94,975

Municipal Court MFTG Fund	Neighborhood Revitalization Fund	Net Premium Seating Fund	Proposition 400 Fund	SB1398 Fines Fund	SPD DEA Fund	SPD RICO Fund
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
9,126	—	—	—	—	—	—
—	—	9,093	—	—	—	—
—	1,177,189	—	—	—	—	—
—	—	—	—	19,858	—	393,271
—	—	—	—	—	—	—
—	—	—	—	—	—	—
(463)	—	(72)	(3)	(414)	52	29,510
—	—	—	—	—	—	—
—	—	—	—	—	—	—
8,663	1,177,189	9,021	(3)	19,444	52	422,781
—	—	—	—	—	—	—
—	—	—	—	6,854	—	43,288
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	1,096,998	113,391	—	—	—	—
—	—	—	—	—	—	—
—	35,396	—	—	—	—	—
—	8,019	—	—	—	—	—
—	724,423	—	—	—	—	495
—	1,864,836	113,391	—	6,854	—	43,783
8,663	(687,647)	(104,370)	(3)	12,590	52	378,998
—	—	136,998	—	—	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
—	724,423	—	—	—	—	—
—	724,423	136,998	—	—	—	—
8,663	36,776	32,628	(3)	12,590	52	378,998
38,705	(102,310)	133,340	395	28,779	16,870	872,119
—	—	—	—	—	—	—
\$ 47,368	\$ (65,534)	\$ 165,968	\$ 392	\$ 41,369	\$ 16,922	\$ 1,251,117

(Continued)

City of Surprise, Arizona
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds (Continued)
For the Year Ended June 30, 2022

	SPD Towing Fund	Sports & Tourism Fund	Smart & Safe Police Fund	Smart & Safe Fire-Medical Fund	Tourism Fund
REVENUES					
Taxes	\$ —	\$ —	\$ —	\$ —	\$ 1,078,319
Intergovernmental revenues	—	—	342,073	349,450	158,038
Charges for services	24,450	1,807,006	—	—	—
Grants revenue	—	—	—	—	—
Fines	—	—	—	—	—
Rents	—	478,734	—	—	—
Development fees	—	—	—	—	—
Interest revenue	(431)	20,174	—	—	(21,934)
Donations	—	2,400	—	—	—
Other revenue	—	10,804	—	—	—
Total revenues	24,019	2,319,118	342,073	349,450	1,214,423
EXPENDITURES					
Current:					
General government	—	—	—	—	—
Public safety	58,815	—	—	—	—
Public works and streets	—	—	—	—	—
Community development	—	—	—	—	—
Culture and recreation	—	5,556,575	—	—	106,383
Debt service:					
Administrative charges	—	—	—	—	—
Principal retirement	—	—	—	—	—
Interest	—	—	—	—	—
Capital outlay	—	—	—	—	—
Total expenditures	58,815	5,556,575	—	—	106,383
Excess (deficiency) of revenues over expenditures	(34,796)	(3,237,457)	342,073	349,450	1,108,040
OTHER FINANCING SOURCES (USES)					
Transfers in	—	3,408,606	—	—	—
Transfers out	—	(54,829)	—	—	(808,739)
Issuance of debt	—	—	—	—	—
Lease agreements	—	—	—	—	—
Total other financing sources (uses)	—	3,353,777	—	—	(808,739)
Net change in fund balances	(34,796)	116,320	342,073	349,450	299,301
Fund balances - beginning	76,925	585,876	65,514	47,561	1,061,577
Increase / (decrease) in inventories	—	(610)	—	—	—
Fund balances - ending	\$ 42,129	\$ 701,586	\$ 407,587	\$ 397,011	\$ 1,360,878

163rd Ave Development Fee Fund	Fire Development Fee Fund	Parks and Recreation Development Fee Fund	Police Development Fee Fund	Street Lighting Districts Fund	Marley Park Community Facility District Fund	Total Nonmajor Special Revenue Funds
\$ —	\$ —	\$ —	\$ —	\$ 2,394,517	\$ 1,814,145	\$ 5,286,981
—	—	—	—	—	—	1,223,112
—	—	—	—	3,100	—	1,843,649
—	—	—	—	—	—	3,131,024
—	—	—	—	—	—	505,638
—	—	—	—	—	—	478,734
—	3,463,405	3,727,038	1,690,123	—	—	8,880,566
—	—	—	—	(11,198)	—	11,071
—	—	—	—	—	—	2,400
—	—	—	—	—	—	34,693
—	3,463,405	3,727,038	1,690,123	2,386,419	1,814,145	21,397,868
—	—	103,610	—	110,948	—	216,078
—	2,831	—	2,831	—	—	1,028,913
—	—	—	—	—	—	394,051
—	—	—	—	2,374,050	—	2,374,050
—	—	—	—	—	156,982	7,738,518
—	—	—	—	—	600	600
—	—	—	—	—	635,000	670,396
—	—	—	—	—	662,329	670,348
—	1,463,636	—	1,224,201	—	—	3,477,755
—	1,466,467	103,610	1,227,032	2,484,998	1,454,911	16,570,709
—	1,996,938	3,623,428	463,091	(98,579)	359,234	4,827,159
—	—	—	—	—	—	3,545,604
—	(279,506)	(436,884)	(135,202)	—	—	(1,715,160)
—	—	—	—	—	—	—
—	—	—	—	—	—	724,423
—	(279,506)	(436,884)	(135,202)	—	—	2,554,867
—	1,717,432	3,186,544	327,889	(98,579)	359,234	7,382,026
114,317	9,509,573	4,708,416	4,918,143	675,031	193,593	22,997,018
—	—	—	—	—	—	(610)
\$ 114,317	\$ 11,227,005	\$ 7,894,960	\$ 5,246,032	\$ 576,452	\$ 552,827	\$ 30,378,434

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and changes in Fund Balances - Budget to Actual

Grants Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Grants revenue	\$ 5,800,700	\$ 6,765,500	\$ 1,953,835	\$ (4,811,665)
Total revenues	5,800,700	6,765,500	1,953,835	(4,811,665)
EXPENDITURES				
Current:				
General government:				
City attorney	1,600	1,600	1,520	80
Public safety:				
Police	609,400	775,100	411,412	363,688
Fire-Medical	767,600	929,600	502,882	426,718
Public works and streets	—	260,300	—	260,300
Community development	285,200	—	—	—
Culture and recreation:				
Human services and community vitality	—	2,079,800	705,531	1,374,269
Parks and recreation	—	4,200	2,658	1542
Contingency	3,919,400	2,068,700	—	2,068,700
Total current	5,583,200	6,119,300	1,624,003	4,495,297
Capital outlay	8,011,300	136,300	65,000	71,300
Total expenditures	13,594,500	6,255,600	1,689,003	4,566,597
Excess (deficiency) of revenues over expenditures	(7,793,800)	509,900	264,832	(245,068)
OTHER FINANCING SOURCES (USES)				
Transfers out	—	(9,300)	—	9,300
Total other financing sources (uses)	—	(9,300)	—	9,300
Net change in fund balances	\$ (7,793,800)	\$ 500,600	\$ 264,832	\$ (235,768)

City of Surprise, Arizona**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual****LTAF II/ALF Fund****For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Intergovernmental revenues	\$ 355,000	\$ 395,400	\$ 362,834	\$ (32,566)
Interest revenue	—	—	73	73
Other revenue	—	—	23,889	23,889
Total revenues	355,000	395,400	386,796	(8,604)
EXPENDITURES				
Current:				
Public works and streets	355,000	395,400	394,051	1,349
Contingency	—	—	—	—
Total current	355,000	395,400	394,051	1,349
Total expenditures	355,000	395,400	394,051	1,349
Excess (deficiency) of revenues over expenditures	—	—	(7,255)	(7,255)
Net change in fund balances	\$ —	\$ —	\$ (7,255)	\$ (7,255)

City of Surprise, Arizona

Schedule of Revenues, Expenditure, and Changes in Fund Balances - Budget to Actual

Municipal Court Enhancement Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines	\$ 77,200	\$ 77,200	\$ 78,511	\$ 1,311
Interest revenue	—	\$ —	(3,106)	(3,106)
Total revenues	<u>77,200</u>	<u>77,200</u>	<u>75,405</u>	<u>(1,795)</u>
EXPENDITURES				
Current:				
Public safety:				
Court	40,000	40,000	—	40,000
Contingency	—	—	—	—
Total current	<u>40,000</u>	<u>40,000</u>	<u>—</u>	<u>40,000</u>
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>—</u>	<u>40,000</u>
Excess (deficiency) of revenues over expenditures	<u>37,200</u>	<u>37,200</u>	<u>75,405</u>	<u>38,205</u>
Net change in fund balances	<u>\$ 37,200</u>	<u>\$ 37,200</u>	<u>\$ 75,405</u>	<u>\$ 38,205</u>

City of Surprise, Arizona

Schedule of Revenues, Expenditure, and Changes in Fund Balances - Budget to Actual

Municipal Court FARE Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 4,000	\$ 4,000	\$ 1,591	\$ (2,409)
Interest revenue	—	—	(192)	(192)
Total revenues	4,000	4,000	1,399	(2,601)
EXPENDITURES				
Current:				
Contingency	—	—	—	—
Total current	—	—	—	—
Total expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	4,000	4,000	1,399	(2,601)
Net change in fund balances	\$ 4,000	\$ 4,000	\$ 1,399	\$ (2,601)

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Municipal Court JCEF Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines	\$ 19,500	\$ 19,500	\$ 13,998	\$ (5,502)
Interest revenue	—	—	(925)	(925)
Total revenues	19,500	19,500	13,073	(6,427)
EXPENDITURES				
Current:				
Contingency	—	—	—	—
Total current	—	—	—	—
Total expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	19,500	19,500	13,073	(6,427)
Net change in fund balances	\$ 19,500	\$ 19,500	\$ 13,073	\$ (6,427)

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Municipal Court MFTG Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 9,500	\$ 9,500	\$ 9,126	\$ (374)
Interest revenue	—	—	(463)	(463)
Total revenues	9,500	9,500	8,663	(837)
EXPENDITURES				
Current:				
Contingency	—	—	—	—
Total current	—	—	—	—
Total expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	9,500	9,500	8,663	(837)
Net change in fund balances	\$ 9,500	\$ 9,500	\$ 8,663	\$ (837)

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Neighborhood Revitalization Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Grants revenue	\$ 3,569,100	\$ 3,104,300	\$ 1,177,189	\$ (1,927,111)
Total revenues	3,569,100	3,104,300	1,177,189	(1,927,111)
EXPENDITURES				
Current:				
Culture and recreation:				
Human services and community vitality	3,258,800	3,089,000	1,096,998	1,992,002
Total current	3,258,800	3,089,000	1,096,998	1,992,002
Debt service:				
Principal retirement	—	—	35,396	(35,396)
Interest	—	—	8,019	(8,019)
Total debt service	—	—	43,415	(43,415)
Capital outlay	—	—	724,423	(724,423)
Total expenditures	3,258,800	3,089,000	1,864,836	1,224,164
Excess (deficiency) of revenues over expenditures	310,300	15,300	(687,647)	(702,947)
OTHER FINANCING SOURCES (USES)				
Lease agreements	—	—	724,423	724,423
Total other financing sources (uses)	—	—	724,423	724,423
Net change in fund balances	\$ 310,300	\$ 15,300	\$ 36,776	\$ 21,476

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Net Premium Seating Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	\$ 28,700	\$ 28,700	\$ 9,093	\$ (19,607)
Interest revenue	1,300	1,300	(72)	(1,372)
Total revenues	30,000	30,000	9,021	(20,979)
EXPENDITURES				
Current:				
Culture and recreation:				
Sports and tourism	165,000	165,000	113,391	51,609
Total current	165,000	165,000	113,391	51,609
Total expenditures	165,000	165,000	113,391	51,609
Excess (deficiency) of revenues over expenditures	(135,000)	(135,000)	(104,370)	30,630
OTHER FINANCING SOURCES (USES)				
Transfers in	138,900	138,900	136,998	(1,902)
Total other financing sources (uses)	138,900	138,900	136,998	(1,902)
Net change in fund balances	\$ 3,900	\$ 3,900	\$ 32,628	\$ 28,728

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

SB1398 Fines Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines	\$ 15,900	\$ 15,900	\$ 19,858	\$ 3,958
Interest revenue	200	200	(414)	(614)
Total revenues	16,100	16,100	19,444	3,344
EXPENDITURES				
Current:				
Public safety:				
Police	15,900	15,900	6,854	9,046
Total current	15,900	15,900	6,854	9,046
Total expenditures	15,900	15,900	6,854	9,046
Excess (deficiency) of revenues over expenditures	200	200	12,590	12,390
Net change in fund balances	\$ 200	\$ 200	\$ 12,590	\$ 12,390

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

SPD DEA Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest revenue	\$ —	\$ —	\$ 52	\$ 52
Total revenues	—	—	52	52
EXPENDITURES				
Current:				
Contingency	—	—	—	—
Total current	—	—	—	—
Total expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	—	—	52	52
Net change in fund balances	\$ —	\$ —	\$ 52	\$ 52

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

SPD RICO Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Fines	\$ 245,000	\$ 245,000	\$ 393,271	\$ 148,271
Interest revenue	—	—	29,510	29,510
Total revenues	245,000	245,000	422,781	177,781
EXPENDITURES				
Current:				
Public safety:				
Police	510,800	510,800	43,288	467,512
Total current	510,800	510,800	43,288	467,512
Capital outlay	64,700	64,700	495	64,205
Total expenditures	575,500	575,500	43,783	531,717
Excess (deficiency) of revenues over expenditures	(330,500)	(330,500)	378,998	709,498
Net change in fund balances	\$ (330,500)	\$ (330,500)	\$ 378,998	\$ 709,498

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

SPD Towing Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ 22,400	\$ 22,400	\$ 24,450	\$ 2,050
Interest revenue	—	—	(431)	(431)
Total revenues	<u>22,400</u>	<u>22,400</u>	<u>24,019</u>	<u>1,619</u>
EXPENDITURES				
Current:				
Public safety:				
Police	<u>72,500</u>	<u>72,500</u>	<u>58,815</u>	<u>13,685</u>
Total current	<u>72,500</u>	<u>72,500</u>	<u>58,815</u>	<u>13,685</u>
Total expenditures	<u>72,500</u>	<u>72,500</u>	<u>58,815</u>	<u>13,685</u>
Excess (deficiency) of revenues over expenditures	<u>(50,100)</u>	<u>(50,100)</u>	<u>(34,796)</u>	<u>15,304</u>
Net change in fund balances	<u><u>\$ (50,100)</u></u>	<u><u>\$ (50,100)</u></u>	<u><u>\$ (34,796)</u></u>	<u><u>\$ 15,304</u></u>

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Sports & Tourism Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ 2,936,700	\$ 2,936,700	\$ 1,807,006	\$ (1,129,694)
Rents	266,600	266,600	478,734	212,134
Interest revenue	—	—	20,174	20,174
Donations	4,000	4,000	2,400	(1,600)
Other revenue	—	—	10,804	10,804
Total revenues	<u>3,207,300</u>	<u>3,207,300</u>	<u>2,319,118</u>	<u>(888,182)</u>
EXPENDITURES				
Current:				
Culture and recreation:				
Sports and tourism	6,393,500	6,279,600	5,556,575	723,025
Contingency	—	—	—	—
Total current	<u>6,393,500</u>	<u>6,279,600</u>	<u>5,556,575</u>	<u>723,025</u>
Total expenditures	<u>6,393,500</u>	<u>6,279,600</u>	<u>5,556,575</u>	<u>723,025</u>
Excess (deficiency) of revenues over expenditures	<u>(3,186,200)</u>	<u>(3,072,300)</u>	<u>(3,237,457)</u>	<u>(165,157)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,141,100	3,141,100	3,408,606	267,506
Transfers out	—	—	(54,829)	(54,829)
Total other financing sources (uses)	<u>3,141,100</u>	<u>3,141,100</u>	<u>3,353,777</u>	<u>212,677</u>
Net change in fund balances	<u>\$ (45,100)</u>	<u>\$ 68,800</u>	<u>\$ 116,320</u>	<u>\$ 47,520</u>

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Smart & Safe Police Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ —	\$ —	\$ 342,073	\$ 342,073
Total revenues	—	—	342,073	342,073
EXPENDITURES				
Current:				
Public safety	—	—	—	—
Total current	—	—	—	—
Total expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	—	—	342,073	342,073
Net change in fund balances	\$ —	\$ —	\$ 342,073	\$ 342,073

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Smart & Safe Fire-Medical Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ —	\$ —	\$ 349,450	\$ 349,450
Total revenues	—	—	349,450	349,450
EXPENDITURES				
Current:				
Public safety	—	—	—	—
Total current	—	—	—	—
Total expenditures	—	—	—	—
Excess (deficiency) of revenues over expenditures	—	—	349,450	349,450
Net change in fund balances	\$ —	\$ —	\$ 349,450	\$ 349,450

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Tourism Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 631,800	\$ 631,800	\$ 1,078,319	\$ 446,519
Intergovernmental revenues	44,000	181,800	158,038	(23,762)
Interest revenue	—	—	(21,934)	(21,934)
Total revenues	675,800	813,600	1,214,423	400,823
EXPENDITURES				
Current:				
Culture and recreation:				
Sports and tourism	92,200	867,500	106,383	761,117
Contingency	5,000	5,000	—	5,000
Total current	97,200	872,500	106,383	766,117
Total expenditures	97,200	872,500	106,383	766,117
Excess (deficiency) of revenues over expenditures	578,600	(58,900)	1,108,040	1,166,940
OTHER FINANCING SOURCES (USES)				
Transfers out	(473,900)	(473,900)	(808,739)	(334,839)
Total other financing sources (uses)	(473,900)	(473,900)	(808,739)	(334,839)
Net change in fund balances	\$ 104,700	\$ (532,800)	\$ 299,301	\$ 832,101

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

163rd Ave Development Fee Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Interest revenue	\$ 900	\$ 900	\$ —	\$ (900)
Total revenues	900	900	—	(900)
EXPENDITURES				
Current:				
Public works and streets	—	—	—	—
Total current	—	—	—	—
Capital outlay	115,500	115,500		115,500
Total expenditures	115,500	115,500	—	115,500
Excess (deficiency) of revenues over expenditures	(114,600)	(114,600)	—	114,600
Net change in fund balances	\$ (114,600)	\$ (114,600)	\$ —	\$ 114,600

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Fire Development Fee Fund

For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Development fees	\$ 2,539,600	\$ 2,539,600	\$ 3,463,405	\$ 923,805
Interest revenue	58,500	58,500	—	(58,500)
Total revenues	<u>2,598,100</u>	<u>2,598,100</u>	<u>3,463,405</u>	<u>865,305</u>
EXPENDITURES				
Current				
Public safety:				
Fire-medical	1,601,800	1,601,800	2,831	1,598,969
Total current	<u>1,601,800</u>	<u>1,601,800</u>	<u>2,831</u>	<u>1,598,969</u>
Capital outlay	1,964,000	1,845,900	1,463,636	382,264
Total expenditures	<u>3,565,800</u>	<u>3,447,700</u>	<u>1,466,467</u>	<u>1,981,233</u>
Excess (deficiency) of revenues over expenditures	<u>(967,700)</u>	<u>(849,600)</u>	<u>1,996,938</u>	<u>2,846,538</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(66,900)	(66,900)	(279,506)	(212,606)
Total other financing sources (uses)	<u>(66,900)</u>	<u>(66,900)</u>	<u>(279,506)</u>	<u>(212,606)</u>
Net change in fund balances	<u>\$ (1,034,600)</u>	<u>\$ (916,500)</u>	<u>\$ 1,717,432</u>	<u>\$ 2,633,932</u>

City of Surprise, Arizona**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual
Parks and Recreation Development Fee Fund**

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Development fees	\$ 2,344,900	\$ 2,344,900	\$ 3,727,038	\$ 1,382,138
Interest revenue	24,100	24,100	—	(24,100)
Total revenues	<u>2,369,000</u>	<u>2,369,000</u>	<u>3,727,038</u>	<u>1,358,038</u>
EXPENDITURES				
Current:				
General government:				
General operations	2,066,500	2,066,500	103,610	1,962,890
Total current	<u>2,066,500</u>	<u>2,066,500</u>	<u>103,610</u>	<u>1,962,890</u>
Total expenditures	<u>2,066,500</u>	<u>2,066,500</u>	<u>103,610</u>	<u>1,962,890</u>
Excess (deficiency) of revenues over expenditures	<u>302,500</u>	<u>302,500</u>	<u>3,623,428</u>	<u>3,320,928</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(437,600)	(437,600)	(436,884)	716
Total other financing sources (uses)	<u>(437,600)</u>	<u>(437,600)</u>	<u>(436,884)</u>	<u>716</u>
Net change in fund balances	<u>\$ (135,100)</u>	<u>\$ (135,100)</u>	<u>\$ 3,186,544</u>	<u>\$ 3,321,644</u>

City of Surprise, Arizona

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

Police Development Fee Fund

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Development fees	\$ 1,274,500	\$ 1,274,500	\$ 1,690,123	\$ 415,623
Interest revenue	32,300	32,300	—	(32,300)
Total revenues	1,306,800	1,306,800	1,690,123	383,323
EXPENDITURES				
Current:				
Public safety:				
Police	1,006,200	1,006,200	2,831	1,003,369
Total current	1,006,200	1,006,200	2,831	1,003,369
Capital outlay	2,311,500	2,304,900	1,224,201	1,080,699
Total expenditures	3,317,700	3,311,100	1,227,032	2,084,068
Excess (deficiency) of revenues over expenditures	(2,010,900)	(2,004,300)	463,091	2,467,391
OTHER FINANCING SOURCES (USES)				
Transfers out	(135,400)	(135,400)	(135,202)	198
Total other financing sources (uses)	(135,400)	(135,400)	(135,202)	198
Net change in fund balances	\$ (2,146,300)	\$ (2,139,700)	\$ 327,889	\$ 2,467,589

City of Surprise, Arizona**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual****Street Lighting Districts Fund****For the Year Ended June 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,396,600	\$ 2,396,600	\$ 2,394,517	\$ (2,083)
Charges for services	3,100	3,100	3,100	—
Interest revenue	—	—	(11,198)	(11,198)
Total revenues	<u>2,399,700</u>	<u>2,399,700</u>	<u>2,386,419</u>	<u>(13,281)</u>
EXPENDITURES				
Current:				
General government:				
General operations	59,600	114,000	110,948	3,052
Contingency	<u>2,988,500</u>	<u>3,122,100</u>	<u>2,374,050</u>	<u>748,050</u>
Total current	<u>3,048,100</u>	<u>3,236,100</u>	<u>2,484,998</u>	<u>751,102</u>
Total expenditures	<u>3,048,100</u>	<u>3,236,100</u>	<u>2,484,998</u>	<u>751,102</u>
Excess (deficiency) of revenues over expenditures	<u>(648,400)</u>	<u>(836,400)</u>	<u>(98,579)</u>	<u>737,821</u>
Net change in fund balances	<u>\$ (648,400)</u>	<u>\$ (836,400)</u>	<u>\$ (98,579)</u>	<u>\$ 737,821</u>

City of Surprise, Arizona**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual****Marley Park Community Facility District Fund****For the Year Ended June 30, 2022**

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 1,819,700	\$ 1,819,700	\$ 1,814,145	\$ (5,555)
Total revenues	1,819,700	1,819,700	1,814,145	(5,555)
EXPENDITURES				
Current:				
General government:				
General operations	—	—	—	—
Culture and recreation:				
Parks and recreation	157,000	157,000	156,982	18
Contingency	129,500	129,500	—	129,500
Total current	286,500	286,500	156,982	129,518
Debt service:				
Administrative charges	335,000	335,000	600	334,400
Principal retirement	715,000	715,000	635,000	80,000
Interest	772,400	772,400	662,329	110,071
Total debt service	1,822,400	1,822,400	1,297,929	524,471
Capital outlay	4,800,000	4,800,000	—	4,800,000
Total expenditures	6,908,900	6,908,900	1,454,911	5,453,989
Excess (deficiency) of revenues over expenditures	(5,089,200)	(5,089,200)	359,234	5,448,434
OTHER FINANCING SOURCES (USES)				
Transfers in	4,800,000	4,800,000	—	(4,800,000)
Transfers out	(4,800,000)	(4,800,000)	—	4,800,000
Issuance of debt	4,870,000	4,870,000	—	(4,870,000)
Total other financing sources (uses)	4,870,000	4,870,000	—	(4,870,000)
Net change in fund balances	\$ (219,200)	\$ (219,200)	\$ 359,234	\$ 578,434

INTERNAL SERVICE FUND DESCRIPTIONS

- ❖ Internal Service Funds – These funds are used to track those transactions relating to the City’s internal insurance activities.
 - *Risk Management Fund* – This fund was created to provide general insurance coverage as well as risk management, loss control, and safety programs city-wide.
 - *Employee Healthcare Trust Fund* – This fund was created to provide health insurance claims, plan administration, stop loss premiums, and fund reserves.
 - *Workers’ Compensation Fund* – This fund was created to account for expenses incurred for worker’s compensation claims, administration, coverage, and fund reserves.

City of Surprise, Arizona
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	Risk Management Fund	Employee Healthcare Trust	Workers' Compensation Fund	Total Internal Service funds
ASSETS				
Current assets:				
Cash and investments	\$ 5,360,085	\$ 8,554,621	\$ 3,994,300	\$ 17,909,006
Receivables (net of allowances):				
Other	689,320	347,046	—	1,036,366
Other assets	2,306	1,071	—	3,377
Total current assets	6,051,711	8,902,738	3,994,300	18,948,749
Noncurrent assets:				
Net other postemployment benefits asset	8,761	3,180	2,770	14,711
Total noncurrent assets	8,761	3,180	2,770	14,711
Total assets	6,060,472	8,905,918	3,997,070	18,963,460
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	60,035	21,792	18,979	100,806
Deferred outflows related to other postemployment benefits	1,556	565	492	2,613
Total deferred outflows of resources	61,591	22,357	19,471	103,419
Total assets and deferred outflows of resources	\$ 6,122,063	\$ 8,928,275	\$ 4,016,541	\$ 19,066,879
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 5,349	\$ 136,240	\$ 3,200	\$ 144,789
Accrued payroll and related taxes	14,823	5,297	4,592	24,712
Claims payable, current portion	319,826	1,751,813	321,497	2,393,136
Compensated absences payable, due in less than one year	10,700	6,168	2,948	19,816
Total current liabilities	350,698	1,899,518	332,237	2,582,453
Noncurrent liabilities:				
Compensated absences payable, due in more than one year	16,736	9,648	4,611	30,995
Claims payable, noncurrent portion	—	—	534,030	534,030
Net pension liability	231,375	83,985	73,146	388,506
Net other postemployment benefits liability	367	133	116	616
Total noncurrent liabilities	248,478	93,766	611,903	954,147
Total liabilities	599,176	1,993,284	944,140	3,536,600
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	74,966	27,211	23,699	125,876
Deferred inflows related to other postemployment benefits	7,415	2,692	2,344	12,451
Total deferred inflows of resources	82,381	29,903	26,043	138,327
Total liabilities and deferred inflows of resources	681,557	2,023,187	970,183	3,674,927
NET POSITION				
Unrestricted	5,440,506	6,905,088	3,046,358	15,391,952
Total net position	\$ 5,440,506	\$ 6,905,088	\$ 3,046,358	\$ 15,391,952

City of Surprise, Arizona

Combining Statement of Revenues, Expenditures, and Changes in Net Position

Internal Service Funds

For the Year Ended June 30, 2022

	Risk Management Fund	Employee Healthcare Trust	Workers' Compensation Fund	Total Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 3,176,800	\$ 15,379,841	\$ 1,706,358	\$ 20,262,999
Other revenue	856,336	4,787	11,071	872,194
Total operating revenues	4,033,136	15,384,628	1,717,429	21,135,193
OPERATING EXPENSES				
Personnel services	354,275	115,512	107,169	576,956
Contractual services, materials and supplies	37,100	150,675	92,613	280,388
Insurance claims, premiums, and administrative expenses	2,301,956	15,085,607	2,044,564	19,432,127
Total operating expenses	2,693,331	15,351,794	2,244,346	20,289,471
Operating income (loss)	1,339,805	32,834	(526,917)	845,722
NONOPERATING REVENUES (EXPENSES)				
Interest revenue	(52,918)	(35,725)	(38,710)	(127,353)
Total nonoperating revenues (expenses)	(52,918)	(35,725)	(38,710)	(127,353)
Income (loss) before contributions and transfers	1,286,887	(2,891)	(565,627)	718,369
Transfers in	—	—	375,000	375,000
Change in net position	1,286,887	(2,891)	(190,627)	1,093,369
Total net position - beginning	4,153,619	6,907,979	3,236,985	14,298,583
Total net position - ending	\$ 5,440,506	\$ 6,905,088	\$ 3,046,358	\$ 15,391,952

City of Surprise, Arizona
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2022

	Risk Management Fund	Employee Healthcare Trust	Workers' Compensation Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from interfund services	\$ 3,176,800	\$ 15,032,795	\$ 1,706,358	\$ 19,915,953
Payments to employees	(290,217)	(112,874)	(94,794)	(497,885)
Payments to suppliers	(56,699)	(120,458)	(93,335)	(270,492)
Payments for insurance claims and expenses	(2,227,212)	(14,845,165)	(1,492,698)	(18,565,075)
Other receipts	167,016	173,047	11,071	351,134
Net cash provided (used) by operating activities	769,688	127,345	36,602	933,635
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	—	—	375,000	375,000
Net cash provided (used) by noncapital financing activities	—	—	375,000	375,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash received from interest income	(52,918)	(35,725)	(38,710)	(127,353)
Net cash provided (used) by investing activities	(52,918)	(35,725)	(38,710)	(127,353)
Net increase (decrease) in cash and cash equivalents	716,770	91,620	372,892	1,181,282
Balances - beginning of year	4,643,315	8,463,001	3,621,408	16,727,724
Balances - end of the year	<u>\$ 5,360,085</u>	<u>\$ 8,554,621</u>	<u>\$ 3,994,300</u>	<u>\$ 17,909,006</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	\$ 1,339,805	\$ 32,834	\$ (526,917)	\$ 845,722
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Changes in assets and liabilities:				
Other receivables	(689,320)	(178,786)	—	(868,106)
Other assets	(680)	1,292	—	612
Accounts payable	(11,207)	28,925	1,669	19,387
Accrued payroll and related taxes	3,982	763	3,692	8,437
Compensated absences	14,802	4,642	3,736	23,180
Net pension liability	39,281	(2,208)	3,063	40,136
Claims payable	74,744	240,442	551,866	867,052
Net other postemployment asset/liability	(1,719)	(559)	(507)	(2,785)
Net cash provided (used) by operating activities	<u>\$ 769,688</u>	<u>\$ 127,345</u>	<u>\$ 36,602</u>	<u>\$ 933,635</u>



SURPRISE

ARIZONA



STATISTICAL SECTION



SURPRISE

ARIZONA



STATISTICAL SECTION

This section provides detailed information, for purposes of providing a context for comprehending the information presented in the financial statements, not disclosures and required supplementary information, and gaining a better understanding of the financial shape of the City of Surprise, Arizona.

Contents:

Financial Trends:

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity:

These schedules contain information to help the reader assess the government's most significant local revenue sources, transaction privilege (sales) tax and property taxes.

Debt Capacity:

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information:

These schedules of demographic and economic indicators help the reader understand the environment that the government's financial activities take place.

Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Reports for the relevant year.

City of Surprise, Arizona
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Net investment of capital assets	\$ 428,076,477	\$ 413,717,047	\$ 409,274,827	\$ 405,111,110
Restricted	28,105,434	29,650,958	27,948,361	22,743,525
Unrestricted	19,164,721	25,538,922	(18,482,747)	(16,896,594)
Total governmental activities net position	<u>\$ 475,346,632</u>	<u>\$ 468,906,927</u>	<u>\$ 418,740,441</u>	<u>\$ 410,958,041</u>
Business-type activities				
Net investment of capital assets	\$ 262,605,698	\$ 263,420,571	\$ 264,678,599	\$ 270,081,565
Restricted	6,867,426	6,895,582	5,381,403	13,039,887
Unrestricted	60,409,577	57,257,700	44,564,505	29,979,759
Total business-type activities net position	<u>\$ 329,882,701</u>	<u>\$ 327,573,853</u>	<u>\$ 314,624,507</u>	<u>\$ 313,101,211</u>
Primary government				
Net investment of capital assets	\$ 690,682,175	\$ 677,137,618	\$ 673,953,426	\$ 675,192,675
Restricted	34,972,860	36,546,540	33,329,764	35,783,412
Unrestricted	79,574,298	82,796,622	26,081,758	13,083,165
Total primary government net position	<u>\$ 805,229,333</u>	<u>\$ 796,480,780</u>	<u>\$ 733,364,948</u>	<u>\$ 724,059,252</u>

Source: City financial records

2017	2018	2019	2020	2021	2022
\$ 392,458,485	\$ 393,984,378	\$ 399,420,150	\$ 435,144,710	\$ 502,976,390	\$ 557,077,466
24,613,341	67,683,440	29,462,370	21,821,951	39,557,045	39,307,858
(27,479,276)	(57,592,973)	1,815,847	28,238,342	75,855,018	141,847,579
\$ 389,592,550	\$ 404,074,845	\$ 430,698,367	\$ 485,205,003	\$ 618,388,453	\$ 738,232,903
\$ 279,249,380	\$ 277,989,957	\$ 274,750,943	\$ 282,360,332	\$ 320,299,739	\$ 331,988,392
12,326,207	14,365,125	12,932,109	13,735,679	9,425,177	12,408,370
22,570,204	31,396,601	43,938,146	52,259,316	67,556,649	78,863,705
\$ 314,145,791	\$ 323,751,683	\$ 331,621,198	\$ 348,355,327	\$ 397,281,565	\$ 423,260,467
\$ 671,707,865	\$ 671,974,335	\$ 674,171,093	\$ 717,505,042	\$ 823,276,129	\$ 889,065,858
36,939,548	82,048,565	42,394,479	35,557,630	48,982,222	51,716,228
(4,909,072)	(26,196,372)	45,753,993	80,497,658	143,411,667	220,711,284
\$ 703,738,341	\$ 727,826,528	\$ 762,319,565	\$ 833,560,330	\$ 1,015,670,018	\$ 1,161,493,370

City of Surprise, Arizona
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016
<u>Expenses</u>				
Governmental Activities:				
General government	\$ 14,958,702	\$ 16,079,202	\$ 21,038,892	\$ 18,906,430
Public safety	39,096,150	40,931,709	44,415,505	47,273,449
Public works & streets	33,710,624	34,988,682	35,141,030	38,670,796
Community development	7,668,373	8,388,639	5,205,925	10,235,430
Culture and recreation	16,285,289	17,228,719	21,863,417	25,690,406
Interest	1,505,313	1,378,709	1,635,320	1,472,910
Total governmental activities expenses	<u>113,224,451</u>	<u>118,995,660</u>	<u>129,300,089</u>	<u>142,249,421</u>
Business-type Activities:				
Ground ambulance services	—	—	—	—
Sanitation	5,934,789	7,144,521	7,883,309	7,972,061
Sewer	18,717,547	20,072,400	20,360,031	20,399,067
Stormwater	—	—	—	—
Water	10,849,653	10,546,378	10,619,858	11,823,538
Total business-type activities	<u>35,501,989</u>	<u>37,763,299</u>	<u>38,863,198</u>	<u>40,194,666</u>
Total primary government expenses	<u>\$ 148,726,440</u>	<u>\$ 156,758,959</u>	<u>\$ 168,163,287</u>	<u>\$ 182,444,087</u>
<u>Program Revenues</u>				
Governmental Activities:				
Charges for services:				
General government	\$ 6,313,245	\$ 8,494,212	\$ 5,301,697	\$ 5,041,335
Public safety	2,922,055	1,306,553	2,963,326	3,778,584
Public works & streets	792,288	499,338	507,198	853,321
Community development	2,003,777	1,697,315	2,005,421	2,552,293
Culture and recreation	4,837,786	4,917,918	5,313,203	5,894,021
Operating grants and contributions	10,139,981	9,833,470	9,908,788	11,178,339
Capital grants and contributions	5,925,348	2,877,937	11,561,202	11,558,409
Total governmental activities program revenues	<u>32,934,480</u>	<u>29,626,743</u>	<u>37,560,835</u>	<u>40,856,302</u>
Business-type activities:				
Charges for services:				
Ground ambulance services	—	—	—	—
Sanitation	6,862,696	7,000,935	6,952,296	7,099,896
Sewer	15,904,030	16,046,564	17,950,085	16,151,096
Stormwater	—	—	—	—
Water	10,073,124	9,987,819	10,814,903	12,195,621
Operating grants and contributions	—	—	—	—
Capital grants and contributions	4,427,857	3,270,131	129,722	3,107,265
Total business-type activities program revenues	<u>37,267,707</u>	<u>36,305,449</u>	<u>35,847,006</u>	<u>38,553,878</u>
Total primary government program revenues	<u>\$ 70,202,187</u>	<u>\$ 65,932,192</u>	<u>\$ 73,407,841</u>	<u>\$ 79,410,180</u>

2017	2018	2019	2020	2021	2022
\$ 27,733,034	\$ 24,693,086	\$ 18,847,192	\$ 30,683,840	\$ 27,692,032	\$ 23,540,312
64,148,194	51,157,392	60,235,535	60,035,327	66,442,651	70,506,625
41,540,981	37,661,923	41,578,280	46,270,405	39,687,896	44,050,913
12,326,274	12,345,202	12,382,036	12,764,778	11,564,452	16,842,667
22,555,794	26,471,045	24,970,626	20,925,306	29,248,928	32,115,378
1,381,807	1,927,016	2,473,876	2,635,766	2,695,568	2,471,982
169,686,084	154,255,664	160,487,545	173,315,422	177,331,527	189,527,877
—	3,141,623	3,375,334	4,407,898	4,696,823	5,577,280
9,034,441	8,557,348	8,657,107	9,077,490	7,669,633	16,337,896
19,519,303	20,039,173	19,340,045	19,418,478	24,744,000	26,366,082
187,744	775,651	1,363,889	1,209,576	1,167,538	10,463,274
15,013,661	10,926,918	11,690,946	18,376,477	19,000,628	1,269,792
43,755,149	43,440,713	44,427,321	52,489,919	57,278,622	60,014,324
\$ 213,441,233	\$ 197,696,377	\$ 204,914,866	\$ 225,805,341	\$ 234,610,149	\$ 249,542,201
\$ 5,863,856	\$ 7,171,091	\$ 6,744,068	\$ 6,729,339	\$ 8,125,797	\$ 7,074,743
3,600,402	2,801,908	1,948,725	1,581,814	1,754,361	2,715,939
1,445,873	2,252,924	4,100,847	3,570,832	5,283,508	6,154,286
3,770,393	7,384,028	9,901,258	12,206,567	16,185,099	20,408,874
5,586,303	5,507,476	5,590,198	3,311,464	3,480,856	4,887,693
12,097,958	12,530,903	11,555,218	21,503,712	22,709,789	25,235,620
14,356,832	25,485,790	22,468,016	42,184,054	92,168,449	68,578,941
46,721,617	63,134,120	62,308,330	91,087,782	149,707,859	135,056,096
—	2,974,704	3,284,354	3,946,881	4,541,588	5,929,650
7,525,140	7,485,027	7,859,915	10,380,560	12,271,547	21,541,940
17,190,499	17,345,559	17,612,146	19,142,098	20,301,588	21,257,199
1,282,788	1,834,202	1,987,661	1,934,275	2,554,905	13,054,015
14,048,726	14,227,502	16,125,842	18,226,759	20,727,214	2,579,333
—	—	—	60,647	14,820	—
5,788,132	9,682,391	5,509,692	15,030,201	46,935,506	22,872,999
45,835,285	53,549,385	52,379,610	68,721,421	107,347,168	87,235,136
\$ 92,556,902	\$ 116,683,505	\$ 114,687,940	\$ 159,809,203	\$ 257,055,027	\$ 222,291,232

City of Surprise, Arizona
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2013	2014	2015	2016
Net revenue/expense:				
Governmental activities	\$ (80,289,971)	\$ (89,368,917)	\$ (91,739,254)	\$ (101,393,119)
Business-type activities	1,765,718	(1,457,850)	(3,016,192)	(1,640,788)
Total primary government net expense	<u>\$ (78,524,253)</u>	<u>\$ (90,826,767)</u>	<u>\$ (94,755,446)</u>	<u>\$ (103,033,907)</u>
<u>General Revenues and Other Changes in Net Position</u>				
Governmental activities:				
Taxes				
Property taxes	\$ 9,274,735	\$ 9,401,277	\$ 9,713,903	\$ 9,962,925
Sales taxes	37,836,088	39,685,844	42,111,177	46,807,817
Franchise taxes	4,732,649	5,159,956	5,249,320	5,062,719
Unrestricted State shared revenue	25,983,982	26,722,541	29,879,804	30,560,635
Unrestricted investment earnings	164,984	329,637	400,260	607,602
Other	562,787	482,776	1,146,649	407,445
Transfers	1,068,522	1,147,181	1,132,145	201,576
Total governmental activities	<u>79,623,747</u>	<u>82,929,212</u>	<u>89,633,258</u>	<u>93,610,719</u>
Business-type activities:				
Unrestricted investment earnings	150,350	296,183	253,407	319,068
Other	—	—	—	—
Transfers	(1,068,522)	(1,147,181)	(1,132,145)	(201,576)
Total business-type activities	<u>(918,172)</u>	<u>(850,998)</u>	<u>(878,738)</u>	<u>117,492</u>
Total primary government	<u>\$ 78,705,575</u>	<u>\$ 82,078,214</u>	<u>\$ 88,754,520</u>	<u>\$ 93,728,211</u>
<u>Change in Net Position</u>				
Governmental activities	\$ (666,224)	\$ (6,439,705)	\$ (2,105,996)	\$ (7,782,400)
Business-type activities	847,546	(2,308,848)	(3,894,930)	(1,523,296)
Prior period adjustments	—	—	—	—
Total primary government	<u>\$ 181,322</u>	<u>\$ (8,748,553)</u>	<u>\$ (6,000,926)</u>	<u>\$ (9,305,696)</u>

Source: City financial records

Note 1: GASB Statement No. 68 was implemented in fiscal year 2015. Prior years' financial statements were not restated.

Note 2: GASB Statement No. 75 was implemented in fiscal year 2018. Prior years' financial statements were not restated.

2017	2018	2019	2020	2021	2022
\$ (122,964,467)	\$ (91,121,544)	\$ (98,179,215)	\$ (82,227,640)	\$ (27,623,668)	\$ (54,471,781)
2,080,136	10,108,672	7,952,289	16,231,502	50,068,546	27,220,812
<u>\$ (120,884,331)</u>	<u>\$ (81,012,872)</u>	<u>\$ (90,226,926)</u>	<u>\$ (65,996,138)</u>	<u>\$ 22,444,878</u>	<u>\$ (27,250,969)</u>
\$ 10,441,730	\$ 10,813,317	\$ 16,143,232	\$ 17,015,618	\$ 17,675,230	\$ 19,263,163
49,416,383	54,419,572	61,596,634	70,904,612	90,643,310	103,406,232
5,674,974	5,643,876	5,609,625	5,514,602	5,654,379	6,424,278
31,755,661	35,032,519	35,899,596	38,379,519	44,122,121	45,691,294
26,274	324,501	3,494,962	3,403,862	228,665	(2,591,655)
3,129,094	(753,721)	517,587	418,161	1,040,102	1,420,878
1,154,860	1,355,582	1,541,101	1,097,902	1,443,311	702,041
<u>101,598,976</u>	<u>106,835,646</u>	<u>124,802,737</u>	<u>136,734,276</u>	<u>160,807,118</u>	<u>174,316,231</u>
119,304	141,108	1,458,327	1,556,564	115,514	(821,961)
—	—	—	43,965	185,489	282,092
<u>(1,154,860)</u>	<u>(1,355,582)</u>	<u>(1,541,101)</u>	<u>(1,097,902)</u>	<u>(1,443,311)</u>	<u>(702,041)</u>
<u>(1,035,556)</u>	<u>(1,214,474)</u>	<u>(82,774)</u>	<u>502,627</u>	<u>(1,142,308)</u>	<u>(1,241,910)</u>
<u>\$ 100,563,420</u>	<u>\$ 105,621,172</u>	<u>\$ 124,719,963</u>	<u>\$ 137,236,903</u>	<u>\$ 159,664,810</u>	<u>\$ 173,074,321</u>
\$ (21,365,491)	\$ 15,714,102	\$ 26,623,522	\$ 54,506,636	\$ 133,183,450	\$ 119,844,450
1,044,580	8,894,198	7,869,515	16,734,129	48,926,238	25,978,902
—	(520,113)	—	—	—	—
<u>\$ (20,320,911)</u>	<u>\$ 24,088,187</u>	<u>\$ 34,493,037</u>	<u>\$ 71,240,765</u>	<u>\$ 182,109,688</u>	<u>\$ 145,823,352</u>

City of Surprise, Arizona
Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017
General fund					
Nonspendable	\$ 626,565	\$ 821,009	\$ 1,313,505	\$ 1,287,510	\$ 1,262,361
Restricted	77,439	66,385	—	—	501,278
Committed	—	—	—	—	—
Assigned	327,182	360,030	578,518	542,821	338,555
Unassigned	17,166,622	26,849,205	34,324,717	37,385,696	38,436,548
Total general fund	<u>\$ 18,197,808</u>	<u>\$ 28,096,629</u>	<u>\$ 36,216,740</u>	<u>\$ 39,216,027</u>	<u>\$ 40,538,742</u>
All other governmental funds					
Nonspendable	\$ 134,673	\$ 206,294	\$ 195,374	\$ 368,126	\$ 618,466
Restricted	28,027,995	29,584,573	46,848,361	23,064,256	24,112,063
Committed	7,266,032	47,607,527	42,241,616	40,246,190	40,005,619
Assigned	44,505,144	1,173,198	1,209,403	469,830	1,109,942
Unassigned	(49,901,573)	(50,029,315)	(49,288,936)	(47,671,784)	(46,064,773)
Total all other governmental funds	<u>\$ 30,032,271</u>	<u>\$ 28,542,277</u>	<u>\$ 41,205,818</u>	<u>\$ 16,476,618</u>	<u>\$ 19,781,317</u>

Source: City financial records

2018	2019	2020	2021	2022
\$ 1,602,598	\$ 2,197,168	\$ 2,563,831	\$ 3,565,902	\$ 1,606,366
480,554	454,024	491,526	525,607	419,863
—	—	—	—	25,185,400
338,167	393,622	490,732	16,732,161	27,234,620
41,763,040	42,252,127	73,973,321	91,303,747	66,180,747
<u>\$ 44,184,359</u>	<u>\$ 45,296,941</u>	<u>\$ 77,519,410</u>	<u>\$ 112,127,417</u>	<u>\$ 120,626,996</u>
\$ 638,371	\$ 664,672	\$ 415,537	\$ 405,327	\$ 582,565
67,202,886	61,562,397	29,864,806	39,031,439	38,819,236
3,483,301	6,446,528	9,115,539	14,406,518	19,835,271
2,912,343	19,690,585	17,786,146	38,853,060	81,506,299
(8,258,667)	(5,888,966)	(4,903,347)	(4,669,172)	(3,781,399)
<u>\$ 65,978,234</u>	<u>\$ 82,475,216</u>	<u>\$ 52,278,681</u>	<u>\$ 88,027,172</u>	<u>\$ 136,961,972</u>

City of Surprise, Arizona
Changes in Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017
Revenues					
Taxes	\$ 47,442,186	\$ 48,262,126	\$ 52,178,522	\$ 56,908,903	\$ 59,749,360
Licenses and permits	4,771,649	5,197,956	4,975,398	5,121,719	5,811,255
Intergovernmental revenues	33,441,035	35,923,296	37,947,604	39,209,688	40,430,400
Charges for services	7,943,039	7,896,783	9,241,853	11,363,453	13,127,359
Grants revenue	2,443,199	2,131,707	1,659,609	3,060,620	1,856,830
Fines	1,986,692	1,498,451	1,768,671	1,214,978	1,052,366
Rents	584,972	606,679	549,400	630,514	621,033
Development fees	2,240,664	1,790,461	2,224,125	3,297,082	4,413,714
Interest revenue	149,655	307,139	400,260	607,602	24,449
Special assessments	—	—	—	—	—
Donations	344,589	148,062	245,671	228,316	160,706
Indirect charges	3,660,700	4,682,772	4,682,772	4,884,443	4,768,960
Other revenue	960,297	482,776	1,155,192	392,199	2,908,665
Total revenues	105,968,677	108,928,208	117,029,077	126,919,517	134,925,097
Expenditures					
Current					
General government	11,925,890	13,674,046	20,291,986	16,306,183	16,675,593
Public safety	35,984,984	38,018,470	41,862,877	44,433,546	47,036,287
Public works and streets	15,350,181	16,784,098	17,314,612	20,492,467	20,116,384
Community development	7,605,656	8,344,991	5,074,395	10,080,446	12,225,155
Culture and recreation	13,210,175	14,912,746	19,301,123	18,416,339	17,998,257
Capital outlay	3,215,160	6,409,054	8,604,468	36,511,052	17,501,271
Debt Service					
Principal	2,533,138	2,661,713	2,786,800	2,361,425	2,613,738
Interest	1,505,313	1,378,709	1,245,447	1,749,568	1,587,151
Other charges	—	—	389,873	19,762	724,982
Total expenditures	91,330,497	102,183,827	116,871,581	150,370,788	136,478,818
Excess of revenues over (under) expenses	14,638,180	6,744,381	157,496	(23,451,271)	(1,553,721)
Other financing sources (uses)					
Proceeds from sale of assets	33,035	240,830	226,080	336,821	368,156
Transfers in (out)	1,068,522	4,803,747	1,132,145	1,150,009	354,860
From bonding	—	(3,656,566)	19,320,205	—	11,696,218
Insurance recoveries	—	—	—	—	—
Payments to refunded bond escrow agent	—	—	—	—	(6,500,617)
Leases	—	—	—	—	—
Total other financing sources (uses)	1,101,557	1,388,011	20,678,430	1,486,830	5,918,617
Net change in fund balances	\$ 15,739,737	\$ 8,132,392	\$ 20,835,926	\$ (21,964,441)	\$ 4,364,896
Debt service as a percentage of noncapital expenditures	4.6 %	4.2 %	4.1 %	3.6 %	4.1 %

Source: City financial records

2018	2019	2020	2021	2022
\$ 65,257,328	\$ 77,739,476	\$ 87,768,923	\$ 108,394,703	\$ 122,672,859
5,817,956	5,991,243	5,944,921	6,168,794	6,954,398
44,773,004	45,774,226	48,421,077	55,052,905	58,674,186
15,186,099	19,189,262	18,680,847	24,318,166	30,676,826
2,691,930	1,581,233	11,165,982	11,476,297	13,620,067
2,281,998	1,788,745	1,340,263	1,441,835	1,504,375
601,628	724,073	620,862	621,198	1,117,625
5,306,365	6,482,159	5,321,641	6,892,441	9,835,523
310,038	3,299,929	3,169,797	207,335	(2,267,135)
—	—	—	52,791	87,490
183,307	125,872	103,910	6,348,174	6,254,474
5,249,200	5,481,600	5,591,100	855,497	1,250,978
522,745	726,564	670,836	—	—
148,181,598	168,904,382	188,800,159	221,830,136	250,381,666
16,965,220	17,358,137	18,294,432	28,780,110	22,825,388
51,471,894	51,993,630	53,778,182	56,880,732	70,479,294
19,858,787	20,580,186	20,721,301	20,287,785	21,719,917
11,890,816	12,141,786	12,024,962	6,745,974	16,795,933
19,540,944	19,613,758	19,275,188	18,980,135	26,406,812
18,067,055	22,824,600	62,975,337	31,142,540	26,917,801
2,776,050	5,352,900	6,003,700	6,429,038	6,781,238
1,578,092	3,271,455	3,015,280	3,227,799	3,126,841
472,877	4,851	453,307	222,909	3,004
142,621,735	153,141,303	196,541,689	172,697,022	195,056,228
5,559,863	15,763,079	(7,741,530)	49,133,114	55,325,438
136,426	276,091	205,824	159,875	235,226
974,136	1,607,973	951,667	1,174,545	266,662
43,211,107	—	8,511,093	19,625,309	—
—	—	7,249	—	—
—	—	—	—	—
—	—	—	—	1,225,337
44,321,669	1,884,064	9,675,833	20,959,729	1,727,225
\$ 49,881,532	\$ 17,647,143	\$ 1,934,303	\$ 70,092,843	\$ 57,052,663
3.3 %	6.2 %	6.1 %	7.0 %	5.9 %



SURPRISE

ARIZONA

City of Surprise, Arizona
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise & Business Licenses	Total
2013	\$ 9,274,735	\$ 37,836,088	\$ 4,732,649	\$ 51,843,472
2014	9,401,277	39,685,844	5,159,956	54,247,077
2015	9,713,903	42,111,177	5,249,320	57,074,400
2016	9,962,925	46,807,817	5,062,719	61,833,461
2017	10,441,730	49,416,383	5,674,974	65,533,087
2018	10,813,317	54,419,572	5,643,876	70,876,765
2019	16,143,232	61,596,634	5,609,625	83,349,491
2020	17,015,618	70,904,612	5,514,602	93,434,832
2021	17,675,230	90,643,310	5,654,379	113,972,919
2022	19,263,163	103,406,232	6,424,278	129,093,673

Source: City financial records

City of Surprise, Arizona
Major Sources of Municipal Sales Tax
Last Ten Fiscal Years

	2013	2014	2015	2016
<u>Description of Payers Business</u>				
Construction	\$ 7,071,711	\$ 5,702,652	\$ 5,318,361	\$ 8,429,076
Retail trade	13,831,839	15,319,378	17,897,576	18,608,256
Communications and utilities	5,053,313	5,230,594	5,379,741	5,609,855
Restaurant and bar	4,877,292	5,262,786	5,600,500	5,933,745
Real estate, rental and leasing	3,610,593	3,872,029	4,077,066	4,246,757
Other	3,488,295	3,439,338	4,188,861	4,109,905
Total	<u>\$ 37,933,043</u>	<u>\$ 38,826,777</u>	<u>\$ 42,462,105</u>	<u>\$ 46,937,594</u>

Source: City of Surprise "Sales, Use, and Bed Tax Report" as of June 30, 2022.

When NAICS reporting began, many businesses checked the "Other" category due to uncertainty. This problem is being remedied and therefore, the "Other" category will decrease as more businesses will be classified under their proper category.

State and local laws prohibit the disclosure of individual taxpayer information.

2017	2018	2019	2020	2021	2022
\$ 7,444,202	\$ 9,424,657	\$ 13,938,324	\$ 17,529,115	\$ 24,116,467	\$ 26,833,113
20,578,048	24,170,542	25,309,922	30,133,931	39,817,504	45,163,884
5,682,238	5,010,541	4,873,454	4,804,402	5,218,205	5,465,416
6,543,214	7,673,195	8,226,189	8,368,795	9,966,480	12,102,740
4,790,722	4,858,025	5,495,101	6,013,853	6,798,088	7,662,985
4,377,959	3,282,612	3,753,644	4,054,516	4,726,567	6,178,095
<u>\$ 49,416,383</u>	<u>\$ 54,419,572</u>	<u>\$ 61,596,634</u>	<u>\$ 70,904,612</u>	<u>\$ 90,643,311</u>	<u>\$ 103,406,233</u>



SURPRISE

ARIZONA

City of Surprise, Arizona

Assessed and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year		Real Property		Exemptions	Total		Ratio of Total
		Assessed Value	Assessed Value			Estimated Actual Taxable Full Cash Value	Assessed Value to Total Estimated Actual Value
		Residential Property	Commercial Property	Real Property	Net Assessed Valuation	Direct Tax Rate	
2013	P	613,827,446	355,335,651	(117,175,984)	851,987,113	0.7383	8,131,671,314 10.48%
2013	S	614,117,003	369,093,201	(128,526,531)	854,683,673	—	8,219,696,417 10.40%
2014	P	590,891,318	352,740,031	(120,457,469)	823,173,880	0.7783	7,921,310,783 10.39%
2014	S	592,539,973	366,349,440	(128,753,963)	830,135,450	—	8,021,860,448 10.35%
2015	P	635,011,041	351,426,277	(128,356,166)	858,081,152	0.7591	8,378,359,740 10.24%
2015	S	674,517,543	367,445,212	(137,241,712)	904,721,043	—	8,871,516,138 10.20%
2016	P	659,032,840	359,978,533	(129,767,780)	889,243,593	0.7591	8,723,777,883 10.19%
2016	S	775,338,584	403,053,294	(146,482,133)	1,031,909,745	—	10,151,951,511 10.16%
2017	P	703,447,546	353,382,997	(127,933,738)	928,896,805	0.7591	9,188,106,400 10.11%
2017	S	832,582,676	418,393,201	(151,461,223)	1,099,514,654	—	10,888,981,453 10.10%
2018	P	742,214,719	372,303,716	(136,482,015)	978,036,420	0.7591	9,704,804,426 10.08%
2018	S	883,909,865	470,218,102	(164,602,354)	1,189,525,613	—	11,739,266,942 10.13%
2019	P	786,977,862	394,591,418	(132,661,610)	1,048,907,670	0.7591	10,275,630,683 10.21%
2019	S	979,109,102	501,184,044	(163,680,703)	1,316,612,443	—	12,872,480,509 10.23%
2020	P	844,245,064	406,984,939	(141,141,959)	1,110,088,044	0.7591	10,927,509,235 10.16%
2020	S	1,064,787,961	529,620,552	(185,022,186)	1,409,386,327	0.3880	13,911,798,083 10.13%
2021	P	911,365,696	443,779,946	(149,135,143)	1,206,010,499	0.7591	11,823,893,218 10.20%
2021	S	1,192,185,322	601,386,798	(197,101,947)	1,596,470,173	0.3880	15,624,599,329 10.22%
2022	P	990,350,177	482,829,467	(158,793,354)	1,314,386,290	0.7591	12,850,915,016 10.23%
2022	S	1,326,558,965	687,137,725	(224,417,986)	1,789,278,704	0.3880	17,496,518,302 10.23%

Source: Maricopa County Assessor's Office State Abstract

Direct Tax Rate is From the Maricopa County Finance Department's "Tax Levy Book for the City of Surprise" for the applicable tax year.

City of Surprise, Arizona
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City of Surprise			Overlapping Rates				
				Maricopa County				
	Operating (Primary) Tax Rate	Debt Service (Secondary) Tax Rate	Total City Tax Rate	Operating Tax Rate	Debt Service Tax Rate	County Library	Flood Control	Total County Tax Rate
2013	0.7383	—	0.7383	1.2407	—	0.0492	—	1.2899
2014	0.7783	—	0.7783	1.2807	—	0.0492	—	1.3299
2015	0.7591	—	0.7591	1.3209	—	0.0556	—	1.3765
2016	0.7591	—	0.7591	1.4009	—	0.0556	—	1.4565
2017	0.7591	—	0.7591	1.4009	—	0.0556	—	1.4565
2018	0.7591	—	0.7591	1.4009	—	0.0556	0.1792	1.6357
2019	0.7591	0.4200	1.1791	1.4009	—	0.0556	0.1792	1.6357
2020	0.7591	0.3880	1.1471	1.4009	—	0.0556	0.1792	1.6357
2021	0.7591	0.3880	1.1471	1.4009	—	0.0556	0.1792	1.6357
2022	0.7591	0.3880	1.1471	1.3459	—	0.0556	0.1792	1.5807

Source: Maricopa County Finance Department's "Maricopa County 2021 Tax Levy" report.

Note: Prior to fiscal year 2018, the Maricopa County Flood Control District tax rate was included in the other column.

Overlapping Rates				
Dysart School District				
Operating Tax Rate	Debt Service Tax Rate	Total School District Tax Rate	Other	Total Direct & Overlapping Rates
4.6547	2.7317	7.3864	1.8351	11.2497
4.3492	2.9538	7.3030	1.6356	11.0468
3.9957	2.7750	6.7707	1.7472	10.6535
3.0640	2.9085	5.9725	1.7120	9.9001
4.1562	2.8032	6.9594	2.5181	11.6931
4.1562	2.8032	6.9594	2.5104	11.8646
4.1089	2.7859	6.8948	2.4330	12.1426
3.9117	2.6680	6.5797	2.4218	11.7843
3.8251	2.6201	6.4452	2.3408	11.5688
3.8026	2.3794	6.1820	2.3408	11.2506

City of Surprise, Arizona
Principal Property Taxpayers
June 30, 2022 and 2013

Taxpayer	2022			2013		
	Assessed Valuation	Rank	Percentage of Total	Assessed Valuation	Rank	Percentage of Total
Arizona Public Service Company	\$ 34,329,620	1	2.61%	\$ 23,000,331	1	2.70%
SFI Grand Vista LLC	10,714,518	2	0.82%			
Southwest Gas Corporation (T&D)	8,357,150	3	0.64%	5,116,984	2	0.60%
Toll Prasada LLC	7,115,944	4	0.54%			
EPCOR (Agua Fria Water Division)	4,504,880	5	0.34%			
CCD Real Estate Holdings LLC	3,588,607	6	0.27%	3,421,878	3	0.40%
DG Industrial Portfolio I Property Owner LP	3,438,792	7	0.26%			
Wal Mart Stores Inc	3,429,483	8	0.26%	2,247,069	10	0.26%
BFM IV AZ Harmony at Surprise SPE LLC	3,319,918	9	0.25%			
LAACO Ltd.	3,098,496	10	0.24%			
Mci Communications Services Inc				3,382,189	4	0.40%
Karlin Surprise LLC				3,348,245	3	0.39%
Aawc: Agua Fria Water Division				2,806,552	6	0.33%
Surprise Marketplace Holdings LLC				2,668,670	7	0.31%
Surprise Towne Center Holdings LLC				2,618,766	8	0.31%
Roskamp/Sun Health Management Services LLP				2,408,474	9	0.28%
Total	<u>\$ 81,897,408</u>		<u>6.23%</u>	<u>\$ 51,019,158</u>		<u>5.99%</u>
Total Net Limited Assessed Valuation	\$1,314,386,290			\$ 851,987,113		

Source: Maricopa County Assessor's Office

City of Surprise, Arizona
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Tax Collections in Subsequent Years	Total Collections to Date	
		Current Tax Collections	Percentage of Levy		Tax Collections	Percentage of Levy
2013	6,295,546	6,159,818	97.8%	95,673	6,255,491	99.4%
2014	6,350,356	6,249,156	98.4%	69,251	6,318,407	99.5%
2015	6,509,332	6,425,856	98.7%	62,517	6,488,373	99.7%
2016	6,754,752	6,661,068	98.6%	39,168	6,700,236	99.2%
2017	7,037,842	6,947,745	98.7%	53,915	7,001,660	99.5%
2018	7,424,272	7,321,178	98.6%	64,283	7,385,461	99.5%
2019	12,369,233	12,219,247	98.8%	(20,976)	12,192,352	98.6%
2020	12,735,513	12,539,853	98.5%	105,969	12,698,311	99.7%
2021	13,835,935	13,663,445	98.8%	132,259	13,795,704	99.7%
2022	15,079,386	14,897,120	98.8%	—	14,897,120	98.8%

Source: Maricopa County Treasurer's Office "Secured Levy Report" through June 30, 2022.

City of Surprise, Arizona
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			
	General Obligation Bonds	Special (CFD) Assessment Bonds and Notes	Municipal Property Corp. Bonds	Pledged Revenue Obligations
2013	\$ —	\$ 7,545,000	\$ 19,896,188	\$ —
2014	—	7,335,000	17,444,474	—
2015	—	7,115,000	—	30,832,800
2016	—	6,885,000	—	31,770,034
2017	—	12,105,285	—	29,249,876
2018	40,211,105	14,619,352	—	24,166,587
2019	37,322,019	14,143,419	—	23,963,088
2020	34,285,598	21,966,935	—	21,192,968
2021	50,304,950	21,249,359	—	18,347,512
2022	46,567,591	20,591,782	—	15,373,818

Source: City financial records

Business-Type Activities						
Municipal						
Property Corp.	Utility Revenue	Pledged Revenue	Total Primary	Percentage		
Bonds	Obligations	Obligations	Government	of Personal	Income	Per Capita
\$ 59,303,813	\$ —	\$ —	\$ 86,745,001	3.3%		713
53,565,524	—	—	78,344,998	3.0%		633
39,365,000	—	5,832,000	83,144,800	3.1%		658
37,585,000	—	5,903,844	82,143,878	3.0%		640
35,720,000	—	5,249,430	82,324,591	2.8%		620
33,770,000	—	4,103,413	116,870,457	3.9%		872
—	28,164,675	3,877,076	107,470,277	3.4%		778
—	26,993,224	3,157,623	107,596,348	3.2%		760
—	25,776,772	2,418,508	118,097,101	3.2%		798
—	24,510,321	1,647,630	108,691,142	2.8%		729

City of Surprise, Arizona

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2013	\$ —	\$ —	\$ —	0.000%	—
2014	—	—	—	0.000%	—
2015	—	—	—	0.000%	—
2016	—	—	—	0.000%	—
2017	—	—	—	0.000%	—
2018	37,730,000	5,857	37,724,143	3.171%	281
2019	35,215,000	483,319	34,731,681	2.638%	251
2020	32,350,000	544,112	31,805,888	2.257%	225
2021	46,625,000	158,771	46,466,229	0.393%	314
2022	43,225,000	104,285	43,120,715	0.276%	289

Source: City financial records

City of Surprise, Arizona
Direct and Overlapping Governmental Activities Debt
As of June 30, 2022

Overlapping Jurisdiction	General Obligation and Pledged Revenue Bonded Debt	Proportion Applicable to the City	
		Approximate Percent	Net Debt Amount
Maricopa County	None	2.55 %	None
Maricopa County Community College District	\$ 135,585,000	2.69 %	\$ 3,647,238
Maricopa County Special Health Care District	600,335,000	2.69 %	16,149,012
Western Maricopa Education Center	130,195,000	7.27 %	9,465,177
Dysart Unified School District No. 89	83,570,000	77.83 %	65,042,531
Peoria Unified School District No. 11	167,005,000	0.37 %	617,919
Nadaburg Unified School District No. 81	—	36.40 %	—
Wickenburg Unified School District No. 9	5,775,000	1.59 %	91,823
Subtotal, overlapping debt	<u>\$ 1,122,465,000</u>		<u>\$ 95,013,700</u>
City of Surprise	\$ 61,941,409	100.00 %	\$ 61,941,409
Marley Park Community Facilities District	20,591,782	100.00 %	20,591,782
Subtotal, direct debt	<u>\$ 82,533,191</u>		<u>\$ 82,533,191</u>
Total Direct and Overlapping General Obligation and Pledged Revenue Bonded Debt			<u><u>\$ 177,546,891</u></u>

Source: The various jurisdictions

Proportion applicable to City of Surprise, Arizona is computed on the ratio of net limited property valuation for fiscal year 2021/2022.

Excludes various other non-property tax supported debt such as Public Finance Corporation lease revenue bonds, Stadium District revenue bonds, Stadium District loans, Housing Authority loans and capital leases.

Includes: Excise Tax Revenue obligations for City of Surprise

City of Surprise, Arizona
Legal Debt Margin Information Unrestricted and Restricted
Last Ten Fiscal Years

Unrestricted

	2013	2014	2015	2016
Debt limit 6%	\$ 51,281,020	\$ 49,298,862	\$ 54,283,263	\$ 61,914,585
Unrestricted legal debt margin	<u>\$ 51,281,020</u>	<u>\$ 49,298,862</u>	<u>\$ 54,283,263</u>	<u>\$ 61,914,585</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00 %	0.00 %

Restricted

	2013	2014	2015	2016
Debt limit 20%	\$ 170,936,735	\$ 164,329,540	\$ 180,944,209	\$ 206,381,949
Total net debt applicable to limit	—	—	—	—
Restricted legal debt margin	<u>\$ 170,936,735</u>	<u>\$ 164,329,540</u>	<u>\$ 180,944,209</u>	<u>\$ 206,381,949</u>
Total net debt applicable to the limit as a percentage of 20% debt limit	0.00%	0.00%	0.00%	0.00%

Source: City financial records

2017	2018	2019	2020	2021	2022
\$ 65,970,879	\$ 71,371,537	\$ 78,996,747	\$ 84,563,180	\$ 95,788,210	\$ 107,356,722
<u>\$ 65,970,879</u>	<u>\$ 71,371,537</u>	<u>\$ 78,996,747</u>	<u>\$ 84,563,180</u>	<u>\$ 95,788,210</u>	<u>\$ 107,356,722</u>

0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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2017	2018	2019	2020	2021	2022
\$ 219,902,931	\$ 237,905,123	\$ 263,322,489	\$ 281,877,265	\$ 319,294,035	\$ 357,855,740
—	39,987,500	37,322,019	34,285,598	50,304,950	46,567,591
<u>\$ 219,902,931</u>	<u>\$ 197,917,623</u>	<u>\$ 226,000,470</u>	<u>\$ 247,591,667</u>	<u>\$ 268,989,085</u>	<u>\$ 311,288,149</u>

0.00%	16.81%	14.17%	12.16%	15.76%	13.01%
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City of Surprise, Arizona
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population	Personal Income	Median Household Income	Median Age	Unemployment Rate
2013	121,629	\$ 2,608,232,906	\$ 60,687	36.8	5.0%
2014	123,797	2,623,490,276	59,973	36.0	5.4%
2015	126,275	2,684,147,318	58,455	37.0	9.8%
2016	128,422	2,779,842,369	59,094	38.7	9.4%
2017	132,677	2,911,895,653	59,916	39.0	4.5%
2018	134,085	2,997,757,500	61,035	39.9	4.6%
2019	138,161	3,184,636,354	62,927	41.3	3.7%
2020	141,664	3,381,255,033	65,160	41.2	5.4%
2021	147,965	3,743,919,200	69,076	41.4	6.8%
2022	149,191	3,890,551,528	71,192	41.9	6.9%

Sources: Office of Economic Opportunity
Maricopa Association of Governments
US Department of Labor, Bureau of Labor Statistics
US Census Bureau

City of Surprise, Arizona
Principal Employers
June 30, 2022 and Nine Years Prior

Employer	2022 ¹			2013 ²		
	Employees	Rank	% of Total	Employees	Rank	% of Total
Dysart School District (Surprise Schools Only)	1,610	1	6.81%	1,753	1	14.61%
Wal-Mart	1,040	2	4.40%	988	2	8.24%
City of Surprise	1,030	3	4.36%	631	3	5.26%
Fry's Food Store	560	4	2.37%	537	4	4.48%
Sun Health Foundation Inc	460	5	1.95%			
Rousseau Farming Company	340	6	1.44%			
Home Depot	280	7	1.18%	176	9	1.47%
McDonalds	270	8	1.14%			
Maricopa County	220	9	0.93%	225	5	1.88%
Costco	220	10	0.93%			
Safeway				182	8	1.52%
Crescent Crown				200	7	1.67%
Albertson's Food Store				159	10	1.33%
Kohl's Department Store				224	6	1.87%
Total	<u>6,030</u>		25.51%	<u>5,075</u>		42.31%
Total City Employment	23,640			11,996		

Sources:

¹ Maricopa Association of Governments, as of June 30, 2022

² City previous ACFR



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City of Surprise, Arizona

Full-time Equivalent City Government Employees by Function

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function										
General government	123	123	136	134	140	142	146	150	150	156
Public safety:										
Police:										
Officer	133	134	130	139	158	159	159	155	154	161
Civilians	49	48	54	49	43	42	45	55	55	65
Fire:										
Firefighters and officers	111	111	113	113	128	127	126	132	138	144
Civilians	7	7	7	8	8	7	7	7	9	10
Public works and streets:										
All others	83	83	83	84	84	80	84	90	92	96
Community development	40	40	43	40	41	41	42	43	43	49
Economic development	—	—	—	8	8	8	7	9	9	9
Parks and recreation	110	110	122	118	117	116	120	105	84	90
Sports and tourism	—	—	—	—	—	—	—	18	39	41
Human service and community vitality	—	—	—	9	15	16	18	24	25	26
Water	25	25	24	29	33	36	35	42	43	44
Sanitation	31	31	32	33	35	37	37	41	41	44
Sewer	36	36	37	39	50	45	45	47	49	48
Stormwater	—	—	—	—	—	6	5	6	6	7
Ground ambulance services	—	—	—	—	—	19	26	32	32	36
Total	748	748	781	804	861	881	902	956	969	1,026

Source: Fiscal year 2022 Adopted Budget

City of Surprise, Arizona
Operating Indicators by Function
Last Ten Fiscal Years

Function	2013	2014	2015	2016
Public safety:				
Police:				
Calls - incidents responded to	39,866	37,566	38,191	39,511
Citations issued	9,673	7,020	7,524	5,971
Officers per 1,000 residents	1.1	1.1	1.1	1.0
Fire-Medical:				
Number of responses	13,649	14,004	15,750	16,896
Inspections	1,184	1,411	1,885	2,745
Public works and streets:				
Sq. ft. of buildings to maintain	830,271	830,271	830,271	855,774
Vehicles/equipment maintained per month	403	392	405	334
Number of street lights repaired	300	377	43	44
Street miles maintained	607	607	627	627
Community development:				
Building safety inspections performed	20,150	18,220	15,624	20,320
Annual new residential starts	554	385	417	486
Parks and recreation:				
Organized recreation program participants	191,648	192,300	178,186	160,535
Special events/open facility participants	269,823	278,980	321,214	307,475
Sports and Tourism				
Special events/open facility participants	N/A	N/A	N/A	N/A
Water:				
Water service connections	14,570	14,740	14,971	15,362
Water main breaks	N/A	N/A	N/A	N/A
Average daily consumption (thousands of gallons)	N/A	N/A	N/A	N/A
Sewer:				
Sewage treated (million gallons per day)	8.1	8.1	8.4	8.4
Sewer service connections	45,802	45,984	44,923	47,273
Sanitation:				
Refuse collected (tons/annually)	29,400	30,583	33,351	32,787
Number of routes	33	32	32	56
Total services	32,975	33,321	32,683	35,366
Stormwater:				
Customers	—	—	—	—

Sources: Various government departments
N/A - This information is not available.

2017	2018	2019	2020	2021	2022
40,909	41,806	40,541	42,306	41,430	45,634
6,358	5,136	8,602	6,350	6,098	7,550
1.0	1.0	1.0	1.0	1.0	1.0
16,546	17,435	10,865	18,195	19,493	21,677
2,407	1,810	1,595	2,391	1,781	2,614
855,774	855,774	855,774	973,187	1,016,276	1,016,276
375	397	415	425	353	415
38	79	52	71	68	180
627	627	629	630	665	688
22,407	31,063	34,598	45,750	51,542	60,013
600	1,288	1,303	2,076	2,856	2,873
163,580	162,012	141,189	85,362	70,873	135,632
306,714	343,868	120,114	78,548	22,935	105,284
N/A	N/A	253,823	240,065	143,728	270,962
15,499	16,331	16,729	17,886	19,705	21,283
N/A	4	2	6	15	11
N/A	7,322	7,416	7,402	7,776	7,787
8.4	8.4	9	9	9.1	9.2
48,196	50,303	48,451	53,164	55,796	58,568
33,671	34,979	36,757	48,905	56,781	58,354
56	57	59	55	58	59
36,421	36,657	35,510	39,676	41,212	42,964
49,429	50,594	47,235	51,199	54,177	56,781

City of Surprise, Arizona
Capital Asset Statistics by Function
Last Ten Years

Function	2013	2014	2015	2016
Public safety:				
Police:				
Stations	2	2	2	2
Patrol units	63	63	68	72
Fire:				
Fire stations	7	7	7	7
Fire engines and ladder trucks	11	12	12	12
Ambulances	0	0	0	1
Public works and streets:				
Street miles	607	607	627	627
Street lighting improvement districts	101	101	107	107
Traffic Signals	51	51	50	50
Bridges	19	19	19	19
Community development:				
Inspection vehicles	12	10	10	10
Parks and recreation:				
Parks acreage	393	393	393	393
Parks	12	12	12	12
Swimming pools	2	2	2	2
Softball fields	11	11	11	11
Baseball fields	21	21	21	21
Libraries	2	2	2	2
Water:				
Well Production Maximum Daily Capacity (millions of gallons)	31	31	32	32
Sewer:				
Sewer treatment plants	2	2	2	2
Maximum daily treatment capacity	18.3	18.3	18.3	18.3
Sanitation:				
Collection trucks	26	26	26	27

Sources: Various government departments

2017	2018	2019	2020	2021	2022
2	2	2	2	2	2
90	73	87	87	87	74
7	7	7	7	7	8
12	13	13	13	13	15
3	4	5	5	5	5
627	627	629	630	665	688
123	132	146	155	156	159
50	50	52	58	61	61
19	19	19	21	21	21
11	11	11	11	13	14
393	393	393	393	393	393
12	12	12	12	12	12
2	2	2	2	2	2
11	11	11	11	11	11
21	21	21	21	21	21
2	2	2	3	3	3
33	33	33	34	30	30
2	2	2	2	3	3
18.3	18.3	18.3	18.3	20.1	20.1
27	27	27	27	28	28



SURPRISE

ARIZONA



The City of Surprise Finance Department strives to be a professional, proactive leader, identifying issues and offering innovative solutions while providing high quality customer service.



SURPRISEAZ.GOV/ACFR

FINANCE DEPARTMENT

16000 N. Civic Center Plaza

Surprise, AZ 85374-7470

623.222.1800 • 623.222.1801 Fax

623.222.1002 TTY

City of Surprise, Arizona
Annual Expenditure Limitation Report
Year Ended June 30, 2022

**ANNUAL EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2022**

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INDEPENDENT ACCOUNTANT'S REPORT

The Auditor General of the State of Arizona

The Honorable Mayor and City Council
of the City of Surprise, Arizona

We have examined the accompanying Annual Expenditure Limitation Report of the City of Surprise, Arizona for the year ended June 30, 2022, and the related notes to the report. The City's management is responsible for presenting this report in accordance with the Uniform Expenditure Reporting System as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

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

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

In our opinion, the Annual Expenditure Limitation Report referred to above is presented, in all material respects, in accordance with the Uniform Expenditure Reporting System as described in Note 1.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
February 14, 2023

City of Surprise, Arizona
Annual Expenditure Limitation Report—Part I
Year ended June 30, 2022

1. Economic Estimates Commission expenditure limitation	\$ <u>1,201,827,672</u>
2. Amount subject to the expenditure limitation (total amount from Part II, line C)	<u>210,142,819</u>
3. Amount under the expenditure limitation	\$ <u><u>991,684,853</u></u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the Uniform Expenditure Reporting System.

Signature of chief financial officer: 

Name and title: Andrea Davis, Finance Director

Telephone number: 623-222-1853 Date: 02/15/2023

See accompanying notes to report.

City of Surprise, Arizona
Annual Expenditure Limitation Report—Part II
Year ended June 30, 2022

Description	Governmental funds	Enterprise funds	Internal service funds	Total
A. Amounts reported on the Reconciliation, line D	\$ 188,137,771	\$ 56,778,821	\$ 19,835,780	\$ 264,752,372
B. Less exclusions claimed:				
Debt service requirements (see Note 2)	8,528,067	2,954,298	-	11,482,365
Grants and aid from the federal government (see Note 3)	12,660,582	14,916	-	12,675,498
Amounts received from the State of Arizona (see Note 4)	394,050	-	-	394,050
Quasi-external interfund transactions (see Note 5)	-	-	16,020,183	16,020,183
Highway user revenues in excess of those received in fiscal year 1979-80 (see Note 6)	9,983,902	-	-	9,983,902
Refunds, reimbursements, and other recoveries (see Note 7)	823,038	3,214,660	15,858	4,053,556
Total exclusions claimed	32,389,638	6,183,874	16,036,041	54,609,553
C. Amounts subject to the expenditure limitation	\$ 155,748,132	\$ 50,594,947	\$ 3,799,739	\$ 210,142,819

See accompanying notes to report.

City of Surprise, Arizona
Annual Expenditure Limitation Report—Reconciliation
Year ended June 30, 2022

Description	Governmental funds			Enterprise funds		Internal service funds		Total
A. Total expenditures/expenses/deductions and applicable other financing uses, special items, and extraordinary items reported within the fund financial statements	\$	195,056,228	\$	61,463,650	\$	20,416,824	\$	276,936,702
B. Subtractions:								
Items not requiring use of current financial resources:								
Depreciation		-		15,439,749		-		15,439,749
Bad debt expense (Note 8)		2,940,680		2,799,724		-		5,740,404
Pension and other postemployment benefits (OPEB) expense (see Note 9)		37,868		1,191,405		40,801		1,270,074
Claims incurred but not reported (IBNR) (see Note 10)				-		1,730,363		1,730,363
Expenditures of separate legal entities established under Arizona Revised Statutes (see Note 11)		3,939,909		-		-		3,939,909
Total subtractions		6,918,457		19,430,878		1,771,164		28,120,499
C. Additions:								
Principal payments on long-term debt (see Note 2)		-		1,727,725		-		1,727,725
Capital asset acquisitions (see Note 12)		-		11,725,111		-		11,725,111
Amounts paid in the current year but reported as expenses in previous years:								
Claims previously recognized as IBNR (see Note 10)		-		-		1,145,833		1,145,833
Pension and OPEB contributions paid in the current year (see Note 9)		-		1,293,213		44,287		1,337,500
Total additions		-		14,746,049		1,190,120		15,936,169
D. Amounts reported on Part II, line A	\$	188,137,771	\$	56,778,821	\$	19,835,780	\$	264,752,372

See accompanying notes to report.

City of Surprise, Arizona
Notes to Annual Expenditure Limitation Report
Year ended June 30, 2022

Note 1 - Summary of significant accounting policies

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

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

Note 2

The exclusion claimed for debt service requirements on bonded indebtedness of \$8,528,067 in the governmental funds consists of principal and interest payments of \$6,077,275 and \$2,450,792, respectively. The exclusion claimed for debt service requirements on bonded indebtedness of \$2,954,298 in the enterprise funds consists of principal and interest payments of \$1,727,725 and \$1,224,452, respectively, and \$2,121 in miscellaneous administrative expenses.

Note 3

The following schedule presents revenues from which exclusions have been claimed for grants and aid from the federal government in the governmental and enterprise funds.

Federal Agency	
U.S Department of Agriculture	\$ 14,916
U.S. Department of Housing and Urban Development	1,140,417
U.S. Department of Justice	177,446
U.S. Department of Transportation	206,890
U.S. Department of the Treasury	10,285,136
U.S. Department of Health and Human Services	353,806
U.S. Department of Homeland Security	496,887
Total	\$ <u><u>12,675,498</u></u>

Note 4

The exclusion claimed for amounts received from the State of Arizona in the governmental funds consist of intergovernmental revenues received in the following funds:

Governmental Fund	
Local Transportation Assistance II / Arizona Lottery	\$ 394,050
	\$ <u><u>394,050</u></u>

City of Surprise, Arizona
Notes to Annual Expenditure Limitation Report
Year ended June 30, 2022

Note 5

There are certain transactions that are recorded between the City's funds as if the transaction was with an entity external to the City. The Employee Healthcare Fund charged other funds \$11,082,507 in order to meet the costs of providing health insurance claims coverage, plan administration, stop loss premiums and reserves. The Risk Management Fund charged other funds \$3,176,800 to provide risk management, loss control and safety programs citywide. The Worker's Compensation Fund charged other funds \$1,706,358 in order to meet the costs of providing worker's compensation claims coverage, plan administration, stop loss premiums and reserves. Excludable revenues expended in the current fiscal year for the Risk Management Fund totaled \$2,693,331, resulting in a current year carryforward balance of \$483,469.

Note 6

Highway user revenues for the current fiscal year were \$10,538,762 which is \$10,476,331 more than the highway user revenues received by the City in fiscal year 1980. Excludable revenues expended in the current fiscal year totaled \$9,983,902, which is less than current excludable revenues by \$492,429, increasing the carryforward balance to \$4,556,165.

Note 7

The exclusions claimed for refunds, reimbursements, and other recoveries includes recovery of prior year expenses of \$48,856, \$3,115,801, and \$15,858 in the governmental, enterprise and internal service funds, respectively; miscellaneous refunds and reimbursements of \$771,747 and \$98,859 in the governmental and enterprise funds, respectively; and insurance recoveries of \$2,435 in the governmental funds.

Note 8

The subtraction of \$2,940,680 and \$2,799,724 of bad debt expense in the governmental and enterprise funds, respectively, are reported as an offset to revenue under Charges for Services.

Note 9

The \$1,191,405 and \$40,801 subtraction amounts for pension and other post employment benefit (OPEB) expense in the enterprise funds and internal service funds, respectively, consists of changes in the net pension and OPEB assets and liabilities, and changes in deferred inflows and outflows related to pensions and OPEB recognized in the current year in the enterprise funds and internal service funds. The \$1,293,213 and \$44,287 addition amounts for pension and OPEB contributions paid in the current year consists of the required pension and OPEB contributions made to the Arizona State Retirement System from the enterprise funds and internal service funds.

	Enterprise funds	Internal service funds
Subtractions - Pension/OPEB Expense		
Pension expense	\$ 1,128,206	\$ 38,637
OPEB expense	63,199	2,164
Total	<u>\$ 1,191,405</u>	<u>\$ 40,801</u>
Additions - Pension/OPEB Contributions		
Pension contributions	\$ 1,251,191	\$ 42,849
OPEB contributions	42,022	1,438
Total	<u>\$ 1,293,213</u>	<u>\$ 44,287</u>

The subtraction of \$37,868 for pension expense in the governmental funds consists of nonemployer contributions to the Elected Officials Retirement Plan (EORP) that was reported as a revenue and an offsetting expenditure in the governmental funds. Consequently, this expenditure has been subtracted on the reconciliation.

City of Surprise, Arizona
Notes to Annual Expenditure Limitation Report
Year ended June 30, 2022

Note 10

The subtraction of \$1,730,363 for claims incurred but not reported consists of the estimated costs of claims incurred and expensed in the current year but not yet paid in the internal service funds. The addition of \$1,145,833 for claims paid in the current year, but reported as expenses incurred but not reported in previous years, consists of cash payments in the current year for claims recognized as an expense in previous years in the internal service funds.

Note 11

The subtraction in the governmental funds of \$3,939,898 for separate legal entities established under Arizona Revised Statutes consists of expenditures of special assessment districts included within the City's reporting entity, but not included in the Economic Estimates Commission base limit calculations, and are reported in the governmental funds category in the fund financial statements:

Street Lighting Districts Fund		
General government		\$ 110,948
Community development		2,374,050
	Subtotal	<u>\$ 2,484,998</u>
Marley Park Community Facility District Fund		
Culture and recreation		\$ 156,982
Principal payments on debt		635,000
Interest payments on debt and other charges		662,929
	Subtotal	<u>\$ 1,454,911</u>
Total separate legal entities		<u><u>\$ 3,939,909</u></u>

Note 12

The addition of \$11,725,111 for the acquisition of capital assets in the enterprise funds is comprised of total capital asset increases of \$25,151,905 less \$13,426,794 in capital contributions.

Heinfeld, Meech & Co., P.C.
1365 N. Scottsdale Road. Suite 300
Scottsdale, AZ 85257

In connection with your examination of the Annual Expenditure Limitation Report (AELR) for the year ended June 30, 2022, for the purpose of expressing an opinion about whether the AELR is presented, in all material respects, in accordance with the Uniform Expenditure Reporting System, we confirm, to the best of our knowledge and belief, as of the date of our signature, the following representations made to you during your examination.

1. The AELR for the year ended June 30, 2022 is presented in accordance with the Uniform Expenditure Reporting System.
2. We are responsible for the AELR and for our assertion that it is presented in accordance with the Uniform Expenditure Reporting System.
3. We are responsible for selecting the criteria and determining the criteria are suitable, available to intended users, and appropriate for the purpose of the engagement.
4. Under the terms of the agreement, we have provided you with all relevant information and access to information and personnel in connection with your examination of the AELR.
5. We have disclosed to you all deficiencies in internal control relevant to the engagement of which we are aware.
6. We have disclosed to you knowledge of any actual, suspected, or alleged fraud or noncompliance with laws or regulations affecting the AELR.
7. All relevant matters are reflected in the measurement and/or evaluation of the AELR.
8. We believe that significant assumptions used in making any material estimates are reasonable.
9. We have disclosed to you all known matters that may contradict the AELR, and we have disclosed to you all communications from regulatory agencies, received through the date of your report affecting the AELR.
10. We have disclosed to you all events subsequent to June 30, 2022 that would have a material effect on the AELR.

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

Andrea Davis

Andrea Davis, Finance Director
City of Surprise, Arizona

02/14/2023

Date

SIGNATURE CERTIFICATE



REFERENCE NUMBER
4C48B88C-86A4-45D9-A9CF-6951FFA2A067

TRANSACTION DETAILS	DOCUMENT DETAILS
Reference Number 4C48B88C-86A4-45D9-A9CF-6951FFA2A067	Document Name City Of Surprise Grl Elr Examination 2022
Transaction Type Signature Request	Filename city_of_surprise_grl_elr_examination_2022.pdf
Sent At 02/14/2023 16:37 EST	Pages 2 pages
Executed At 02/14/2023 19:33 EST	Content Type application/pdf
Identity Method email	File Size 154 KB
Distribution Method email	Original Checksum e535391a3b70eebea757500ce7196c491fb683680e2bf0dc31d4fb1cb9dcfb70
Signed Checksum 0543eae71bf8974adb54bb0d1b77c52b3699c1384022eb4a14760c714cf426ef	
Signer Sequencing Disabled	
Document Passcode Disabled	

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
Name Andrea Davis	Status signed	Viewed At 02/14/2023 19:31 EST
Email andrea.davis@surpriseaz.gov	Multi-factor Digital Fingerprint Checksum 3f35b51c544f72337ddc78a18715d9c909f191592ac770d15a5c57b0f2d68eda	Identity Authenticated At 02/14/2023 19:33 EST
Components 2	IP Address 67.132.117.228	Signed At 02/14/2023 19:33 EST
	Device Microsoft Edge via Windows	
	Typed Signature 	
	Signature Reference ID 946146C8	

AUDITS

TIMESTAMP	AUDIT
02/14/2023 16:37 EST	Holly Griglio (holly.griglio@hm.cpa) created document 'city_of_surprise_grl_elr_examination_2022.pdf' on Chrome via Windows from 67.234.193.207.
02/14/2023 16:37 EST	Andrea Davis (andrea.davis@surpriseaz.gov) was emailed a link to sign.
02/14/2023 19:31 EST	Andrea Davis (andrea.davis@surpriseaz.gov) viewed the document on Microsoft Edge via Windows from 67.132.117.228.
02/14/2023 19:33 EST	Andrea Davis (andrea.davis@surpriseaz.gov) authenticated via email on Microsoft Edge via Windows from 67.132.117.228.
02/14/2023 19:33 EST	Andrea Davis (andrea.davis@surpriseaz.gov) signed the document on Microsoft Edge via Windows from 67.132.117.228.

City of Surprise, Arizona
Report on Applying Agreed-Upon Procedures
Biennial Certification of Land Use Assumptions,
Infrastructure Improvement Plan
and Development Impact Fees
For the Period July 1, 2020 through June 30, 2022

**CITY OF SURPRISE, ARIZONA
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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Honorable Mayor and Members of the City Council

We have performed this agreed-upon procedures engagement to assist management of the City of Surprise, Arizona (City), with the requirement set forth in Arizona Revised Statutes (A.R.S.) 9-463.05.G.2 “to provide for a biennial certified audit of the municipality’s land use assumptions, infrastructure improvements plan and development fees”. As such, we have performed the procedures identified below, solely to assist users in evaluating the City’s compliance with the progress reporting requirements of the infrastructure improvement plan for the period from July 1, 2020 through June 30, 2022, as specified in A.R.S. 9-463.05.G.2. City of Surprise, Arizona’s management is responsible for its compliance with those requirements.

City of Surprise, Arizona’s management has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in determining whether the City complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We have applied the following procedures:

The progress of the infrastructure improvements plan.

- a. Compared growth projections for 2021 and 2022 related to population, number of housing units, and nonresidential square footage, as reported in the Infrastructure Improvement Plan (IIP) to actual results. A list of all variances are reported in the Summary of Findings.
- b. Obtained City-prepared report (see Appendix A) documenting the progress of each project identified in the Infrastructure Improvement Plan (IIP) and performed the following procedures:
 - i. Agreed expenditures as of June 30, 2022 to the underlying accounting records.
 - ii. Agreed amounts reported as estimated cost to complete to underlying accounting records.

The collection and expenditures of development impact fees for each project in the plan.

- c. Selected a sample of 40 building permits issued and determined fees were charged in accordance with authorized fee schedules and that each permit holder was charged the same rate as another equivalent permit holder. Any inequities in the imposition of development fees are reported in the Summary of Findings.
- d. Selected a sample of 25 expenditures and determined that the expenditures were associated with an approved project in the City's IIP.

Evaluating any inequities in implementing the plan or imposing the development impact fee.

- e. Determined each developer/unit was charged the same rate as another equivalent developer/unit by recalculating impact fees at the transaction level for the sample mentioned in step c. above.
- f. Determined that there were no instances in which the City waived development impact fees, except as allowed for under A.R.S. 9-499.10.B and A.R.S. 9-500.18.

The accompanying Summary of Findings describes the findings we noted.

We were engaged by City of Surprise, Arizona's management to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of City of Surprise, Arizona and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the management of City of Surprise, Arizona, and is not intended to be and should not be used by anyone other than these specified parties.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
February 3, 2023

CITY OF SURPRISE, ARIZONA

SUMMARY OF FINDINGS

FINDING NO. 1

Variances were noted for growth projections related to population, housing units and nonresidential square footage as reported in the Land Use Assumptions and Infrastructure Improvements Plan when compared to actual results. All variances are reported below.

	2021			
	Projected	Actual	Variance	Variance %
Population ¹	158,178	149,710	(8,468)	-5%
Residential Housing Units	66,141	62,412	(3,729)	-6%
Nonresidential Square Footage				
Retail	6,148,561	5,637,046	(511,515)	-8%
Office	1,620,314	1,675,589	55,275	3%
Public	6,111,141	5,991,692	(119,449)	-2%
Industrial	4,169,032	4,528,401	359,369	9%
Total Nonresidential Square Footage	18,049,048	17,832,728	(216,320)	-1%
¹ Projected population is based on the Municipal Planning Area boundary and the actual population is based on the City limits.				

	2022			
	Projected	Actual	Variance	Variance %
Population ¹	164,136	155,389	(8,747)	-5%
Residential Housing Units	68,502	64,651	(3,851)	-6%
Nonresidential Square Footage				
Retail	6,416,903	5,655,518	(761,385)	-12%
Office	1,701,714	1,675,589	(26,125)	-2%
Public	6,345,292	6,005,012	(340,280)	-5%
Industrial	4,283,001	4,638,204	355,203	8%
Total Nonresidential Square Footage	18,746,910	17,974,323	(772,587)	-4%
¹ Projected population is based on the Municipal Planning Area boundary and the actual population is based on the City limits.				

APPENDIX A
PROGRESS OF INFRASTRUCTURE IMPROVEMENT PLAN PROJECTS

Project Number	IIP page, figure	Project Description	Fund Description	DIF Fund	Estimated Cost (a)	Expenditures as of 6/30/22 (b)	Estimated Cost to Complete	IIP Fiscal Year	Status
P31030	Page 26, Figure P9 & Page 33, Figure F8	Evidence & Readiness Center (shared project - Police/Fire)			\$ 4,173,073			2020-2022	Active
P31030	Page 26, Figure P9 & Page 33, Figure F8	Evidence & Readiness Center (shared project - Police/Fire)	General Capital Projects Fund	No		\$ 130,583		2020-2022	Active
P31030	Page 26, Figure P9 & Page 33, Figure F8	Evidence & Readiness Center (shared project - Police/Fire)	Public Safety Election 2017 Fund (Bond)	No		\$ 10,605,588		2020-2022	Active
P31030	Page 26, Figure P9 & Page 33, Figure F8	Evidence & Readiness Center (shared project - Police/Fire)	Police DIF Fund	Yes		\$ 1,063,400		2020-2022	Active
P31030	Page 26, Figure P9 & Page 33, Figure F8	Evidence & Readiness Center (shared project - Police/Fire)	Fire DIF Fund	Yes		\$ 394,947	\$ 1,550,800	2020-2022	Active
P31060	Page 26, Figure P9	Public Safety Vehicles			\$ 1,700,000			2019-2028	Active
P31060	Page 26, Figure P9	Public Safety Vehicles	Police DIF Fund	Yes		\$ 323,809	\$ 1,376,191	2019-2028	Active
P31070	Page 26, Figure P9	Police Substation			\$ 9,573,800			2021-2022	Active
P31070	Page 26, Figure P9	Police Substation	Police DIF Fund	Yes		\$ 48,599	\$ 17,276,000	2021-2022	Active
P34070	Page 26, Figure P9 & Page 33, Figure F8	Police Substation Land & Fire Station Land (shared project - Police/Fire)			\$ 1,125,000			2019	Active
P34070	Page 26, Figure P9 & Page 33, Figure F8	Police Substation Land & Fire Station Land (shared project - Police/Fire)	Public Safety Election 2017 Fund (Bond)	No		\$ 5,990	\$ 3,300,000	2019	Active
P34080	Page 33, Figure F8	District Fire Station 304			\$ 8,598,400			2019-2021	Closed
P34080	Page 33, Figure F8	District Fire Station 304	Public Safety Election 2017 Fund (Bond)	No		\$ 8,404,194		2019-2021	Closed
P34090	Page 33, Figure F8	Fire Station 308 (includes engine)			\$ 7,873,600			2019-2022	Active
P34090	Page 33, Figure F8	Fire Station 308 (includes engine)	Fire DIF Fund	Yes		\$ 1,269,149		2019-2022	Active
P34090	Page 33, Figure F8	Fire Station 308 (includes engine)	Public Safety Election 2017 Fund (Bond)	No		\$ 6,708,207	\$ 266,900	2019-2022	Active
P34100	Page 33, Figure F8	Ambulance # 4			\$ 375,300			2020	Closed
P34100	Page 33, Figure F8	Ambulance # 4	Ground Ambulance Service Fund	No		\$ 395,327		2020	Closed
P34130	Page 33, Figure F8	Ambulance # 6			\$ 375,300			2022	Closed
P34130	Page 33, Figure F8	Ambulance # 6	Ground Ambulance Capital Fund	No		\$ 302,686		2022	Closed
P54140	Page 20, Figure PR10	Tennis & Racquet Complex - Lighting for 8 tennis courts			\$ 300,000			2019	Closed
P54140	Page 20, Figure PR10	Tennis & Racquet Complex - Lighting for 8 tennis courts	General Capital Projects Fund	No		\$ 356,907		2019	Closed
P71550	Page 44, Figure W17	SPA 2 Rancho Mercado WSF			\$ 8,700,000			2019-2028	Active
P71550	Page 44, Figure W17	SPA 2 Rancho Mercado WSF	Water Utility Capital Fund	No		\$ 251,450	\$ 1,197,000	2019-2028	Active
P71020	Page 44, Figure W17	Arsenic Treatment, Desert Oasis WSF			\$ 1,400,000			2019-2028	Active
P71020	Page 44, Figure W17	Arsenic Treatment, Desert Oasis WSF	Water Utility Capital Fund	No		\$ 134,641	\$ 815,600	2019-2028	Active
P71020	Page 44, Figure W17	Arsenic Treatment, Desert Oasis WSF	Water System SPA 2 DIF Fund	Yes		\$ 1,399,942		2019-2028	Active
P71230	Page 44, Figure W17	Arsenic Treatment - Rancho Gabriela			\$ 1,030,000			2019-2028	Closed
P71230	Page 44, Figure W17	Arsenic Treatment - Rancho Gabriela	Water Utility Capital Fund	No		\$ 1,125,263		2019-2028	Closed
P71240	Page 52, Figure WR9	Water Acquisitions			\$ 2,738,600			2020-2023	Active
P71240	Page 52, Figure WR9	Water Acquisitions	Water Utility Capital Fund	No		\$ 3,171,744		2020-2023	Active
P71240	Page 52, Figure WR9	Water Acquisitions	Water Resource DIF Fund	Yes			\$ 4,265,600	2020-2023	Active
P71190	Page 52, Figure WR9	Wet Water Recharge Basins			\$ 2,200,000			2020-2021	Active
P71190	Page 52, Figure WR9	Wet Water Recharge Basins	Sewer Utility Capital Fund	No		\$ 1,088,200	\$ 7,252,400	2020-2021	Active
P71210	Page 52, Figure WR9	Wet Water Recharge Basins			\$ 2,200,000			2025-2026	Active
P71210	Page 52, Figure WR9	Wet Water Recharge Basins	Water Resource DIF Fund	Yes		\$ 14,952	\$ 691,100	2025-2026	Active
P71210	Page 52, Figure WR9	Wet Water Recharge Basins	Sewer Utility Capital Fund	No		\$ 153,535	\$ 1,094,000	2025-2026	Active
P71250	Page 61, Figure WW13	Digester Modifications			\$ 5,500,000			2019-2020	Closed
P71250	Page 61, Figure WW13	Digester Modifications	Sewer Utility Capital Fund	No		\$ 34,388		2019-2020	Closed
P71260	Page 52, Figure WR9	Circle City Water Acquisition			\$ 16,034,300			2019	Active
P71260	Page 52, Figure WR9	Circle City Water Acquisition	Water Utility Capital Fund	No		\$ 1,130,694	\$ 737,300	2019	Active
P71320	Page 44, Figure W17	Operations Expansion			\$ 1,132,863			2020-2023	Active
P71320	Page 44, Figure W17	Operations Expansion	Water Utility Capital Fund	No		\$ 1,309,123		2020-2023	Active
P71320	Page 44, Figure W17	Operations Expansion	Sewer Utility Capital Fund	No		\$ 2,444,633		2020-2023	Active
P71320	Page 44, Figure W17	Operations Expansion	Water System SPA 1 DIF Fund	Yes		\$ 1,150,000	\$ 867,000	2020-2023	Active
P71330	Page 61, Figure WW13	SPA 2 Additional Land			\$ 3,288,500			2022	Active
P71330	Page 61, Figure WW13	SPA 2 Additional Land	Sewer SPA 2 DIF Fund	Yes			\$ 3,288,500	2022	Active
P71390	Page 44, Figure W17	SPA 2 Rancho Mercado Well			\$ 3,000,000			2019-2028	Active
P71390	Page 44, Figure W17	SPA 2 Rancho Mercado Well	Water System SPA 2 DIF Fund	Yes				2019-2028	Active
P71390	Page 44, Figure W17	SPA 2 Rancho Mercado Well	Water Resource DIF Fund	Yes		\$ 32,812	\$ 2,294,500	2019-2028	Active
P71400	Page 61, Figure WW13	SPA 2 Connecting Influent Pipeline			\$ 250,000			2023	Closed
P71400	Page 61, Figure WW13	SPA 2 Connecting Influent Pipeline	Sewer Utility Capital Fund	No		\$ 430,328		2023	Closed
P71400	Page 61, Figure WW13	SPA 2 Connecting Influent Pipeline	Sewer SPA 2 DIF Fund	Yes		\$ 334,998		2023	Closed
P71410	Page 44, Figure W17	Arsenic Treatment - Desert Oasis WSF			\$ 1,400,000			2019-2028	Closed
P34150	Page 33, Figure F8	New Fire Station 309			\$ 7,098,600		\$ 13,200,000	2024-2028	Active
T34110	Page 33, Figure F8	Utility Truck			\$ 600,000		\$ 600,000	2021	Hold
T34120	Page 33, Figure F8	Type 3 Fire Engine			\$ 560,000		\$ 560,000	2020	Hold
P34160	Page 33, Figure F8	Water Tender			\$ 300,000		\$ 708,200	2020	Active
T34170	Page 33, Figure F8	Ambulance			\$ 375,500		\$ 512,300	2019	Hold
T34220	Page 33, Figure F8	Ambulance			\$ 375,500		\$ 538,100	2019	Hold

APPENDIX A
PROGRESS OF INFRASTRUCTURE IMPROVEMENT PLAN PROJECTS

T54030	Page 20, Figure PR10	Community Pool			\$ 6,500,000		\$ 6,500,000	2022-2023	Hold
T54040	Page 20, Figure PR10	Rancho Mercado Neighborhood Park- New 13 acre park			\$ 2,200,000		\$ 2,200,000	2020-2021	Hold
T54050	Page 20, Figure PR10	White Tanks Community Park - New 25 acre park			\$ 9,000,000		\$ 9,000,000	2023	Hold
T54120	Page 20, Figure PR10	Sierra Montana Park - Restrooms & Lighting			\$ 770,000		\$ 770,000	2023	Hold
T54200	Page 20, Figure PR10	Recreation Facility			\$ 10,000,000		\$ 10,000,000	2019-2029	Hold
T54210	Page 20, Figure PR10	Two West Community Park - New 25 acre park			\$ 9,000,000		\$ 9,000,000	2026-2027	Hold
T54260	Page 20, Figure PR10	Prasada Community Park - New 25 acre park			\$ 9,000,000		\$ 9,000,000	2020-2021	Hold
T54360	Page 20, Figure PR10	Tribly Wash Community Park - New 25 acre park			\$ 9,000,000		\$ 9,000,000	2028-2029	Hold
P54160	Page 20, Figure PR10	Surprise Community Park - Lighting, Parking, Restrooms			\$ 2,110,000		\$ 2,000,000	2022-2023	Hold
T71050	Page 44, Figure W17	Operations Expansion			\$ 114,350		\$ 114,350	2020-2023	Hold
T71070	Page 44, Figure W17	SPA 1 Drinking Water Well			\$ 3,000,000		\$ 3,000,000	2020-2023	Hold
T71220	Page 44, Figure W17	Operations Expansion			\$ 956,287		\$ 956,287	2020-2023	Hold
T71270	Page 44, Figure W17	Water Transmission Line - Ashton Ranch/Roseview			\$ 2,750,000		\$ 2,750,000	2019-2028	Hold
N/A	Page 26, Figure P9	Public Safety Equipment			\$ 2,800,000		\$ 2,800,000	2019-2028	Hold
N/A	Page 44, Figure W17	Surprise Downtown Waterline Loop			\$ 1,150,000		\$ 1,150,000	2019-2028	Hold
P71270	Page 52, Figure WR9	Long Term Storage Credit Purchase			\$ 14,000,000		\$ 14,000,000	2019-2028	Hold
N/A	Page 52, Figure WR9	Wet Water Leases			\$ 14,000,000		\$ 14,000,000	2020-2028	Hold

- a) The source of the information in the City of Surprise 2020 Infrastructure Improvements Plan.
b) The source of the information is the City's financial records through June 30, 2022.

Heinfeld, Meech & Co., P.C.
1365 N. Scottsdale Road, Suite 300
Scottsdale, AZ 85257

This representation letter is provided in connection with your audit of the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Surprise, Arizona's major federal programs for the year ended June 30, 2022, for the purpose of expressing an opinion on compliance for each of the major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

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

We confirm, to the best of our knowledge and belief, as of the date of our signature, the following representations made to you during your audit with respect to our federal award programs.

1. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards (SEFA).
2. We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

3. All material transactions have been recorded in the accounting records and are reflected in the schedule of expenditures of federal awards.
4. If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
5. We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
6. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
7. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to federal programs that are free from material noncompliance, whether due to fraud or error.
8. We have established and maintained effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
9. We have no knowledge of any fraud or suspected fraud that affects federal programs and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on federal programs.
10. We have no knowledge of any allegations of fraud or suspected fraud affecting federal programs communicated by employees, former employees, grantors, regulators, or others.
11. We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
12. We have received no requests from a federal agency to audit one or more specific programs as a major program.

13. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards, if any.
14. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
15. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
16. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR Part 200, Subpart E).
17. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
18. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
19. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
20. There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
21. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
22. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
23. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.

24. If applicable, we have monitored subrecipients to determine that they have expended subawards in compliance with federal statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
25. If applicable, we have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.
26. If applicable, we have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
27. We have charged costs to federal awards in accordance with applicable cost principles.
28. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
29. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
30. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
31. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.
32. If applicable, we have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.
33. In addition to your audit, you assisted with the data collection form. We acknowledge our responsibility as it relates to those nonaudit services, including that
 - we assume all management responsibilities;
 - oversee the nonaudit services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience;
 - evaluate the adequacy and results of the nonaudit services performed;
 - and accept responsibility for the results of the nonaudit services.

34. We have reviewed, approved, and accepted responsibility for the data collection form on which you have assisted with the preparation.

Andrea Davis

Andrea Davis, Finance Director
City of Surprise, Arizona

02/03/2023

Date

SIGNATURE CERTIFICATE



REFERENCE NUMBER
47E90D20-DDD2-4536-9AA5-C02A9AA445D0

TRANSACTION DETAILS	DOCUMENT DETAILS
Reference Number 47E90D20-DDD2-4536-9AA5-C02A9AA445D0	Document Name General Representation Letter Uniform Guidance FY22 Surprise City
Transaction Type Signature Request	Filename general_representation_letter_uniform_guidance_fy22_surprise_city.pdf
Sent At 02/03/2023 14:27 EST	Pages 5 pages
Executed At 02/03/2023 15:01 EST	Content Type application/pdf
Identity Method email	File Size 192 KB
Distribution Method email	Original Checksum ac718abbb88f13e5e74e620aee59bfb3d6520982eeab0c5fd4eb17163a0b746d
Signed Checksum ac6cdb6a0bc10517a60d3f0f64a55c6cdcf9ade1d683754e223f892419ef5f3b	
Signer Sequencing Disabled	
Document Passcode Disabled	

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
Name Andrea Davis	Status signed	Viewed At 02/03/2023 15:01 EST
Email andrea.davis@surpriseaz.gov	Multi-factor Digital Fingerprint Checksum 857893b07010ab2aad070802d442b1322bd926dfe2dc524cf37e295615a36692	Identity Authenticated At 02/03/2023 15:01 EST
Components 2	IP Address 67.132.117.228	Signed At 02/03/2023 15:01 EST
	Device Microsoft Edge via Windows	
	Typed Signature 	
	Signature Reference ID D6D2E8EB	

AUDITS

TIMESTAMP	AUDIT
02/03/2023 14:27 EST	Holly Griglio (holly.griglio@hm.cpa) created document 'general_representation_letter_uniform_guidance_fy22_surprise_city.pdf' on Chrome via Windows from 67.234.193.207.
02/03/2023 14:27 EST	Andrea Davis (andrea.davis@surpriseaz.gov) was emailed a link to sign.
02/03/2023 15:01 EST	Andrea Davis (andrea.davis@surpriseaz.gov) viewed the document on Microsoft Edge via Windows from 67.132.117.228.
02/03/2023 15:01 EST	Andrea Davis (andrea.davis@surpriseaz.gov) authenticated via email on Microsoft Edge via Windows from 67.132.117.228.
02/03/2023 15:01 EST	Andrea Davis (andrea.davis@surpriseaz.gov) signed the document on Microsoft Edge via Windows from 67.132.117.228.



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023

Contact Person: Andrea Davis, DIRECTOR -
FINANCE

Submitting Department: Finance

District: Internal

Staff Recommendations:

Consent: No

Regular: Yes

Public Hearing: No

Report/Discussion: No

Agenda Wording:

Consideration and action by City Council determining, in accordance with A.R.S. § 9-481(H), that the City of Surprise has complied with A.R.S. § 41-1494, an Arizona law which prohibits a state agency, including cities, from requiring, or expending public funds on, certain training, orientation or therapy; Resolution #2023-41.

Motion:

I move to approve Resolution #2023-41.

Background:

In 2021 the Arizona Legislature enacted HB 2906 which requires the governing body of a city to demonstrate annual compliance with A.R.S. § 41-1494 which prohibits a city, town, county, or political subdivision from requiring employees to engage in training, orientation or therapy that presents any form of blame or judgment on the basis of race, ethnicity or sex. Similarly, a city may not expend public money on same.

Objective Analysis:

The Human Resources Director of the City of Surprise has verified that the City of Surprise has not required any employee to engage in training, orientation or therapy that presents any form of blame or judgment on the basis of race, ethnicity or sex as defined by A.R.S. § 41-1494.

Policy Compliant:

The City is compliant with A.R.S. § 41-1494.

Financial Impact:

There is no financial impact as no public monies have been expended for this purpose.

Budget Impact:

There is no budget impact on this item.

FTE Impact:

The number of full time equivalents (FTE) is not impacted by this item.

ATTACHMENTS:

1. 23.04.04 Res 2023-41 Comply with ARS 9-481(H)
 2. 3.28.2023 Acknowledgement of Compliance with ARS 14-1494
-

RESOLUTION # 2023-41

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, DETERMINING COMPLIANCE WITH A.R.S. § 41-1494 REGARDING TRAINING, ORIENTATION, THERAPY, BLAME, AND JUDGEMENT, IN ACCORDANCE WITH A.R.S. § 9-481 (H).

WHEREAS, the Arizona Legislature enacted HB 2906 in 2021 and said legislation became effective on or about September 29, 2021;

WHEREAS, pursuant to HB 2906, newly enacted A.R.S. § 41-1494 prohibits a city, town, county, or political subdivision from certain actions regarding training, orientation, therapy, blame, and judgment;

WHEREAS, HB 2906 also adopted subsection H of A.R.S. § 9-481 requiring the governing body of a city to demonstrate compliance with A.R.S. § 41-1494;

WHEREAS, the Human Resources Director of the City of Surprise has verified that the City of Surprise has not required any employee to engage in training, orientation or therapy that presents any form of blame or judgment on the basis of race, ethnicity or sex as defined by A.R.S. § 41-1494; and

WHEREAS, because no training, orientation or therapy prohibited by A.R.S. § 41-1494 has been required, no public monies have been expended for this purpose.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. The City Council hereby finds that the City of Surprise has complied with the provisions of HB 2906 (2021) as applicable to the City.

Section 2. The City Council further finds that the City of Surprise does not require and does not intend to require employees to engage in any training, orientation, or therapy that presents any form of blame or judgement on the basis of race, ethnicity, or sex as proscribed in A.R.S. § 41-1494.

Section 3. The City Council further finds that the City of Surprise does not use and does not intend to use public monies for training, orientation, or therapy that presents any form of blame or judgement on the basis of race, ethnicity, or sex as proscribed in A.R.S. § 41-1494.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

APPROVED AND ADOPTED this ____ day of _____, 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

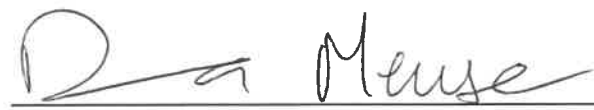
Memorandum

From: Donna Meuse, Director of Human Resources

Date: March 28, 2023

Re: Acknowledgement of Compliance with ARS 14-1494

The City of Surprise offers a variety of training programs in support of city policy and in compliance with state and federal law. As the Human Resources Director for the City of Surprise, I am familiar with mandated city-wide training. In compliance with ARS 14-1494, the City does not require employees to engage in any trainings, orientations, or therapies that present any form of blame or judgment on the basis of race, ethnicity, or sex. In addition to city-wide training presented by the Human Resources Department, I have confirmed that department specific trainings developed and delivered by the Police Department, the Fire Medical Department, and the Risk Management Division of the City Attorney's Office do not include training that violates the prohibition as defined by ARS 14-1494.


Donna Meuse

3-28-2023
Date



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: March 21, 2023
Submitting Department: Human Svcs and Comm
Vitality
Staff Recommendations:

Contact Person: Seth Dyson, DIRECTOR - HSCV
District: District 4

Consent: No	Regular: Yes	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to a ground lease between the City of Surprise and the Housing Authority of Maricopa County for affordable senior housing in Surprise. Resolution 2023-35.

Motion:

I move to approve Resolution #2023-35.

Background:

The Human Service and Community Vitality Department is proposing to enter into a ground lease agreement with the Housing Authority of Maricopa County (HAMC) for city-owned property located at 15627 North Nash Street. HAMC will then utilize federal, Section 202, funding awarded by the U.S. Department of Housing and Urban Development on September 21, 2021 to develop 99 units of affordable senior housing in Surprise.

City and HAMC recognize the importance of providing affordable housing for low-income, elderly persons. In response to growing affordable housing concerns and the impact of rising housing costs, HSCV, in partnership with HAMC, is proposing to establish a ground lease for the development of a senior housing complex in the City of Surprise. People aged 50 and older make up over thirty percent of the nation's homeless population and that number is projected to more than double by 2050. Federal and State, age-defined housing resources are available in Maricopa County. However, many senior Surprise residents have difficulty accessing resources outside of Surprise. The senior housing complex will provide affordable permanent housing for low-income senior residents, which will in turn offer stability and help prevent them from becoming homeless.

The Intergovernmental Agreement associated with this item is presented to Council for consideration in a separate item, #3, Resolution 2023-36.

Objective Analysis:

This action authorizes the City to enter into a ground lease agreement with the Housing Authority of Maricopa County in order to develop affordable senior housing in Surprise.

Policy Compliant:

This action is compliant with City and Council policy.

Financial Impact:

Pursuant to the terms of the proposed Ground Lease, the City will lease the Property to HAMC for the amount of ten dollars (\$10.00) per year for a period of seventy-five (75) years. In total, the City will receive \$750 in revenue for the leased property. The proposed Heritage Senior Apartments development is estimated to be a \$23 million investment in the Original Townsite of Surprise.

Budget Impact:

The anticipated annual revenue of \$10 per year will be considered when setting future budgets. There are no anticipated expenditures with the approval of this item.

FTE Impact:

There is no FTE impact.

ATTACHMENTS:

1. 23.03.10 EVR TH Ground Lease with City of Surprise
-

RESOLUTION # 2023-35

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA APPROVING A GROUND LEASE BETWEEN THE CITY OF SURPRISE AND THE HOUSING AUTHORITY OF MARICOPA COUNTY FOR CONSTRUCTION OF AFFORDABLE SENIOR HOUSING IN SURPRISE.

WHEREAS, the City of Surprise is authorized by Arizona Revised Statutes ("A.R.S.") § 9-241(A) to lease city-owned real property;

WHEREAS, the City and the Housing Authority of Maricopa County ("HAMC") propose to enter into the Ground Lease attached as **Exhibit A** pursuant to the Intergovernmental Agreement ("IGA") concurrently approved pursuant to Resolution #2023-36;

WHEREAS, the City recognizes the importance of housing that is affordable to people of all income levels, and in particular senior citizens, and that HAMC, in part, provides such affordable housing to people in Maricopa County, including the City of Surprise;

WHEREAS, the property is located within the Original Town Site ("OTS") at 15627 North Nash Street, Surprise, Arizona, and is identified by Maricopa County Assessor's Parcel Numbers 501-80-034A and 501-80-034C, as more particularly described in the Ground Lease (the "Property");

WHEREAS, the City will lease the Property to HAMC for \$10.00 per year for a period of 75 years and the Ground Lease shall be eligible for two additional ten-year extensions;

WHEREAS, the City authorizes HAMC to sublease the Property for the purpose of allowing its subtenant to construct and operate a 99-unit low-income senior apartment complex on the Property;

WHEREAS, the parties desire to enter into the Ground Lease attached as **Exhibit A** for the purpose stated herein.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. The Ground Lease between the City of Surprise and the Housing Authority of Maricopa County, attached as **Exhibit A**, is approved.

Section 2. The City Manager, or his designee, is hereby authorized to execute and submit all documents and other necessary or desirable instruments in connection with said agreement.

APPROVED AND ADOPTED this ____ day of _____, 2023.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A

GROUND LEASE BETWEEN
THE CITY OF SURPRISE AND THE HOUSING AUTHORITY OF
MARICOPA COUNTY



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: April 4, 2023
Submitting Department: Legal
Staff Recommendations: None

Contact Person: Robert Wingo, CITY ATTORNEY
District: Citywide

Consent: No	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to amendments to the Surprise Municipal Code relating to City Council procedures and Boards and Commissions procedures, membership, and by-laws; Ordinance #2023-08.

Motion:

I move to approve Ordinance #2023-08.

Background:

At the February 7, 2023, regular City Council meeting, City Council adopted amendments to the City's *Policies and Procedures Manual* as well as the *Boards and Commissions Handbook*. Those amendments prompted a review of relevant portions of Chapter 2 of the Surprise Municipal Code. Proposed amendments were then considered and direction provided to the City Attorney by City Council at the March 7 Work Session. That direction has since been memorialized in the proposed amendments to Chapter 2 of the Surprise Municipal Code.

Objective Analysis:

The policies and procedures governing both City Council meetings and Boards and Commissions composition and meetings is generally within the discretion of City Council. These proposed amendments will implement the following changes:

- 1) Remove the potential conflict between the use of Robert's Rules of Order as the Council's parliamentary procedure and specific parliamentary rules adopted in the City Council's *Policies and Procedures Manual*;
- 2) Remove the annual consolidated meeting mandate;
- 3) Allow part-time employees to serve on a board or commission so long as no conflict of interest or incompatibility is created;
- 4) Aligns the Surprise Municipal Code provision pertaining to "resigning to run" with Arizona state statutes by narrowing the requirement to **salaried** offices;
- 5) Establishing term limits for serving as Chair or Vice-chair of a board or commission;
- 6) Providing that re-appointment to a board or commission be subject to a competitive process with certain exceptions at the discretion of the Nomination Committee;
- 7) Reduces the number of members on the Veterans, disability and human services commission to 7 via

attrition.

Policy Compliant:

These proposed amendments provide clarity, establish best practices, and remove obsolete provisions by codifying new policies and procedures pertaining to the City's boards and commissions.

Financial Impact:

There is no financial impact related to this item.

Budget Impact:

There is no budget impact related to this item.

FTE Impact:

This item does not have an impact on current staff levels.

ATTACHMENTS:

1. 23.04.04 Proposed SMC amendments presentation
 2. 23.04.04 Ordinance 2023-08 SMC amendment
-



Proposed Surprise Municipal Code (“SMC”) Amendments to Council (and Boards and Commissions) Policies and Procedures

City Attorney’s Office

SMC Sec. 2-80. Applicable rules of parliamentary procedure

(a) Unless an alternative rule or procedure has been adopted, the latest standard edition of Robert's Rules of Order will serve as a guide for parliamentary procedure of the common council.

SMC Sec. 2-293. Consolidated meetings

Strike Sections (a) and (b) which define “consolidated meeting” and mandate an annual consolidated meeting of all boards and commissions.

Retain authority to conduct a consolidated meeting at the direction of City Council.

SMC Section 2-295. Bylaws

All public bodies of the city will operate under the following set of bylaws except as otherwise stated in **Arizona law**, this Code, or in the resolution or ordinance creating the body:

Continued...

(d) **Full-time** employees may not serve as members of any public body. **A part-time employee may serve on a board or commission so long as no conflict of interest or incompatibility of public offices are created.**

Continued...

(7) Political Activity. No member of a public body may use membership on the body to advocate, campaign, or influence the outcome of an election. Violation of this section will be promptly referred to city council, and the member may be removed from the public body. No member of the public body may offer him or herself for nomination or election to any **salaried** local, state, or federal office. A member shall be deemed to have offered him or herself for nomination or election on the filing of a nomination paper pursuant to A.R.S. title 16, chptr 3, art 2.

Continued...

(11)(g) Service in the capacity as either chair and/or vice-chair shall be limited to two consecutive terms after which an abeyance of two years shall be required for eligibility of election to either position.

SMC Section 2-296(a)(3)

All persons, including current members seeking reappointment, interested in becoming a member of a public body must submit an application to the city clerk's office and participate in a competitive selection process.

Continued...

- In its sole discretion, the Nomination Committee may forego the competitive process for particular board or commission vacancies when 1) one or more applications received are for reappointment, and 2) the number of applications received is less than, or equal to, the number of vacancies.

SMC 2-298. Veterans, disability & human services commission.

(c) Composition. The veterans, disability and human service commission shall be composed of ~~11 members.~~
~~The initial membership shall include the existing members of the disestablished disability advisory commission for the remainder of their respective terms. The four additional members and members appointed thereafter shall be limited to~~ (i) service members, veterans, and relatives of either; (ii) individuals with disabilities and disability service organizations; and (iii) human service representatives and organizations...



SURPRISE
ARIZONA

Thank you

ORDINANCE NO. 2023-08

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AMENDING CHAPTER 2, ARTICLE II, SECTION 2-80, *APPLICABLE RULES OF PARLIAMENTARY PROCEDURE*, AND ARTICLE VIII, SECTIONS 2-293, *CONSOLIDATED MEETINGS*, 2-295, *BYLAWS*, 2-296, *MEMBER SELECTION AND REPLACEMENT PROCESS*, AND 2-298, *VETERANS, DISABILITY, AND HUMAN SERVICES COMMISSION*, OF THE SURPRISE MUNICIPAL CODE, PERTAINING TO CITY COUNCIL PROCEDURE AND BOARDS AND COMMISSIONS BYLAWS; PROVIDING FOR SEVERABILITY; REPEALING CONFLICTING ORDINANCES; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, on February 7, 2023, City Council adopted certain amendments to the City's Policies and Procedures Manual and Boards and Commissions Handbook;

WHEREAS, those amendments prompted a review of related provisions of the Surprise Municipal Code for consistency, best practice, and clarity; and

WHEREAS, the proposed amendments to the Surprise Municipal Code have been considered by City Council at a work session and determined to be beneficial to the operations and efficiency of the City Council and boards and commissions.

NOW THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. In General.

Chapter 2, Article II, Section 2-80, Subsection (a), of the Surprise Municipal Code, is hereby amended to read as follows:

- (a) UNLESS AN ALTERNATIVE RULE OR PROCEDURE HAS BEEN ADOPTED, the latest standard edition of Robert's Rules of Order will serve as a guide for parliamentary procedure of the common council.

Chapter 2, Article VIII, Section 2-293, of the Surprise Municipal Code, is hereby amended to read as follows:

Sec. 2-293. Consolidated meetings.

- ~~(a) For the purposes of this section, "consolidated meeting" means a joint meeting of two or more public bodies for the purpose of joint discussion, education, recognition, or similar business.~~
- ~~(b) At least once per calendar year, a consolidated meeting of all public bodies will be held at a time and place to maximize attendance by members of the public bodies. During the annual consolidated meeting:~~
 - ~~(1) Participation in a city council public body will be recognized; and~~
 - ~~(2) The chairperson of each public body will be given the opportunity to provide an update of the body's activities and anticipated activities.~~
- (ae) City council may, by motion approved by majority vote, refer any item, question, or topic to a consolidated meeting consisting of two or more of its public bodies.
- (bd) The city manager will act as staff liaison for all consolidated meetings.

Chapter 2, Article VIII, Section 2-295, introduction and Subsections (3), (7), and (11) of the Surprise Municipal Code, are hereby amended to read as follows:

Sec. 2-295. - Bylaws.

All public bodies of the city will operate under the following set of bylaws except as otherwise stated in ARIZONA LAW, this Code, or in the resolution or ordinance creating the body:

...

(3) Member qualifications, generally.

- a. Each member of the body must be a resident of the city and must remain so during the term of appointment.
- b. Persons may serve on no more than two public bodies concurrently, and neither body may review, consider, or make recommendations to the other body. For example, a member may serve on both the arts commission and the planning commission, because neither commission "reviews, considers or makes recommendations to the other" commission.
- c. Individuals related by marriage, blood, or adoption, may not serve on the same public body.
- d. FULL-TIME ~~Employees~~ may not serve as members of any public body. A PART-TIME EMPLOYEE MAY SERVE ON A BOARD OR COMMISSION SO LONG AS NO CONFLICT OF INTEREST OR INCOMPATABILITY OF PUBLIC OFFICES IS CREATED.
- e. No city council member may serve as a member of any city public body other than city council.

...

- (7) *Political activity.* No member of a public body may use membership on the body to advocate, campaign, or influence the outcome of an election. Violation of this section will be promptly referred to city council, and the member may be removed from the public body. No member of a public body may offer him or herself for nomination or election to any SALARIED local, state, or federal office. A member shall be deemed to have offered him or herself for nomination or election on the filing of a nomination paper pursuant to A.R.S. tit. 16, ch. 3, art. 2.

...

(11) *Chair/vice-chair; elections.*

- a. Each body must elect a chair and vice-chair each July from among its members.
- b. The vice-chair will act as chair in the chair's absence. In the absence of the chair and vice-chair, the body members in attendance must select a member to act as the chair for that meeting.
- c. Any vacancy for chair or vice-chair, as may occur for any reason, must be filled from the body membership at the next meeting where a quorum of the body is present.
- d. The chair or vice-chair may be removed from their positions as chair or vice-chair at any time by a three-fourths majority vote of the membership.
- e. The chair will preside at all meetings of the body, decide all points of order and procedure, and perform any duties required by law, ordinance, or resolution.
- f. The chair has the right to vote on all matters before the body and the right to make or second motions in the absence of a motion or a second made by another member.

G. SERVICE IN THE CAPACITY AS EITHER CHAIR AND/OR VICE-CHAIR SHALL BE LIMITED TO TWO CONSECUTIVE TERMS AFTER WHICH AN ABEYANCE OF TWO YEARS SHALL BE REQUIRED FOR ELIGIBILITY OF ELECTION TO EITHER POSITION.

Chapter 2, Article VIII, Section 2-296, Subsection (a)(3), of the Surprise Municipal Code, is hereby amended to read as follows:

- (3) All persons, including current members seeking reappointment, interested in becoming a member of a public body must submit an application to the city clerk's office AND PARTICIPATE IN A COMPETITIVE SELECTION PROCESS. Only applications received by the city clerk's office may be considered for body vacancies. IN ITS SOLE DISCRETION, THE NOMINATION COMMITTEE MAY FOREGO THE COMPETITIVE PROCESS FOR PARTICULAR BOARD OR COMMISSION VACANCIES WHEN 1) ONE OR MORE APPLICATIONS RECEIVED ARE FOR

REAPPOINTMENT, AND 2) THE NUMBER OF APPLICATIONS RECEIVED IS LESS THAN, OR EQUAL TO, THE NUMBER OF VACANCIES. ~~Members with expiring terms who submit a timely application will automatically be nominated for reappointment unless the nominations committee decides to open the reappointment process to competition. Notice of the nomination committee's decision will be provided to the member no less than ten business days after referral by the city clerk. The committee's decision is final and may be with or without cause.~~

Chapter 2, Article VIII, Section 2-298, of the Surprise Municipal Code, is hereby amended to read as follows:

Sec. 2-298. Veterans, disability and human services commission.

- (a) Mission. To promote quality of life, accessibility and equity for all residents of Surprise, including those who are veterans or who experience disabilities, through cooperation with Surprise residents and any veterans, disability and human service organizations that serve the residents of Surprise.
- (b) Bylaws. Unless otherwise delineated within this section, the bylaws contained in section 2-295 apply.
- (c) Composition. The veterans, disability and human service commission shall be composed of ~~11 members. The initial membership shall include the existing members of the disestablished disability advisory commission for the remainder of their respective terms. The four additional members and members appointed thereafter shall be limited to~~ (i) service members, veterans, and relatives of either; (ii) individuals with disabilities and disability service organizations; and (iii) human service representatives and organizations. In making recommendations for appointment, the nomination committee will endeavor to achieve a balance of the above three categories. For purposes of this section, the following definitions shall apply:
 - (1) Service member means an active member of the United States Armed Forces; Army or Air National Guard; and any other category of persons designated by the President in time of war or national emergency;
 - (2) Veteran means a person who served as a service member and who was discharged or released under conditions other than dishonorable;
 - (3) Relative means spouse, child, parent, or sibling;
 - (4) Disability means a physical or mental impairment that substantially limits one or more major life activities;
 - (5) Human services means services provided to individuals in an effort to stabilize their life and find self sufficiency through guidance, counseling, treatment and the provision of basic needs, including but not limited to times of crisis.

Section 2. Implementation.

The reduction in the number of members of the Veterans, disability, and human services commission as memorialized in the amendments to Chapter 2, Article VIII, Section 2-298, adopted herein, shall be implemented through attrition.

Section 3. Providing for Repeal of Conflicting Ordinances.

All ordinances and parts of ordinances in conflict with the provisions of this Ordinance or any part of the Code adopted herein by reference, are hereby repealed.

Section 4. Providing for Severability.

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance or any part of the Code adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 5. Effective Date.

This Ordinance shall become effective as prescribed by applicable law.

ADOPTED AND APPROVED this ____ day of _____, 2023.

Skip Hall, Mayor

ATTEST:

Sherry Aguilar, City Clerk

APPROVED AS TO FORM:

Robert Wingo, City Attorney