

MINUTES
REGULAR CITY COUNCIL WORKSESSION
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS - YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
June 17, 2025
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the Regular City Council Worksession to order at 5:34 p.m.

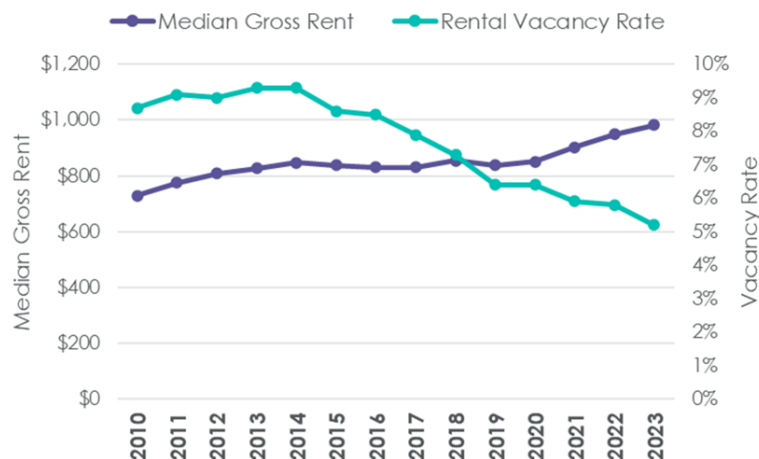
Councilmembers Present: Martinez, Morris, McClendon, Smith, Morales, Watts, and Mayor Nicholls
Councilmembers Absent: None
Staffmembers Present: Acting City Administrator, John D. Simonton
Neighborhood Services Specialist, Kassandra Granados
Chief of Police, Thomas Garrity
Director of Finance, Douglas Allen
Director of Engineering, David Wostenberg
Various department heads or their representatives
City Attorney, Richard W. Files
City Clerk, Lynda L. Bushong

I. AFFORDABLE HOUSING PLAN BRIEFING

Granados introduced **Avilia Bueno**, Economist with Root Policy Research, to present the following briefing on the Affordable Housing Plan:

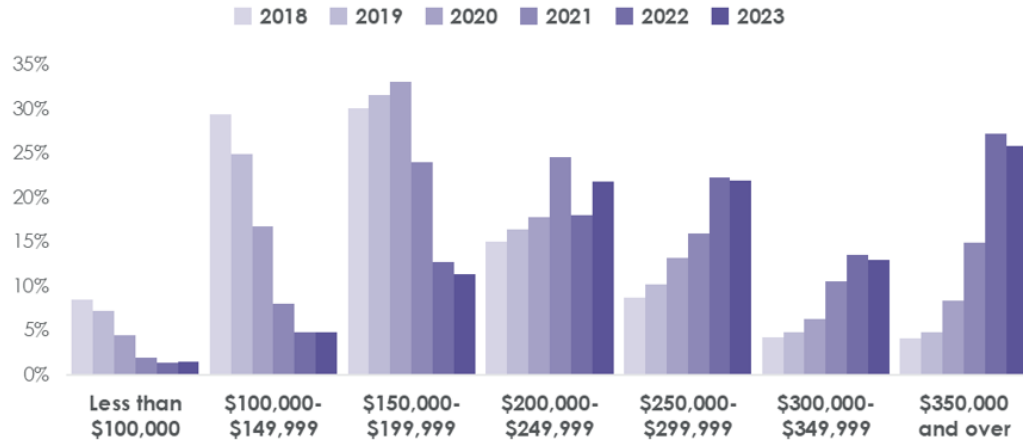
- Housing Affordability and Housing Needs in Yuma
 - Rent and Vacancy
 - The Median Gross Rate was somewhat stable between 2010 and 2020, but after the pandemic rent started to accelerate.
 - The Rental Vacancy Rate was also moderately stable up until 2014 but has decreased over the past 10 years.

Median Gross Rent and Rental Vacancy Rate, City of Yuma, 2023



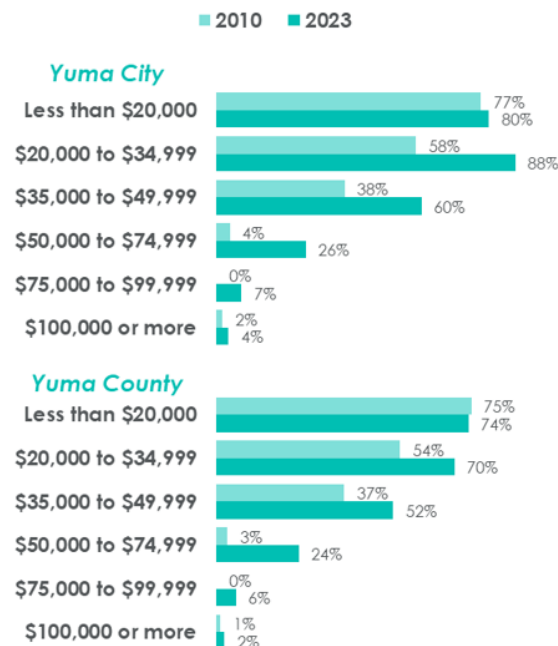
- Declining Availability of Affordable Homes
 - In 2018, 68% of homes bought with a mortgage in the county were under \$200,000. By 2023, that number dropped to 18%, while homes priced above \$250,000 rose from 17% to 61%.

Property Value Distribution of Mortgage Loan Originations, Yuma County, 2018-2023

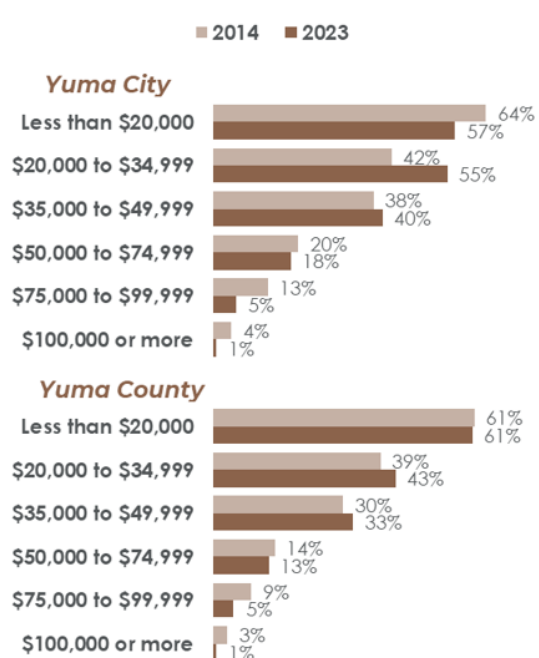


- Housing Needs
 - Rising cost burdens
 - Renters earning less than \$20,000 faced high cost burdens
 - 77% of low-income renters paid over 30% of their income in rent in 2010; this rose to 80% by 2023.
 - Middle-income renters, specifically those in the \$35,000 to \$75,00 income bracket, have experienced a significant rise in cost burden.

Renter Cost Burden



Homeowner Cost Burden



- Stakeholder Engagement
 - Community engagement activities conducted to inform this study included interviews and an interactive workshop with housing service providers, property developers, City staff, and a focus group with members of the Attainable Housing Committee.
 - Engagement Findings:
 - Renters and Voucher Holders Face Major Barriers
 - Rising rents exceed voucher limits, reducing landlord participation.
 - Homeownership is Out of Reach for Many
 - Escalating home prices, interest rates, and insurance costs have made homeownership unaffordable, even with increased down payment assistance.
 - Overcrowding, Substandard Conditions, and Seasonal Instability
 - Many families live in overcrowded or unsafe housing. Housing needs are exacerbated during the summer due to seasonal economic downturns.
 - Development Barriers
 - High construction costs, high interest rates, limited funding, and land constraints slow housing development. However, recent interest in Accessory Dwelling Units (ADUs) and multifamily development shows some momentum.
 - Community Priorities and Strategy Support
 - Stakeholders prioritize new construction and preservation of affordable housing, followed by investments in education and public awareness. Support exists for innovative financing, ADU promotion, and targeted zoning reforms.
- Strategy Framework
 - Recommendations are structured around three objectives:
 - Objective 1: Support the new construction of affordable housing and preserve existing affordable housing
 - Objective 2: Increase education, communication, and information on housing affordability to increase support for and access to affordable housing
 - Objective 3: Support financing for new construction and preservation, and expand funding sources for affordable housing
 - These objectives aim to help address Yuma's most pressing housing challenges by increasing the supply of affordable housing, enhancing public understanding and support for diverse housing options, and strengthening the financial tools necessary to make housing projects feasible.
 - The housing action plan should be viewed as a living document that is continually updated in response to evolving economic conditions, population dynamics, and shifting community needs. This will ensure the plan remains relevant and responsive to changes.
- Objective 1. Support the new construction of affordable housing and preserve existing affordable housing.
 - The goals under this objective are centered on strengthening Yuma's affordable housing landscape through a combination of infrastructure upgrades, preservation efforts, innovation, and regulatory reform.

- Action 1.1. Continue investing in redevelopment, revitalization, and infill of older neighborhoods
- Action 1.2. Support the acquisition and/or rehabilitation of naturally occurring affordable housing
- Action 1.3. Explore innovative construction methods
- Action 1.4. Affordable housing zoning overlay
- Action 1.5. Continue removing barriers to the development of ADUs
- Action 1.6. Review tap fees and other development fees to encourage different housing types and the production of smaller homes
- Objective 2. Increase education, communication, and information on housing affordability to increase support for and access to affordable housing.
 - The goals for this objective focus on strengthening public understanding, access, and support around affordable housing in Yuma.
 - Action 2.1. Promote and build support for affordable housing
 - Action 2.2. Improve resident access to housing information and resources
 - Action 2.3. Support efforts to increase resident rights information in manufactured home communities
- Objective 3. Support financing for new construction, preservation, and seek to expand funding sources for affordable housing.
 - The goals for this objective focus on expanding and strengthening the financial foundation needed to support affordable housing development in Yuma.
 - Action 3.1. Work with developers to better understand the financing barriers to missing middle projects and consider partnerships with financial institutions to address such barriers
 - Action 3.2. Seek and leverage General Fund allocations
 - Action 3.3. Advocate for state- and local-level policy reform

Discussion

- Those whose housing costs exceed 30% of their income are considered cost burdened. Detailed statistics on cost burden are included in the Housing Needs Assessment and Affordable Housing Plan. (**Mayor Nicholls/Bueno**)
- Housing vouchers help pay rent and follow the household, but there is a persistent shortage of vouchers due to limited federal allocation and market conditions. The Housing Authority of the City of Yuma manages the vouchers; more information on Yuma's supply of vouchers can be obtained from them and will be provided to City Council (**Morris/Bueno/Granados**)
- The new housing being constructed near 8th Street and Avenue A is market rate (**Watts/Bueno**)
- The City has taken a proactive stance on housing policy reform, having achieved success with policies such as the code amendment recently adopted regarding Accessory Dwelling Units. While Yuma is not seen as problematic by developers, ongoing efforts are encouraged in areas including development fees and review timelines. (**Mayor Nicholls/Bueno**)
- A significant issue in Yuma County, especially in San Luis, is overcrowding, which is defined as more than one person per room. Overcrowding masks other problems such as homelessness. The City regularly reviews the community's housing needs, and they will likely be assessed again for the next Consolidated Plan. (**Morales/Bueno**)

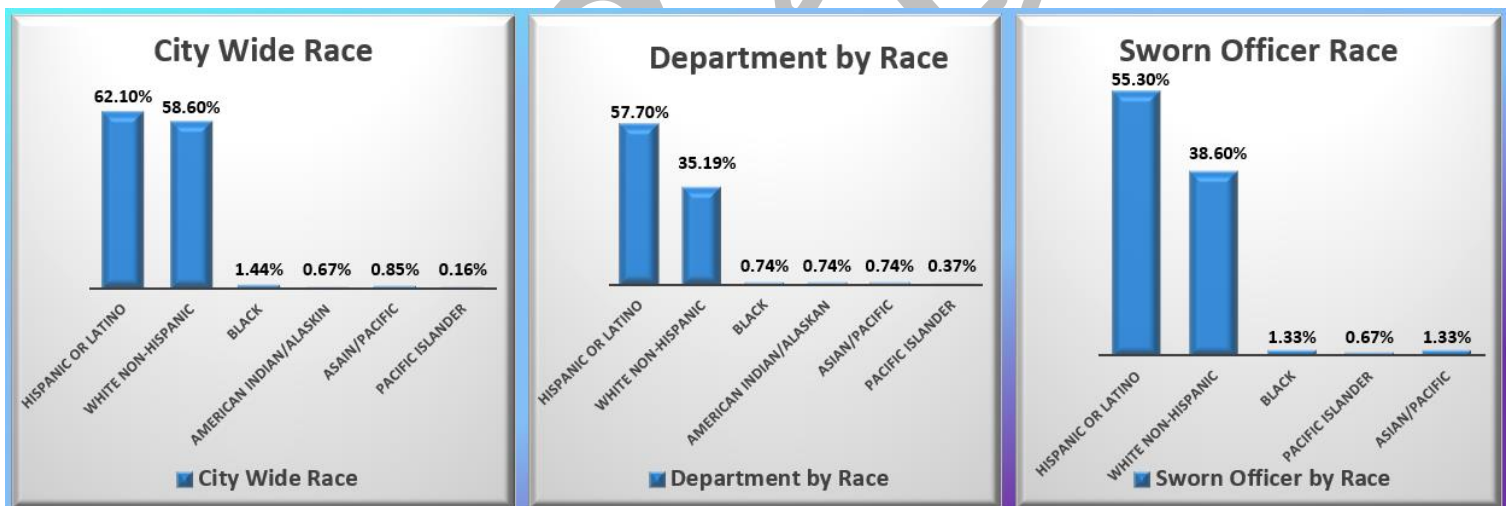
- Overcrowding is calculated based on all rooms in a house, not just bedrooms. Yuma's larger families and intergenerational living contribute to higher overcrowding rates compared to places like Maricopa County. Lifestyle differences make direct comparisons challenging, but the metric is still important for discussion. **(Mayor Nicholls/Bueno)**
- Concerns regarding overcrowding arise from the overall size of the house, especially during situations like COVID-19 where additional space was required for isolation. Rent increases can be attributed to multiple factors including low vacancy rates and rising construction costs. Addressing these issues involves increasing housing supply. Higher-paying jobs could also help residents afford higher rents. **(Mayor Nicholls/Martinez/Bueno)**
- Yuma has no legislation mandating landlords to accept vouchers, meaning there is no source-of-income discrimination law in place. **(Smith/Bueno)**
- Marketing and pre-approved plans could help the City's ongoing efforts to remove barriers to the development of ADU's. Innovative construction methods that the City could consider exploring include modular and tiny homes. Affordable housing zoning overlays would be similar to existing infill overlays, but with a specific focus on affordability incentives. **(Morris/Bueno)**

II. YUMA POLICE DEPARTMENT ANNUAL REPORT

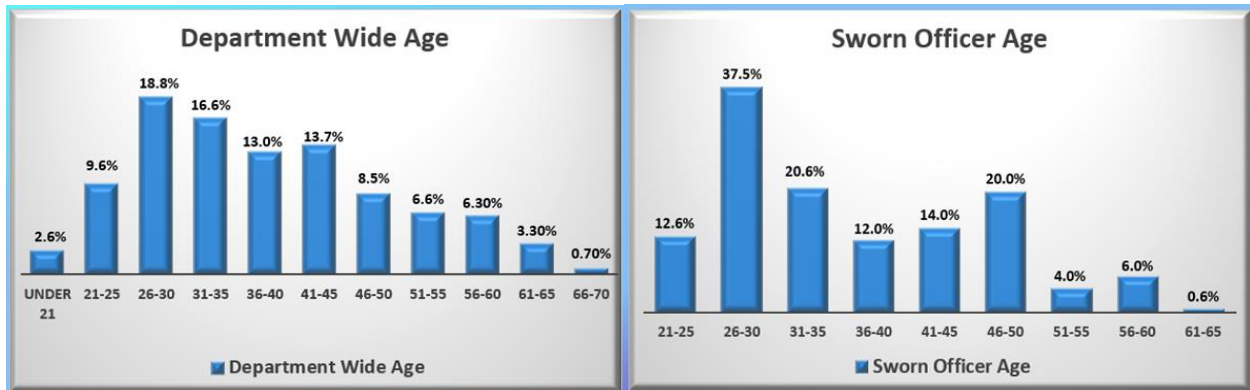
Garrity presented the Yuma Police Department (YPD) Annual Report as follows:

- Quick Facts
 - Current Staffing Levels
 - Sworn authorized – 167
 - Civilian authorized – 124
 - General Information
 - FY 2023-2024 Adjusted Budget – \$44,778,878
 - FY 2024-2025 Adjusted Budget – \$51,735,834
 - City square miles – 121
 - Population – 103,559 full-time residents
 - Officer per 1,000 residents – 1.6 (authorized)
- 2024 Grants
 - Operation Stonegarden
 - Awarded \$969,023 utilized for:
 - Overtime and mileage funding
 - Two 4x4 pickup trucks with three Mobile Data Computers
 - One All-Terrain Vehicle
 - 12 sets of binoculars
 - State Homeland Security Grant
 - Awarded \$84,060 to purchase two mobile barricades
 - Governor's Office of Highway Safety
 - Awarded \$54,319 in overtime funding to target DUI, traffic enforcement, and materials and supplies.
 - Arizona Department of Administration
 - Awarded \$1.35 million for the School Safety Interoperability Fund, which provides financial support for safety programs in schools, helping to set up secure communication systems for public safety and educational agencies.

- Edward Byrne Memorial Justice Assistance Grant
 - Awarded \$50,668.00 to cover the cost of mobile data devices, increasing successful prosecutions, improving response and filed operations, enhancing real-time information sharing, and reducing violent crimes through increased productivity, resource utilization, and capabilities.
- Arizona Department of Public Safety
 - Anti-Human Trafficking
 - Awarded \$135,900 to enhance services and programs that reduce human trafficking by providing resources for personnel, equipment, and training to combat human trafficking within the state.
 - \$50,000.00 for an unmarked vehicle
 - \$85,900.00 for equipment and software
 - Livescan
 - Awarded a Livescan device worth over \$35,000.00 to assist in comprehensive biometric identification. It allows for the secure capture, storage, and management of biometric data, including fingerprints, palm prints, facial features, and iris capture.
- Demographics
 - Race
 - Department and Sworn Officer race demographics are fairly consistent with the community's overall race demographics.
 - YPD is attracting quality officers locally, which is important because they better understand the importance of serving their own community.

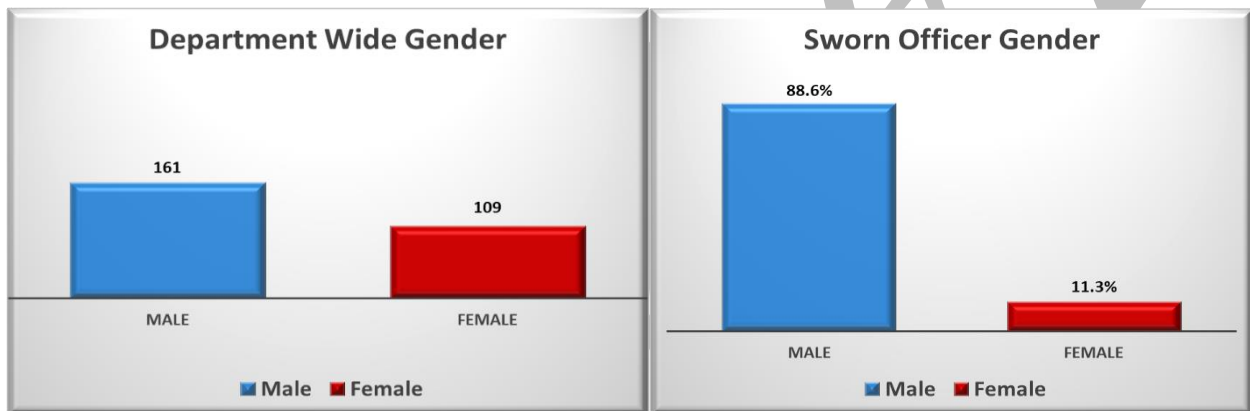


○ Age



○ Gender

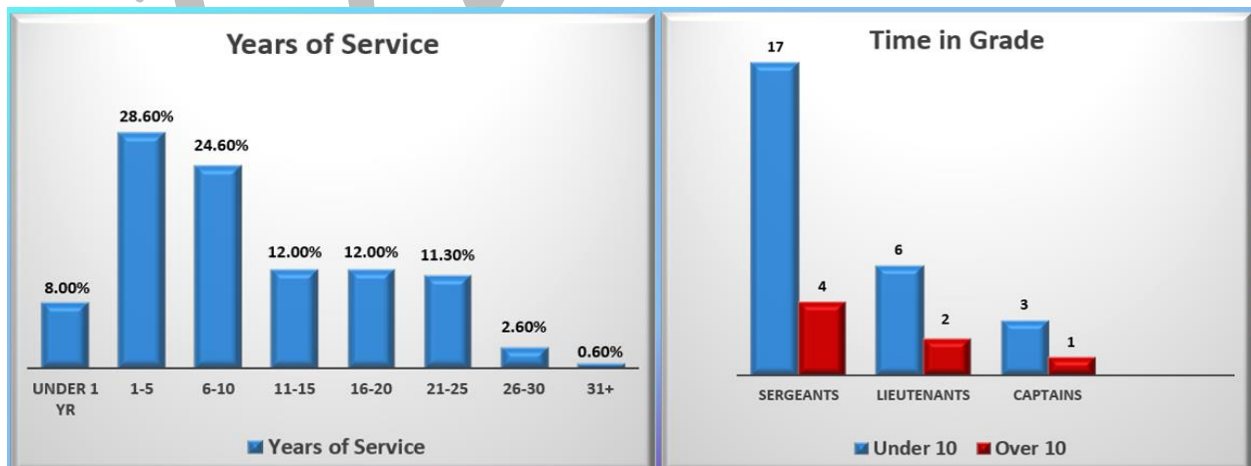
- While there is a disparity in sworn personnel gender, recruitment efforts among the different demographics are proving to be effective; of the 13 officers who are scheduled to start on July 7th, five are female.



● Sworn Personnel Overview

○ Years of Service and Time in Grade

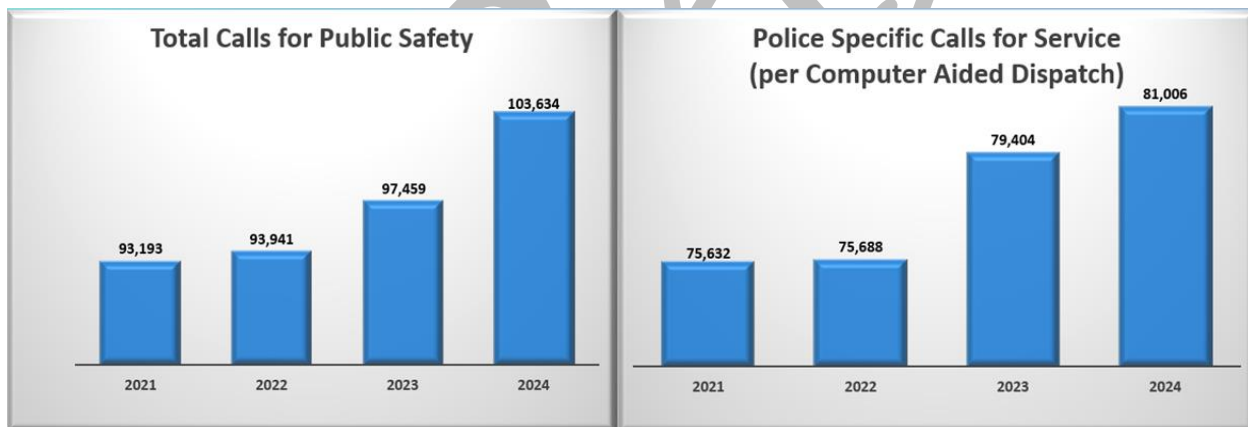
- The majority of YPD has less than 10 years of service, indicating stability and promising long-term retention. Notably, 17 sergeants also have under 10 years of service, positioning them as future leaders of the department.



- Hiring and Turnover
 - In the past year, 27 officers were hired from 1,000 applicants due to strict standards aimed at ensuring quality service.
 - Despite losing 19 officers due to various reasons, the department has a net gain of eight officers.



- Statistical Data
 - Total Calls
 - Total calls increased by about 5% over the past year.
 - Police Specific Calls
 - Over 80% of all calls received by dispatch are police-related.



- Workload Data
 - Calls Requiring Law Enforcement Response
 - There was a small increase in calls requiring a law enforcement response.
 - Total Reports by Type
 - While there was a slight decrease in total reports, traffic accident reports stayed fairly steady.



- Crime Overview
 - Violent Crime
 - Violent Crime consists of Murder, Aggravated Assault, Robbery and Sexual Assaults.
 - Based on the National Incident-Based Reporting System (NIBRS) classification.
 - Victims are always individuals, and one crime will be counted for each victim
 - Down 9.75% compared to 2023
 - Cases: 425
 - Clearance: 55.06%
 - The murder clearance rate last year was 100%
 - Murder cases are down 80% from 2023
 - Many murders are domestic violence incidents, so prevention efforts are focused on education, early intervention, and support services such as those provided by Amberly's Place.
 - Crime Overview
 - The two homicide cases consisted of a bad drug deal in an apartment and an officer-involved shooting
 - Robbery cases are down nearly 50%
 - Fraud cases have increased, which is linked to the rise in Bitcoin-related activities

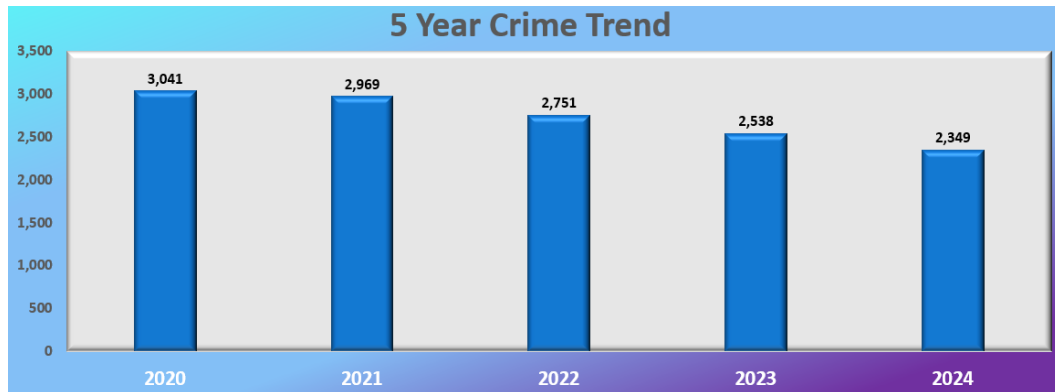
CRIME OVERVIEW – 2024 Compared to 2023

• HOMICIDE: Cases: 2	↓ -80.00%
• AGGRAVATED ASSAULT: Cases: 362	↓ -4.23%
• ROBBERY: Cases: 24	↓ -48.94%
• SEXUAL ASSAULT: Cases: 37	↑ +5.71%
• BURGLARY: Cases: 202	↓ -36.28%
• MOTOR VEHICLE THEFT: Cases: 165	↓ -20.67%
• FRAUD: Cases: 372	↑ +3.62%
• ARSON: Cases: 15	↓ -11.76%
• LARCENY: Cases: 909	↓ -5.31%

- Crime Trends

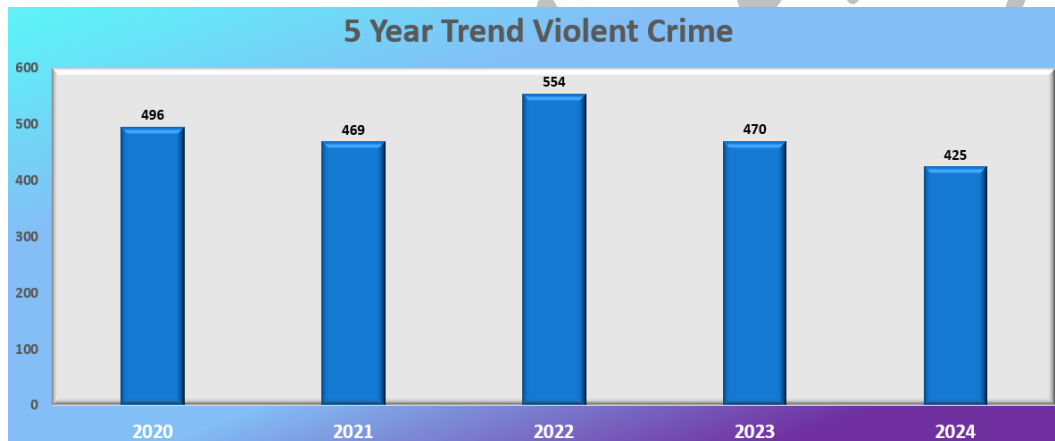
- Five-Year Crime Trend

- Overall, crime has decreased consistently over the past five years



- Five-Year Trend – Violent Crime

- Violent crime has remained relatively stable, with a significant decrease observed after the peak in 2022

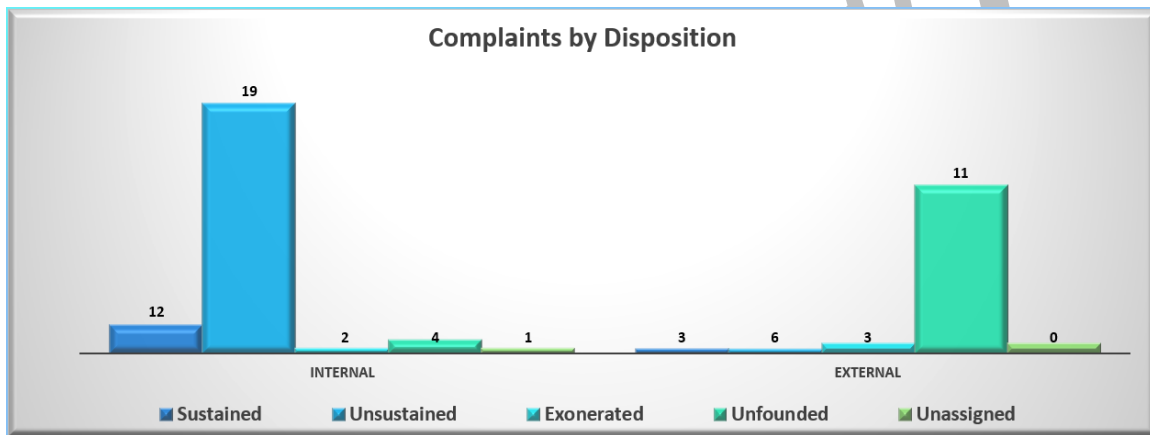


- Traffic Citations

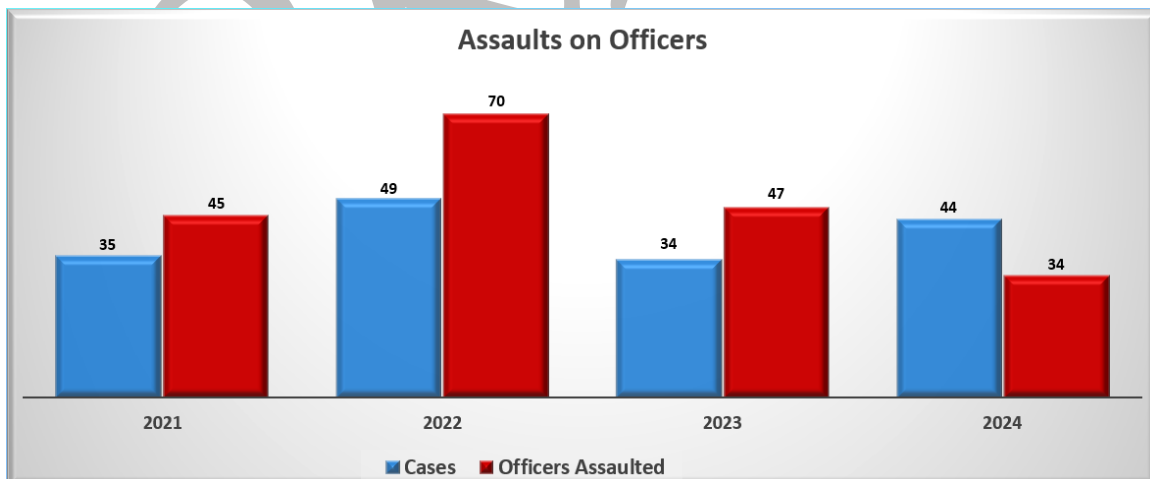
Traffic citations decreased due to two traffic units being out for most of the year. Efforts are underway to improve, and current numbers are already surpassing last year's pace



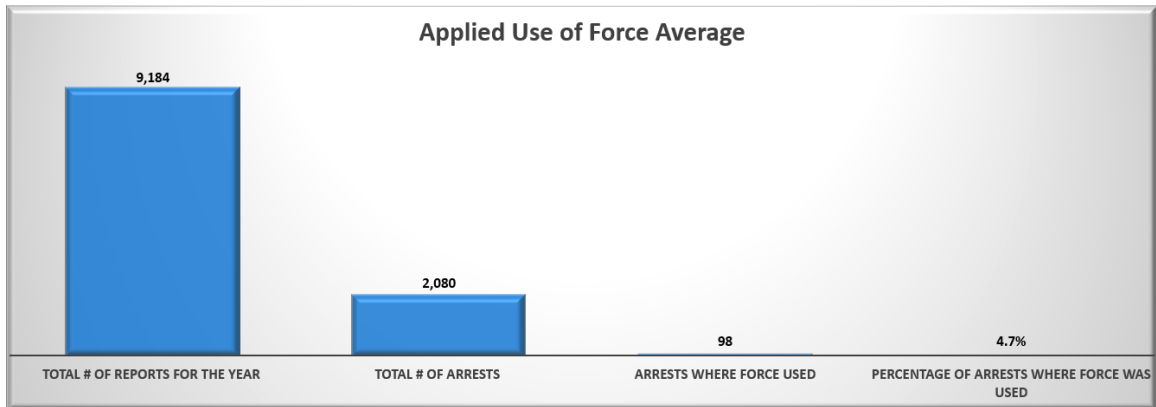
- Video Requests
 - Video requests are received for body worn camera, in-car, and surveillance videos
 - 135 requests for video were made in 2024.
 - 340 hours were spent filling the video requests.
 - It requires two people working full-time to review and make all the necessary redactions.
- Professional Standards
 - Complaints by Origin
 - 38 internal – the department started with the complaint
 - 23 external – complaint came from an outside source/individual
 - Complaints by Disposition



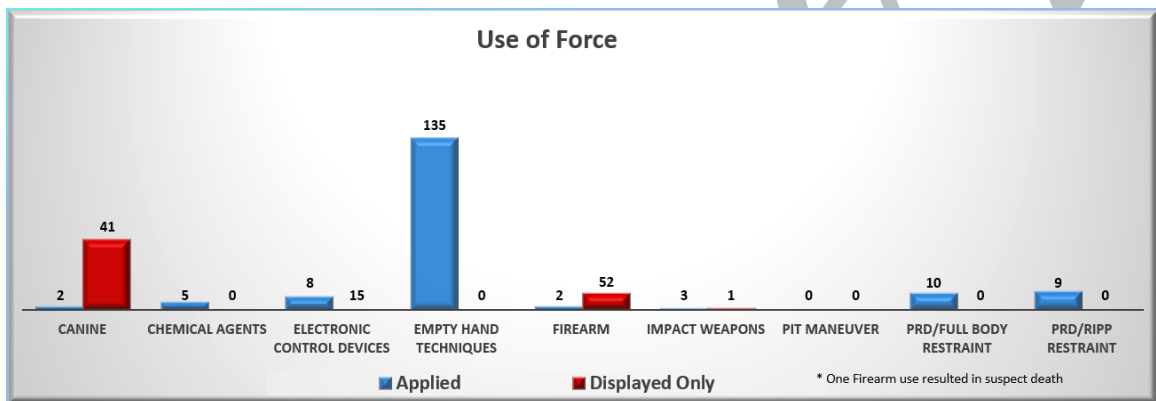
- Assaults on Officers
 - Serious injuries are down 60% from 2023
 - A serious injury is when an officer must be treated at the hospital.
 - The decrease is a result of training that teaches officers different tools and techniques to protect themselves from injury.



- Applied Use of Force
 - Less than 3% of arrests resulted in the use of force.



- Use of Force by Type
 - Most instances of use of force involved empty hand techniques, meaning that no tools such as batons, pepper spray, or tasers were used.



- 2024 Department Goals
 - Respected and Responsible
 - Ensure health and wellness of officers and professional staff
 - Addition of financial wellness program
 - Connected and Engaged
 - Continue hiring and recruitment through community engagement
 - A number of retirements are anticipated in the next four to five years, and the goal is to ensure there will be sufficient staffing at that time.
 - Increase community engagement throughout the police department
 - Organized and held two Citizens' Police Academies
 - Unique and Creative
 - Host a Teen Academy
 - Create Public Service Announcement videos with employees to keep our community informed and engaged

- Safe and Prosperous
 - Ensure contemporary and necessary officer training while protecting the community through creative Patrol scheduling.
 - Reduce crime
- Community Engagement
 - Citizens Police Academy
 - Citizen Advisory Committee
 - Teen Academy
 - Scary and Safe Halloween Event
 - Getting Arizona Involved In Neighborhoods (G.A.I.N.)
 - Law Enforcement Torch Run
 - Officers and professional staff attended over 100 events, interacting with the Yuma community
- Looking Forward
 - Officer and Professional Staff Health and Wellness
 - Develop Chaplin Program
 - Various applicants have been vetted
 - Collaboration with the Border Patrol Chaplain program to mentor the new chaplains, who will likely start after July 1st.
 - Emergency Dispatch Back-up Center (Agua Viva)
 - Will replace the existing small, one-room emergency dispatch back-up center at City Hall
 - Reduction in Crime
 - Co-Responder Mental Health Unit
 - Pairing officers with mental health professionals to respond to mental health-related calls
 - Expand the Drone Capabilities
 - Purchase of five additional drones has been requested in the budget
 - Real Time Crime Center
 - Re-establish Bike Patrol
 - Training
 - Enhance the training facilities
 - De-escalation and scenario-based training
 - Firearms range
 - Community Engagement
 - Facebook Live events

Discussion

- Officers volunteering at events are paid, but it is not part of their regular scheduled duty. Extensive continuous training for officers reinforces their academy skills and boosts their confidence, and is reflected in the crime statistics presented tonight. **(Mayor Nicholls/Garrity)**
- School Resource Officers (SROs) conduct regular lockdown drills, and the School Safety Program includes an app that allows teachers to alert dispatch and share their location during emergencies. All schools, including private and charter, have been offered this program. **(McClendon/Garrity)**

- While the Drug Abuse Resistance Education (DARE) program was discontinued, SROs still provide classes. Future opportunities for similar programs could be explored, potentially with the Yuma County Anti-Drug Coalition. **(McClendon/Garrity)**
- Training is conducted quarterly, covering various topics such as school violence, high-risk driving, and use of force, with a capstone training at the end of the year. All officers, regardless of experience, must participate in ongoing training. **(McClendon/Garrity)**
- Livescan is used to process arrestees by automatically running their fingerprints for identification. Although YPD has access to tools like the Integrated Automated Fingerprint Identification System, identification success can be hindered by factors such as the individual's lack of prior arrests or technical issues. **(McClendon/Garrity)**
- While hydraulic bollards are not be feasible in Yuma due to the heat, portable bollards can be used for block parties and other events. Additionally, a project to install a new bollard system in the downtown Main Street area is included in the Capital Improvement Program. **(Morales/Simonton/Garrity)**
- The Arizona Peace Officers Standards and Training Board sets police officer eligibility criteria in Arizona and has recently shortened the disqualification period for marijuana use from two years to six months, reflecting its legal status in the state. **(Morales/Garrity)**
- YPD is currently testing Artificial Intelligence tools from two vendors to help with police reports by pulling information from police body cameras, with the goal of evaluating time savings and cost-effectiveness. **(Morales/Garrity)**
- With the upcoming hires, there will be about five sworn officer vacancies remaining. Professional staff has a 6% vacancy rate, but the dispatch team is now fully staffed. **(Smith/Garrity)**
- In addition to the financial wellness aspect that was added to the Officer and Professional Staff Wellness Program, staff can now also take up to an hour a day for physical fitness, with access to trainers that can help them establish a workout program. **(Smith/Garrity)**
- YPD collaborates with Community Bridges, Inc. and Community Health Associates to have mental health professionals ride with officers to assist individuals in distress, providing immediate services and reducing repeat calls and confrontations. This initiative aims to offer humane support, especially for frequent users of mental health services and veterans, ensuring they receive necessary care and reducing the burden on officers. **(Smith/Garrity)**
- Human trafficking in Yuma involves both labor and sex trafficking, with efforts to combat it in cooperation with Homeland Security Investigations. Tips often come from community reports or directly from workers experiencing exploitation. **(Watts/Garrity)**
- Out of the 167 authorized positions, YPD currently has 149 officers, with 13 more starting soon and another 10 in the hiring process. Ongoing hiring is needed due to retirements and the time it takes to fully train new officers, with an aim of 200 officers to meet Yuma's needs as a growing community. **(Martinez/Garrity)**
- NIBRS categorizes crimes differently than Arizona Revised Statutes, such as classifying a vending machine break-in as larceny rather than burglary, and divides crimes into Group A, which are more serious crimes, and Group B, which are typically minor offenses. **(Martinez/Garrity)**

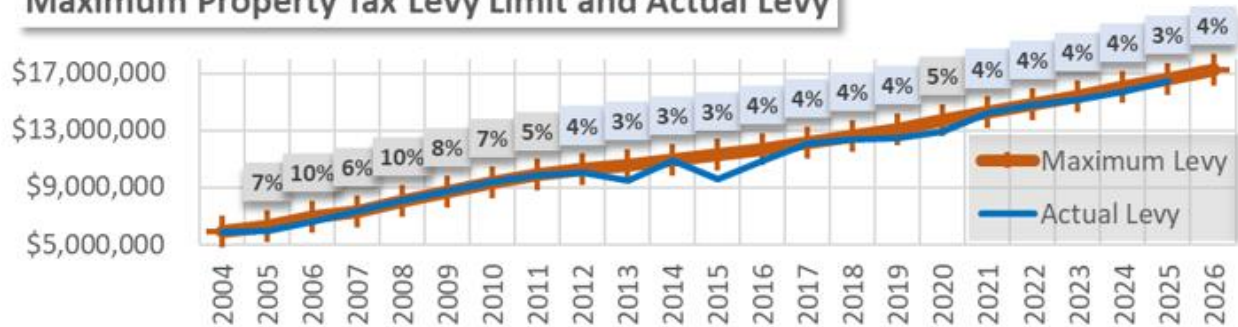
III. BUDGET DISCUSSION

Allen provided the following update on the proposed Fiscal Year (FY) 2026 Budget:

- Budget Calendar
 - June 18 – Final Budget Adoption

- The Final Budget consists of State Forms Schedules A-G from the Adopted Tentative Budget.
- The City Council will take action after the public hearing on the budget and property tax levies.
- Before final adoption, the City Council may make amendments among categories and/or lower levies, provided the total expenditure budget does not increase.
- The City Council will then be presented with the Final Budget resolution for adoption.
- June 18 – Property Levies
 - The property levy ordinance will be introduced after the public hearing and the adoption of the Final Budget resolution.
 - City Council can lower the posted levies before the introduction of the ordinance but cannot increase them.
 - The final levy ordinance will be scheduled for adoption on July 2nd at the Regular City Council Meeting.
 - The levy ordinance will be sent to Yuma County for final action by the third Monday in August.
- Requested Amendments
 - Tax Rates and Levies (Schedule B)
 - The Municipal Improvement District (MID) for Araby North currently has a relatively high tax rate of \$3.60. It was found that some right-of-way was turned over to the City, which the City now maintains. As a result, a request has been made to lower the tax rate to \$1.80.
 - The form used for MIDs is the same as the City tax rate form, so any adjustments to the City tax rate would also be part of Schedule B. For the previous two fiscal years, the tax rate was \$2.1321. For FY 2026 it has been posted at \$2.1450, the maximum allowed, giving the City Council flexibility to lower it if needed.
 - Personnel (Schedule G)
 - Request to decrease the number of full-time employees in the Equipment Maintenance Fund to 15. An error in the form mistakenly listed 17 instead of 15; this correction does not impact services or expenditures and aligns with the intent of the proposed budget.
- Property Taxes and Levies
 - Property Levy
 - The estimated property levy is \$17.3 million and constitutes 18% of the General Fund budget.
 - Half of the General Fund is allocated to public safety, which includes the Police Department, the Fire Department, and the Municipal Court.
 - Property Tax Levy Limit
 - The property tax levy limit represents the maximum amount that the City Council can impose. Historically, this limit has remained relatively consistent at around 4%, encompassing both the City Council-approved levy increase and new construction.

Maximum Property Tax Levy Limit and Actual Levy



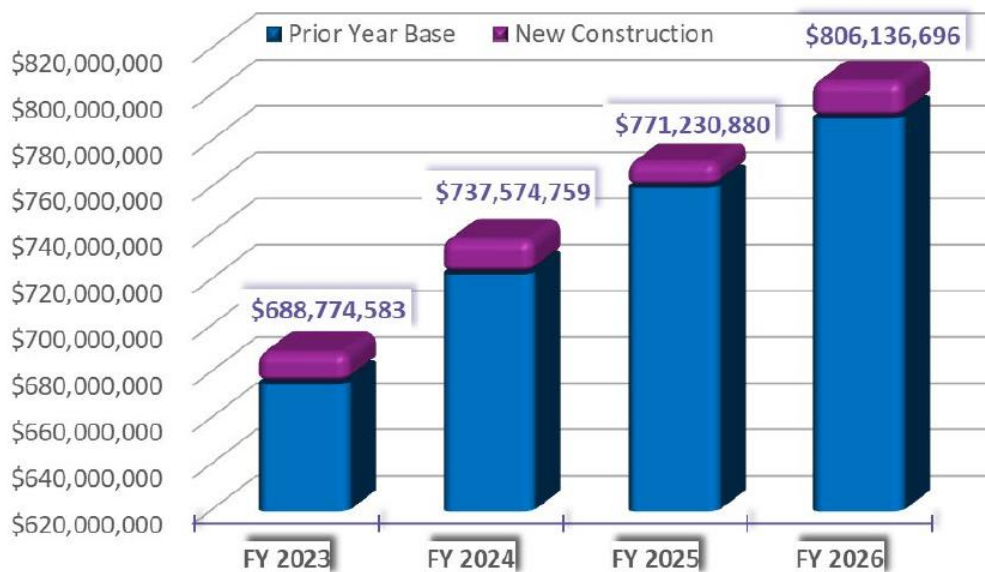
Property Tax Rates

Property Tax Rates



Assessed Valuations

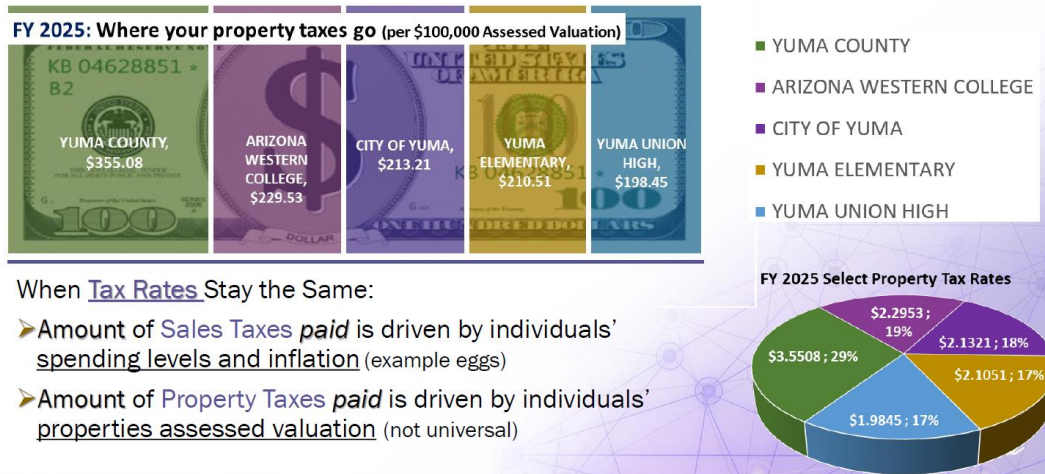
Primary Assessed Valuation - City of Yuma



- Property Tax Levy Scenarios
 - Same Levy (Lower Rate)
 - In this scenario, the City maintains the same levy of \$16.4 million. Based on the assessed valuation of the new base, this would reduce the rate from \$2.1321 to \$2.0829. Additionally, new construction would increase the total levy to \$16.8 million.
 - Same Rate (Higher Levy)
 - In this scenario, the City maintains the same tax rate of \$2.1321, which would result in a levy of approximately \$16.8 million. The addition of new construction would result in a total levy of \$17.2 million.
 - Maximum Levy
 - In this scenario, the City would increase the tax rate to the maximum allowed of \$2.145, which would result in a levy of \$16.9 million. Adding new construction would bring the total levy to \$17.3 million.
- Property Tax Levy and Truth in Taxation Rates
 - Last year's tax levy was \$16.4 million, with a rate of \$2.1321. Keeping the base levy the same at \$16.4 million and considering the assessed valuation increase, the rate would drop to \$2.08, avoiding the need for a Truth in Taxation notice.
 - Posting at the maximum, the levy amount would be \$16.9 million, resulting in a rate of \$2.145. Accordingly, the Truth in Taxation notice published in the newspaper shows a tax rate of \$2.1450, or \$214.50 per \$100,000 assessed valuation.

MAXIMUM LEVY AND TRUTH-IN-TAXATION OVERVIEW											
	FY 2024-25 (TY 2024)	Appreciation to Base	FY 2025-26 (Tax Year 2025)						Same Rate as Last Year		
			A) Stay at Same Base Levy (0% Increase)			B) Maximum Levy (3% Increase)			C) Stay at Same Rate (2.5% Increase)		
			Base	New Construction	Total	Base	New Construction	Total	Base	New Construction	Total
Proposed 2025-26 Tax Levy	-	-	\$ 16,443,413	\$ 347,819	\$ 16,791,232	\$ 16,933,443	\$ 358,189	\$ 17,291,632	\$ 16,831,815	\$ 16,831,815	\$ 33,663,631
Total Assessed Valuation	\$ 771,230,880	\$ 18,207,064	789,437,944	16,698,752	806,136,696	789,437,944	16,698,752	806,136,696	789,437,944	16,698,752	806,136,696
Taxed on per \$100	7,712,309		7,894,379	166,988	8,061,367	7,894,379	166,988	8,061,367	7,894,379	166,988	8,061,367
Percentage Increase			2.36%		4.53%	2.36%		4.53%	2.36%		4.53%
Primary Property Tax Rate	2.1321		2.0829	2.0829	2.0829	2.1450	2.1450	2.1450	2.1321	2.1321	2.1321
Primary Tax Levy	16,443,413		16,443,413	347,819	16,791,232	16,933,443	358,189	17,291,632	16,831,815	356,034	17,187,850
			\$ - difference due to rounding 0.00% need be same/lower OR do TNT			\$ 490,240 TNT required 2.98%			\$ 388,402 TNT required 2.36%		
TNT (Truth-in-Taxation)			Not to be Published			Required to Publish			Required to Publish		
Proposed 2025-26 Primary Property Tax Levy per per \$100,000 Home Value			\$ 208.29			\$ 214.50			\$ 213.21		
2025-26 Primary Property Tax Levy per \$100,000 Home Value if the Tax Rate was not adjusted in FY 2026			208.29			208.29			208.29		
Proposed 2024-25 Primary Property Tax Levy Increase(Decrease) per \$100,000 Home Value			-			6.2100			4.9200		

- Typical Tax Bill within the City of Yuma
 - The below infographic is an example of a typical tax bill based on the five major taxing authorities and does not include Municipal Improvement Districts or other special districts. Tax bills will also vary based on the school district in which a property is located.
 - Assessed valuation is not the same as market value but is the amount at which the Yuma County Assessor has valued a property.



- FY 2026 Budget Adoption Process
 - Preview of June 18th Special Budget Meeting
 - Public Hearing
 - Special Meeting
 - Conflicts of interest
 - Staff requested budget amendments
 - City Council amendments to the budget and Final Budget adoption by resolution
 - Additional Budget Related Items
 - City Council amendments to the Levy Rates and introduction of the levy ordinance

Discussion

- Including percentages in the typical tax bill infographic may make it more understandable, as people often think the City charges all the property tax. The infographic includes general tax for county operations, the library, library debt, and flood control, but not special irrigation districts. (**Mayor Nicholls/Allen**)
- If the property tax levy remains the same, no Truth in Taxation publication is needed, but any increase, even by \$1, requires publication. (**Mayor Nicholls**)

IV. REGULAR CITY COUNCIL MEETING AGENDA OF JUNE 18, 2025

Motion Consent Agenda Item C.2 – Bid Award: 40th Street and Avenue 7E Intersection (award a contract to DPE Construction, Inc., in the amount of \$2,388,750) (RFB-25-284) (Eng)

Mayor Nicholls declared a conflict of interest on Motion Consent Agenda Item C.2 as his firm designed the project, turned the meeting over to Deputy Mayor Smith, and left the dais.

Discussion

- Budget authority for this contract can be transferred from idle Capital Improvement Program projects and projects that have come in under budget, and potentially from a road tax contingency item. City Council will be emailed more specific funding information prior to tomorrow night's meeting. (**Morris/Wostenberg**)

Mayor Nicholls returned to the dais.

Resolution R2025-071 – Annual Public Safety Personnel Retirement System Funding Policy for Fiscal Year 2026 (as required under Arizona Revised Statutes § 38-863.01) (Fin)

Discussion

- The City is strategically managing its PSPRS unfunded liability by setting a goal of being fully funded by 2036. This allows flexibility in contributions while avoiding overfunding, since excess payments cannot be withdrawn. With reserves earning more in the Local Government Investment Pool than PSPRS's projected returns, the City is holding off on additional payments and awaiting updated actuarial valuations to guide future decisions. **(Morris/Allen)**
- The City reached 100% funding after issuing the pension obligation bonds in 2021, but subsequent market downturns and audit adjustments reduced that funded ratio to around 95%. However, when factoring in the City's dedicated reserve fund established at the time of the bond issuance, the combined assets still place the City effectively above 100% funded, offering flexibility to manage future rate impacts and payroll growth assumptions. **(McClendon/Allen)**
- The City's Tier 1 and Tier 2 PSPRS liabilities are scheduled to be fully amortized by 2036, after which all new members fall under a cost-sharing plan. Although the City will still need to fund retiree benefits beyond 2036, actuarial reports project sufficient assets for over 100 years – though those funds, once contributed, are permanently locked into the system. **(McClendon/Allen)**

Ordinance O2025-023 – Rezoning of Property: Southeast Corner of State Route SR-195 and 40th Street (rezone approximately 50.55 acres for the Agriculture (AG) District to the High Density Residential (R-3) District) (Plng & Nbhd Svcs)

Discussion

- The Arizona Department of Transportation requires a physical sound attenuation wall – likely 10 to 12 feet tall – to mitigate the impact of noise from the Area Service Highway on the future apartment complex. Trees will most likely not suffice as a barrier because they may be viewed as temporary; however, alternative sound attenuation methods can be explored. **(Morris/Wostenberg)**

V. EXECUTIVE SESSION/ADJOURNMENT

Motion (Morales/McClendon): To adjourn the meeting to Executive Session. Voice vote: **approved** 7-0. The meeting adjourned at 7:13 p.m.

APPROVED:

Lynda L. Bushong, City Clerk

Douglas J. Nicholls, Mayor

Approved at the City Council Meeting of:

City Clerk: _____