



PAGE CITY COUNCIL

697 Vista Avenue
Page, AZ 86040

Mike Farrow, Vice Mayor
Kenna Hettinger, Councilor
Tom Preller, Councilor

Debi Roundtree, Councilor
David Auge, Councilor
Amanda Hammond, Councilor

Steven Kidman, Mayor

MEETING NOTICES

Consent Agenda: This portion is a means of expediting routine matters. All items approved will be done by one undebatable motion passed unanimously. Any item may be removed for debate on request of any member of City Council. Items removed from the Consent Portion become the first items of business of the Regular Agenda.

Hear From the Citizens: The City of Page welcomes public engagement, and the public may comment and address the City Council during this portion of the agenda. To request to speak, complete and submit the Request to Speak form PRIOR to the start of the meeting. When called to speak, please step up to the lectern, speak clearly into the microphone, and begin by stating your name for the record. Hear From the Citizens provides a time for the public to speak about matters that are NOT listed on the posted Agenda. The City Council cannot discuss or take legal action on any matters during the Hear From the Citizens. At the conclusion of the Hear From the Citizens, individual members of the City Council may respond to criticism made by those who have addressed the City Council, may ask Staff to review a matter, and/or may ask that a matter be put on a future agenda. If the topic you are commenting about is listed on the current agenda, you will be called to speak during that agenda item. Comments are limited to 3 minutes each speaker and 30 minutes in total. If you are with a group, please designate a spokesperson.

This agenda may be subject to change up to 24 hours prior to the meeting.

Pursuant to A.R.S. §38.431.02, notice is hereby given to the members of the City Council and to the general public that the Page City Council will hold a meeting open to the public. Supporting documents and Staff reports, which were furnished to the City Council, with this agenda, are available for review at cityofpage.org or at the City Clerk's Office. Councilmembers of the City of Page City Council will attend either in person or by technological means. City Council may vote to go into Executive Session for the purpose of obtaining legal advice from the City Attorney on any item listed on the agenda, pursuant to A.R.S. §38-431.03 (A)(3). City Council may modify the agenda order, if necessary.

Persons with disabilities should call the City Clerk's Office, at 928-645-4205 for program and services information and accessibility.

NOTICE TO PARENTS: Parents and legal guardians have the right to consent before the City of Page makes a video or voice recording of a minor child A.R.S. §1-602.A.9.

City Council meetings are audio and video recorded. Parents or guardians may either submit a written consent to the City Clerk's Office, or by allowing a minor to be present and/or participate in the meeting, parents or guardians waive this right.

If you would like to receive email notification for City Council agendas, please sign up for subscriptions on our website at cityofpage.org.



**City Council
Regular Meeting**

**City Hall
697 Vista Ave, Page AZ
January 14, 2026 at 5:30 PM**

Notice of Public Meeting and Agenda

Page City Council may discuss and take action on any item listed on the agenda

- 1. Call to Order and Opening Activities**
- 2. Roll Call**
- 3. Consent Agenda**
 1. City Council Regular Meeting Minutes - November 12, 2025
 2. City Council Special Meeting Minutes - December 17, 2025
 3. Magistrate Update to Court Fine Schedule for Violations
 4. Ordinance 746-26 - Removal of Airport Responsibilities from EDAB
 5. Employment Agreement City Clerk
 6. Employment Agreement City Magistrate
 7. Employment Agreement City Attorney
- 4. Hear From The Citizens**
- 5. Reports and Announcements**
 1. Mayor's Reports and Announcements - NONE
 2. City Manager's Current Events Summary
- 6. Boards and Commissions**
 1. Council Liaison Reports on Board Meetings
 2. Economic Development Advisory Board Appointment - Brigham Adams
 3. Substance Abuse Task Force Board Appointment - Breanna Vega
- 7. Unfinished Business**
 1. Northern Arizona Council of Governments (NACOG) Micro Transit Presentation
 2. Ordinance 747-26 - Land Sale to Premium Builders, LLC for Property Adjacent to Newburn Rd
 3. Land Purchase Agreement Amendment - Kane Scott
- 8. New Business**
 1. FY 2025 Audited Financial Statement Presentation
 2. Short Term Rental Licensing
- 9. Potential Future Agenda Items**
 1. Data Center Information Questionnaires

10. Executive Sessions

Potential Executive Sessions for Land Sale negotiations 7.2 and 7.3

1. EXECUTIVE SESSION

Pursuant to A.R.S. § 38-431.03 (A)(7) The City Council may vote to go into Executive Session for the purpose of discussions regarding negotiations for the purchase, sale, or lease of real property.

Ordinance 747-26 Land Sale to Premium Builders, LLC for Property Adjacent to Newburn Rd

2. EXECUTIVE SESSION

Pursuant to A.R.S. § 38-431.03 (A)(7) The City Council may vote to go into Executive Session for the purpose of discussions regarding negotiations for the purchase, sale, or lease of real property.

Land Purchase Agreement Amendment - Kane Scott

Adjourn

Next Regular Meeting: Wednesday, January 28, 2026, at 5:30 p.m.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the attached notice was duly posted at the following places: City Hall Bulletin Board located at 697 Vista Avenue, Page, Arizona; Justice Building Bulletin Board located at 547 Vista Avenue, Page, Arizona; U. S. Post Office Lobby located at 44 Sixth Avenue, Page, Arizona, on the ____ day of _____, 2026, at _____ a.m./p.m. in accordance with the statement filed by the City of Page City Council with the City Clerk.

CITY CLERK'S OFFICE

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Clerk**Meeting Date:** January 14, 2026**Presented by:**

Cindy Scott, City Clerk

Brief Title: City Council Regular Meeting Minutes - November 12, 2025**Agenda Section:** Consent Agenda**Action:** Motion**Agenda Sub-category:** Agenda Item**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to approve the Regular City Council Meeting Minutes for November 12, 2025.

Background:

City Council Regular Meeting Minutes - November 12, 2025.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. 11 12 2025 Reg Min



**PAGE CITY COUNCIL
REGULAR MEETING MINUTES
November 12, 2025**

A Regular Meeting of the Page City Council was held at 5:30 p.m. on the 12th day of November 2025, in the Council Chambers at City Hall in Page, Arizona. Mayor Steven Kidman presided. Vice Mayor Mike Farrow, and Councilors David Auge, Amanda Hammond (Via Zoom), Kenna Hettinger (via Zoom), Tom Preller, and Debi Roundtree were present. There was a moment of meditation. Councilor Auge led the Pledge of Allegiance.

Mayor Kidman called the meeting to order at 5:30 p.m.

Staff members present: Interim City Manager, Bryan Hill; City Attorney, Joshua Smith; IT Director, Kane Scott; Public Works Director, Kyle Christiansen; Police Chief, Tim Lange; Lieutenant, Ted Barnard; Administrative Manager, Alie Stamat; Fire Chief, Jeff Reed; Assistant Fire Chief, Joe Noonchester; Planning & Zoning Director, Sylvia Shaffer; Community Service Director, Debbie Winlock; Parks & Trails Manager, Justin Aronoff; Public Information Officer, Adam Geller; Marketing Coordinator, Jackelyne Aguirre; Deputy City Clerk, Jennifer Lange; and City Clerk, Cindy Scott.

CONSENT AGENDA

Motion made by Councilor Preller to approve the Consent Agenda. The motion was seconded by Vice Mayor Farrow and passed unanimously upon a vote.

HEAR FROM THE CITIZENS

Resident Sharon Woodard addressed the City Council.

REPORTS AND ANNOUNCEMENTS

MAYOR'S REPORTS AND ANNOUNCEMENTS

Mayor Kidman mentioned the award received by the Finance Department.

CITY MANAGER'S CURRENT EVENTS SUMMARY

Interim City Manager Bryan Hill provided information about the Events team efforts for Balloon Regatta, update on the potential land acquisition from the State, and introduction of the new Public Information Officer, Adam Geller.

BOARDS AND COMMISSIONS

Discussion by the City Council pertaining to reports on board meetings by Board Liaisons

Vice Mayor Farrow, Mayor Kidman, and Councilor Hettinger gave updates.

Page City Council Regular Meeting – November 12, 2025

UNFINISHED BUSINESS

Public Input Results for the Pera Club

Lily Crim and Kayley Begay from the Youth Advisory Commission gave a presentation on the public input results for the Pera Club.

There was discussion.

Motion was made by Councilor Roundtree to have staff proceed forward to get the Pera Club open to the public. The motion was seconded by Mayor Kidman.

There was discussion.

The motion passed unanimously upon a vote.

Contract for Appointment of City Manager

City Attorney, Josh Smith provided information.

There was discussion.

Motion was made by Councilor Roundtree to accept the contract for employment for Frank Marbury. The motion was seconded by Councilor Auge and passed unanimously upon a vote.

Mayor Kidman introduced future City Manager, Frank Marbury.

BMX/Pump Track Type and Location

Community Services Director, Debbie Winlock, and Parks and Trails Manager, Justin Aronoff gave a presentation on the BMX/Pump Track Type and Location.

There was discussion.

Motion was made by Councilor Auge to approve, as recommended by the Parks and Recreation Board, the site location for the BMX/Pump Track for the City of Page. The motion was seconded by Councilor Roundtree

There was discussion.

The motion passed unanimously upon a vote.

NEW BUSINESS

Page Police Department – Drone as First Responder (DFR)

Police Chief, Tim Lange and Lieutenant, Ted Barnard gave a presentation on the Drone as First Responder (DFR).

There was discussion.

Motion was made by Vice Mayor Farrow to approve the purchase of a Drone as First Responder (DFR) utilizing half Horseshoe Bend capital funds and half Page Police Department capital funds. The motion was seconded by Councilor Auge.

Discussion continued.

The motion passed unanimously upon a vote.

POTENTIAL FUTURE AGENDA ITEMS

Short Term Rental Concerns

Councilor Roundtree provided a brief statement.

This item will be added to a future agenda when staff is able to provide the information.

Page City Council Regular Meeting – November 12, 2025

Data Center Citizen Vote

Councilor Hammond provided a brief statement.

City Attorney Josh Smith provided clarification.

This item will not be added to a future agenda at this time.

Restructure Economic Development Advisory Board (EDAB) Charter

Councilor Hammond provided a brief statement.

City Attorney Josh Smith provided clarification.

Council will wait on this item.

Economic Development / Housing Authority Director

Councilor Hammond provided a brief statement.

This item will not be added to a future agenda item.

EXECUTIVE SESSIONS

Motion was made by Councilor Preller to enter Executive Session consecutively for one (1) Executive Session items and move to the conference room at 6:53 p.m. The motion was seconded by Vice Mayor Farrow and passed unanimously upon a vote.

Mayor reconvened the Regular City Council meeting at 7:17 p.m.

EXECUTIVE SESSION

Potential Land Sale of a portion of Parcel 80220005A for a Resort Development

Staff directed to move forward as discussed in Executive Session.

ADJOURN

The meeting was adjourned at 7:18 p.m.

Cindy Scott, City Clerk

Steven R. Kidman, Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the City Council Regular Meeting, held on the 12th day of November 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of January 2026

Cindy Scott, City Clerk

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Clerk**Meeting Date:** January 14, 2026**Presented by:**

Cindy Scott, City Clerk

Brief Title: City Council Special Meeting Minutes - December 17, 2025**Agenda Section:** Consent Agenda**Action:** Motion**Agenda Sub-category:** Minutes**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to approve the City Council Special Meeting minutes for December 17, 2025.

Background:

N/A

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. 12 17 2025 Spec Min



**Page City Council
Special Meeting Minutes
December 17, 2025**

A Special Meeting of the Page City Council was held at 9:00 a.m. on the 17th day of December 2025, in the Council Chambers at City Hall in Page, Arizona. Mayor Steven Kidman presided. Vice Mayor Mike Farrow and Councilors David Auge, Kenna Hettinger (via Zoom), Tom Preller, and Debi Roundtree were present. Councilor Amanda Hammond was absent.

Mayor Kidman called the meeting to order at 9:02 a.m.

Staff members present: City Manager, Frank Marbury; City Attorney, Joshua Smith; City Magistrate, Andrew Hettinger; IT Director, Kane Scott; and City Clerk, Cindy Scott.

EXECUTIVE SESSIONS

Motion was made by Councilor Preller to enter Executive Session consecutively for four (4) Executive Session items and move to the conference room at 9:03 a.m. The motion was seconded by Councilor Auge.

Councilor Hettinger recused herself from the first Executive Session item.

The motion passed unanimously upon a vote.

Mayor Kidman reconvened the Special City Council meeting at 12:37 p.m.

City of Page – City Magistrate, Andrew Hettinger

City of Page – City Attorney, Joshua Smith

City of Page – City Manager, Frank Marbury

City of Page – City Clerk, Cindy Scott

Motion was made by Vice Mayor Farrow to direct the Mayor to work with staff on items 3.1, 3.2, and 3.4 as discussed in Executive Session and bring back updated contracts to the next meeting. The motion was seconded by Councilor Auge.

Vice Mayor Farrow clarified that item 3.3 was skipped because the new City Manager's contract was recently negotiated.

The motion passed unanimously upon a vote.

ADJOURN

The meeting was adjourned at 12:38 p.m.

Cindy Scott, City Clerk

Steven R. Kidman, Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the City Council Special Meeting, held on the 17th day of December 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 14th day of January 2026

Cindy Scott, City Clerk

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Meeting Date:** January 14, 2026**Department:** Magistrate Court**Presented by:****Brief Title:** Magistrate Update to Court Fine Schedule for Violations**Agenda Section:** Consent Agenda**Agenda Sub-category:** Agenda Item**Action:** Motion**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to approve the update to the Magistrate Court Chapter 90 Fine Schedule

Background:

Pursuant to City Code § 90.09(A), “the Magistrate Court shall establish a fine schedule for violations of this chapter, which shall be approved and amended from time to time by resolution of the Mayor and City Council.” Attached is the proposed updated fine schedule for violations of Chapter 90.

These adjustments reflect the City’s 2023 Court Improvement Fee and recent State increases to mandated criminal-justice assessments. The updated schedule ensures consistency across Chapter 90 and the City’s other criminal and civil fine schedules.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. Chapter 90 Fine Schedule

Page City Code Chapter 90 Proposed Fine Schedule

90.02A Vicious animals at large \$520 (was \$447)

90.02B Display of vicious animals \$260 (was N/A)

90.03A Dog licenses and tags \$260. Proof of compliance - reduce to \$130 (was \$61)

90.03B Dog vaccinations required \$260. Proof of compliance - reduce to \$130 (was \$102)

90.03C Barking dogs; dogs at large; public nuisance \$260 (was \$185)

90.03E Leash requirements \$260 (was \$99)

90.04A Cats public nuisance \$260 (was \$71)

90.04B Cats vaccinations \$260 with proof of compliance - reduce to \$130 (was \$99)

90.05A Livestock running at large; public nuisance \$260 (was \$179)

90.08A Animal cruelty \$520 (was \$447)

90.08B Animal neglect \$390 (was \$317)

90.08C Animal abandonment \$390 (was \$317)

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Attorney**Meeting Date:** January 14, 2026**Presented by:**

Josh Smith, City Attorney

Brief Title: Ordinance 746-26 - Removal of Airport Responsibilities from EDAB**Agenda Section:** Consent Agenda**Action:** Ordinance**Agenda Sub-category:** Ordinance**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Clerk to introduce Ordinance 746-26. Move to adopt Ordinance 746-26.

Background:

With the creation of the Airport Advisory Board, this conforming change is necessary to remove airport responsibilities from EDAB.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact: None

Notes:**Attachments:**

1. 746-26 EDAB airport removal

ORDINANCE NO. 746-26

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AMENDING THE CITY OF PAGE CODE OF ORDINANCES § 31.20, ECONOMIC DEVELOPMENT ADVISORY BOARD.

WHEREAS, the City of Page has established an Airport Advisory Board and therefore desires to modify the scope of the Economic Development Advisory Board to remove responsibilities relating to the airport.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 2. § 31.20, Economic Development Advisory Board, of the City of Page Code of Ordinances is hereby amended as follows:

§ 31.20 ECONOMIC DEVELOPMENT ADVISORY BOARD.

(A) *Purpose.* The Economic Development Advisory Board will act in an advisory and review capacity to the City Council regarding economic development, tourism, and marketing ~~as well as the management, maintenance, operation and construction of the airport.~~

(B) *Membership.* The Economic Development Advisory Board will consist of seven members, appointed pursuant to § 31.05.

SECTION 3. That the effective date of this Ordinance shall be 30 days from the adoption of this Ordinance.

SECTION 4. 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. That the City Clerk is authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary; and that the City Clerk is authorized to make formatting changes needed for purposes of clarity and form, if required, to be consistent with the Page City Code of Ordinances.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA this 14th day of January, 2026, by the following vote:

Ayes _____
Nays _____
Abstentions _____
Absent _____

CITY OF PAGE

By _____
Mayor

ATTEST:

APPROVED AS TO FORM:

CITY CLERK

CITY ATTORNEY

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Attorney**Meeting Date:** January 14, 2026**Presented by:**

Josh Smith, City Attorney

Brief Title: Employment Agreement City Clerk**Agenda Section:** Consent Agenda**Action:** Motion**Agenda Sub-category:** Agreement/Contract**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to approve the employment agreement with Cindy Scott and authorize the mayor to sign.

Background:**Alternatives Considered:****Advisory Board/Commission Action:****Fiscal Impact:****Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. Cindy Scott Contract (2)

**City of Page
At-Will Employment Agreement
With
Cindy Scott**

THIS AGREEMENT, made and entered into this 14th day of January, 2026, by and between the City of Page, State of Arizona, a municipal corporation, hereinafter referred to as "Council", and Cindy Scott, hereinafter referred to as "City Clerk".

COUNCIL AND CITY CLERK agree as follows:

Section 1. Duties

Council herein agrees to employ Cindy Scott as City Clerk to perform the functions and duties specified in the City Code, Ordinances, Resolutions, and Orders, as amended, and to perform all other lawful and proper duties and functions as the Council may from time to time assign.

Section 2. Term of Agreement

Council and City Clerk agree that the Appointment Agreement shall be "At Will" (without expiration) until such time as the agreement is terminated by either party as provided in Section 3, below.

Section 3. Termination and Severance

Council and City Clerk agree that City Clerk shall serve at the pleasure of the Council and may be terminated at anytime, with or without cause. In the event City Clerk is terminated without cause, City Clerk shall be entitled to severance pay equal to sixty (60) days of salary based upon the rate of salary at the time of termination. If City Clerk is terminated for cause, e.g., misconduct under provisions of the personnel rules, conviction of an illegal act, use or abuse of alcohol or any illegal drug while on duty, or a violation of the Drug Free Workplace, Sexual Harassment, Information Technology, or Travel Policy, as amended, Council shall have no further obligation other than to compensate City Clerk for any accrued vacation or other benefits per the City of Page Personnel Rules.

Council and City Clerk agree that City Clerk may resign before the expiration date of the Employment Agreement by providing sixty (60) days written notice to Council, unless the parties otherwise agree. In the event City Clerk provides sixty (60) days notice, Council may, in its sole discretion, release City Clerk from the subsequent sixty day commitment without further obligation of either party. Nevertheless, City Clerk shall be compensated for any accrued vacation or other benefits per the City of Page Personnel Rules.

Section 4. Inability to Perform Essential Functions

If City Clerk is unable to perform the essential functions of the position, with or without reasonable accommodation, either for a period of four (4) consecutive weeks beyond any accrued sick leave, or for twenty (20) working days over a thirty (30) working day period after the

use of any available leave, Council may, consistent with provisions of the Federal Family and Medical Leave Act, terminate the Appointment Agreement pursuant to Section 3, above. City Clerk shall be compensated for any accrued vacation, holiday or other accrued benefits pursuant to the City of Page Personnel Rules.

Section 5. Salary

Effective December 17, 2025, Council agrees to compensate City Clerk for services rendered with an annual base salary of \$112,769.00, payable at regular payroll intervals. Council agrees to increase the City Clerk's annual salary by \$4300.00 upon the City Clerk's successful completion of the Certified Municipal Clerk program and receipt of the CMC designation by the International Institute of Municipal Clerks.

Section 6. [Intentionally Left Blank]

Section 7. Performance Evaluation

Council may review and evaluate the performance of City Clerk at any time. City Clerk shall assist Council in completing the performance evaluation and in defining such goals and performance objectives as Council determines necessary for the proper operation of the City and attainment of the Council's policy objectives. The International City and County Management Association (ICMA) Code of Ethics shall be used as a guide for evaluating ethics considerations.

Section 8. Hours of Work

City Clerk, in executing the duties enunciated herein, will maintain regular, full-time office hours on a weekly basis. Any request for leave, excluding sick leave, shall be made to the Mayor in writing prior thereto.

Section 9. Outside Activities

City Clerk shall not engage in teaching, counseling, consulting or other non-City related business activities if the non-City related business activities interfere with Clerk's ability to faithfully perform the duties of the City Clerk.

Section 10. Annual, Sick, and Military Leave

City Clerk's vacation leave, sick leave, holiday leave, or other leave benefits will accrue at rates established by the City of Page Personnel Rules. Military leave shall be accrued pursuant to applicable federal or state laws. This Section shall in no way reduce, modify, or otherwise affect any leave that City Clerk has accumulated prior to the Agreement. City Clerk shall have up to sixty (60) hours of administrative leave, in addition to the above-referenced annual leave, which may be utilized during the contract period. Administrative leave shall not accumulate or be compensated for upon termination or expiration of this Agreement.

Section 11. Benefits

Council will make available to City Clerk the same health, dental, vision, disability, retirement, and life insurance benefits as made available to other City employees.

Section 12. Retirement

Council agrees to execute all necessary agreements to enable City Clerk to participate in the Arizona State Retirement System.

Section 13. Professional Development

Council agrees to pay for necessary professional dues and subscriptions that facilitate continued professional growth and advancement of City Clerk, subject to approval by Council. Council further agrees to pay for job related travel and subsistence per diem enabling City Clerk to attend seminars and continuing education programs, subject to approval by Council.

Section 14. Bonding

Council shall bear the cost of any fidelity or corporate surety bond required by the City Code. Coverage shall also be provided pursuant to Resolution No. 433, as amended.

Section 15. Conflict of Interest

City Clerk shall be bound by the provisions of A.R.S. 38-501 *et seq.*, pertaining to Conflict of Interest of Officers and Employees.

Section 16. Notices

Notices subject of this Appointment Agreement shall be deemed legally sufficient at the time of deposit with the United States Postal Service, postage prepaid, addressed as follows:

(1) COUNCIL:

Mayor and Council, City of Page,
697 Vista Avenue,
P.O. Box 1180
Page, Arizona 86040

(2) CITY CLERK:

Cindy Scott

(or at another Page, Arizona, address as City Clerk may subsequently provide)

Notices subject of this Appointment Agreement will also be deemed legally sufficient upon personal delivery to City Clerk or Council.

Section 17. Drug and Alcohol Testing

City Clerk shall be subject to pre-employment drug testing and shall comply with the City of Page Employee Drug Free Workplace Policy.

Section 18. General Provisions

This Appointment Agreement was executed in Page, Arizona, and shall be governed in accordance with the laws of the State of Arizona. Venue for any dispute arising from this agreement shall be Coconino County, Arizona.

This Agreement may only be modified by mutual written consent of the parties.

Provisions of this Agreement shall be deemed severable; any portion hereof determined to be invalid by a tribunal of competent jurisdiction shall not affect the legal sufficiency of the document as a whole.

The prevailing party to any judicial or administrative contest pertaining to the Appointment Agreement will be entitled to an award of reasonable attorneys and costs.

IN WITNESS WHEREOF, the City of Page has caused this Agreement to be signed and executed in its behalf by its Mayor. The attested signature of City Clerk has also been affixed on the date indicated above.

Mayor

Cindy Scott

Approved as to Form:

City Attorney

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Attorney**Meeting Date:** January 14, 2026**Presented by:**

Josh Smith, City Attorney

Brief Title: Employment Agreement City Magistrate**Agenda Section:** Consent Agenda**Action:****Agenda Sub-category:** Agreement/Contract**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to approve the employment agreement with Andrew Hettinger and authorize the mayor to sign.

Background:**Alternatives Considered:****Advisory Board/Commission Action:****Fiscal Impact:****Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. Hettinger Employment Agreement

**City of Page
Appointment Agreement
with
Andrew Hettinger**

THIS AGREEMENT, is made and entered into by and between the City of Page, State of Arizona, a municipal corporation, hereinafter referred to as "Council", and Andrew Hettinger, hereinafter referred to as "City Magistrate."

COUNCIL AND CITY MAGISTRATE agree as follows:

Section 1. Duties

Council herein agrees to appoint Andrew Hettinger as City Magistrate. The City Magistrate shall perform all functions and duties pertaining to the City Magistrate as specified in the City Code, Ordinances, Resolutions, Orders, and Position Description, as may be amended, and to perform all other lawful and proper duties and functions as Council shall from time to time assign. City Magistrate shall, consistent with the authority granted by law, uphold the standards for municipal courts as outlined by the Supreme Court of Arizona in Revised Administrative Order No. 83-11.

The City Magistrate shall, as chief administrator of the Court, implement any and all measures necessary to ensure prompt, fair, and dignified administration of justice. City Magistrate shall ensure employees of the Court perform their duties in compliance with the Arizona Code of Conduct for Judicial Employees.

The City Magistrate shall have direct control of the Court personnel, including authority to hire, supervise, discipline and to request reassignment; the control exercised must be consistent with Arizona law and the City of Page Personnel Manual.

The City Magistrate shall maintain open and timely communication with the Mayor and City Council, Page Police Department, and Coconino County Sheriff's Office regarding all issues vital to the function of the Court and referenced agencies.

The City Magistrate shall timely communicate with the City Manager and Finance Director regarding the preparation of an annual budget.

Council hereby expressly advises the City Magistrate that he is presumed to be familiar with and at all times shall observe and comply with the professional canons prescribed by the Code of Judicial Conduct, Rule 81, Rules of the Supreme Court of Arizona.

Section 2. Term of Agreement

Council and City Magistrate agree this Appointment Agreement shall extend for a period of two years commencing on the 14th day of January, 2026, and expiring the 13th day of January, 2028.

Section 3. Termination and Resignation

Consistent with Winter v. Coor, 144 Ariz. 56, 695 P.2d 1094 (1985), Council and City Magistrate agree that City Magistrate may be terminated for cause at any time. The term "cause" shall include, but not be limited to, misconduct defined by City Personnel Rules, Arizona Code of Judicial Conduct, conviction of any illegal act, use or abuse of alcohol or illegal drugs while on duty, or violation of City policies pertaining to the drug free workplace, sexual harassment, information technology, or travel, as amended. In such event, City Magistrate shall not be entitled to compensation or severance for any salary or benefits.

Council and City Magistrate agree that City Magistrate may resign before the expiration date of this Appointment Agreement by providing sixty (60) days written notice to Council, unless the parties otherwise agree. In such event, City Magistrate's right to be compensated for accrued annual leave benefits shall be consistent with other similarly situated employees and the City Personnel Rules.

Section 4. Inability to Perform Essential Functions

If City Magistrate is unable to perform the essential functions of the position, with or without reasonable accommodation, either for a period of four (4) consecutive weeks beyond any accrued sick leave, or for twenty (20) working days over a thirty (30) working day period after the use of any available leave, Council may, consistent with provisions of the Federal Family and Medical Leave Act, terminate this Appointment Agreement.

Section 5. Salary

Effective December 17, 2025, Council agrees to compensate City Magistrate for services rendered with an annual base salary of \$172,500.00 payable at regular payroll intervals. Council may recommend an increase in the salary and/or benefits of City Magistrate at any time prior to the expiration of the existing Appointment Agreement or as consideration for renewal.

Section 6. Leave and Benefits

City Magistrate shall be eligible for annual leave at accrual rates established in the personnel manual. Vacation, sick, holiday, or other leave benefits will accrue at rates established in the personnel manual. City Magistrate shall also have up to forty (40) hours of administrative leave annually, in addition to the above-referenced annual leave. Administrative leave shall not accumulate or be compensated for upon termination or expiration of this Appointment Agreement. Military leave shall be accrued pursuant to applicable federal or state laws. Council will make available to City Magistrate the same health, dental, vision, disability, retirement, and life insurance benefits as made available to other City employees per the personnel manual.

Section 7. Retirement

Council agrees to execute all necessary agreements for participation in the Arizona State Retirement Plan and to make contributions required by the Arizona State Retirement System based on City Magistrate's base salary.

Section 8. Hours of Work

City Magistrate, in executing the duties enunciated herein, will maintain regular, full-time office hours on a weekly basis. Any request for leave, excluding sick leave, shall be made to the Mayor or Council in writing prior thereto. City Magistrate shall not, without the prior written approval of Council, spend more than ten (10) hours per week in teaching, counseling, consulting or other non-City related business activities.

Section 9. Performance Evaluation

Council may review and evaluate the performance of City Magistrate at any time, but in no event not less than once annually. City Magistrate shall assist Council in completing the performance evaluation and, if requested, attend executive sessions. Any such review shall be performed in a manner which minimizes interference with the City Magistrate's duties and independence and shall utilize accepted criteria for assessing judicial performance. Termination of City Magistrate for cause pursuant to Section 3 herein shall not be contingent upon, or require as a prerequisite, that the Council review and evaluate the performance of City Magistrate.

Section 10. Other Activities

City Magistrate shall not provide, whether for compensation or otherwise, legal services to any person or entity during the term of this Appointment Agreement.

Section 11. Professional Development

Council agrees to pay for the necessary professional dues and subscriptions of national, state, and local associations that facilitate continued professional growth and advancement of City Magistrate; specifically included are Arizona Bar Association dues and costs incurred in complying with mandatory continuing legal/judicial education activities. Council further agrees to pay for job related travel, mileage, and subsistence per diem enabling City Magistrate to attend mandatory judicial conferences, seminars, and complete mandatory continuing legal/judicial education programs. Reimbursement for travel shall be consistent with the City Travel Policy.

Section 12. Bonding

Council shall bear the cost of any fidelity or corporate surety bond required by the City Code, if applicable. Insurance coverage and indemnification shall also be provided pursuant to Resolution No. 433 and the Page City Code, as amended.

Section 13. Conflict of Interest

City Magistrate shall be bound by the provisions of A.R.S. §38-501 *et seq.*, pertaining to Conflict of Interest of Officers and Employees. This section neither limits nor expands City Magistrate's obligations with respect to the Arizona Code of Judicial Conduct.

Section 14. Notices

Notices subject of this Employment Agreement shall be deemed legally sufficient at the time of deposit with the United States Postal Service, postage prepaid, addressed as follows:

(1) COUNCIL:

Page City Council
697 Vista Avenue
P.O. Box 1180
Page, Arizona 86040

(2) CITY MAGISTRATE:

Andrew Hettinger

PO BOX 2501

Page AZ 86040

(or at such Page, Arizona, address as City Magistrate may subsequently provide)

Notices subject of this Appointment Agreement shall also be deemed legally sufficient upon personal delivery to City Magistrate or Council.

Section 15. Drug and Alcohol Testing

City Magistrate shall be subject to pre-employment, post-accident, and reasonable suspicion drug and alcohol testing pursuant to the City of Page Employee Drug Free Workplace Policy.

Section 16. General Provisions

This Appointment Agreement was executed in Page, Arizona, and shall be governed in accordance with the laws of the State of Arizona. Venue for any dispute arising from this agreement shall be Coconino County, Arizona.

This Agreement may only be modified by mutual written consent of the parties.

Provisions of this Agreement shall be deemed severable; any portion hereof determined to be invalid by a tribunal of competent jurisdiction shall not affect the legal sufficiency of the document as a whole.

The prevailing party to any judicial or administrative contest pertaining to this Appointment Agreement will be entitled to an award of reasonable attorney fees and costs.

Section 17. Compliance with Law

This Appointment Agreement is intended to comply with Arizona law as set forth in Winter v. Coor, 144 Ariz. 56, 695 P.2d 1094 (1985) and Jett v. City of Tucson, 180 Ariz. 115, 882 P.2d 426 (1994). If any provision herein is in conflict with the holdings in those cases, such provision shall be deemed void or where possible, interpreted in a way that brings the provision into compliance with the foregoing case law.



Andrew Hettinger

Mayor, City of Page

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Meeting Date:** January 14, 2026**Department:** City Clerk**Presented by:****Brief Title:** Employment Agreement City Attorney**Agenda Section:** Consent Agenda**Agenda Sub-category:** Agreement/Contract**Action:** Motion**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to approve the employment agreement with Joshua Smith and authorize the mayor to sign.

Background:**Alternatives Considered:****Advisory Board/Commission Action:****Fiscal Impact:****Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. Josh Smith Contract 12 17 2025

City of Page Appointment Agreement with Joshua Smith

THIS APPOINTMENT AGREEMENT, made and entered effective the 14th day of January 2026 (the "Effective Date"), by and between the City of Page, State of Arizona, a municipal corporation, hereinafter referred to as "City", and Joshua Smith, hereinafter referred to as "Attorney."

CITY AND ATTORNEY agree as follows:

Section 1. Duties

City herein agrees to appoint Joshua Smith as City Attorney to perform the functions and duties specified in the City Code, Ordinances, Resolutions, and Orders, as amended, and to perform all other lawful and proper duties and functions as the City shall from time to time assign.

Section 2. Term of Appointment Agreement

City and Attorney agree Attorney's appointment with City shall be "At Will" (without expiration) until such time as the Appointment Agreement is terminated by either party as provided in Sections 3, 4, or 5 below.

Section 3. Termination Provisions

City and Attorney agree that Attorney shall serve at the pleasure of the City and may be terminated at any time "without cause" by a majority vote of the entire City Council. In the event Attorney is terminated "without cause," City agrees to provide ninety (90) days written notice of termination. Upon termination of the Appointment Agreement by City without cause, Attorney shall be compensated for any accrued and unused vacation benefits per the personnel manual.

Attorney may terminate the Appointment Agreement without cause by providing sixty (60) days written notice to City, unless the parties otherwise agree in writing. Upon termination of the Appointment Agreement without cause, Attorney shall be compensated for any accrued and unused vacation benefits per the personnel manual.

City may terminate the Appointment Agreement for cause. "Cause" is defined to include: (i) Attorney's material failure to perform his duties owing to the City under the Appointment Agreement, but not to be construed to include providing legal opinions or services with which the City disagrees; (ii) misconduct under provisions of the personnel rules; (iii) conviction of any illegal act; (iv) Attorney's commission of any act involving fraud or embezzlement; (v) use or abuse of alcohol or any illegal drug while on duty in violation of the City's personnel policies; or (vi) a violation of the Drug Free Workplace, Sexual Harassment, Information

Technology, and Travel Policy, as amended. City is not required to provide Attorney with any notice of intent to terminate the Appointment Agreement with cause. If terminated "with cause," Attorney will receive pay through the date of dismissal plus benefits as required by law.

Section 4. Inability to Perform Essential Functions

If Attorney is unable to perform the essential functions of the position, with or without reasonable accommodation, either for a period of four (4) consecutive weeks or for twenty (20) working days over a thirty (30) working day period after the expiration of any available leave, including vacation, sick leave, and leave required under state or federal law, City may, consistent with its obligations under state and federal law, including the Federal Family and Medical Leave Act, terminate the Appointment Agreement. City shall give Attorney written notice of its intention to terminate the Appointment Agreement pursuant to this Section 4. In that event, the Attorney's employment with the City shall terminate effective on the tenth (10th) day after receipt of that notice if, within ten (10) days after that receipt, Attorney shall not have returned to full-time performance of the essential functions of his position, with or without reasonable accommodation. Attorney shall be compensated for any accrued and unused vacation and other benefits per the personnel manual.

Section 5. Admission to Practice in Arizona

Attorney represents and confirms that he has been duly admitted to practice law in the State of Arizona and is a member in good standing thereof.

Section 6. Salary

City agrees to compensate Attorney for services rendered with an annual base salary of \$218,212.50, payable at regular payroll intervals commencing on December 17, 2025.

Section 7. Errors and Omissions Insurance for Attorney

City acknowledges that it is solely responsible for determining whether errors and omissions insurance (covering acts of nonfeasance or malfeasance) of Attorney is in the best interest of the City. In the event City elects to procure errors and omissions insurance, said insurance shall cover the Attorney, and shall include, but not be limited to, coverage for allegations and losses related to any claim against Attorney arising directly or indirectly from Attorney's exercise of his duties and responsibilities within the course and scope of this Appointment Agreement, which shall include, but not be limited to, supervision of any non-lawyer assistant(s). In the event the City elects not to procure errors and omissions liability insurance, the City shall defend, indemnify, and hold harmless Attorney for, from, and against any and all claims, losses or injury sustained by the City or Attorney,

including, but not limited to, allegations or losses related to any claim against Attorney arising directly or indirectly from Attorney's supervision of non-lawyer assistant(s). In no event shall the City be required to defend, indemnify and hold harmless Attorney for, from, or against any acts or omission not within the scope of this Appointment Agreement and not for or on behalf of the City.

Section 8. Performance Evaluation

City may review and evaluate the performance of Attorney at any time. Attorney shall assist City in completing the performance evaluation and in defining such goals and performance objectives as City determines necessary for the proper operation of the City and attainment of the City's policy objectives. Attorney is expected to comply at all times with his professional and ethical obligations pursuant to all applicable rules of the Arizona Supreme Court, including but not limited to interpretations thereof by courts of competent jurisdiction and/or the Ethics Committee of the State Bar of Arizona or any successor body.

Section 9. Hours of Work

Attorney, in executing the duties enunciated herein, will maintain regular, full-time office hours on a weekly basis. Any request for leave, excluding sick leave, shall be made to the Mayor in writing prior thereto.

Section 10. Outside Activities

Attorney shall not, without the prior written approval of City, spend more than ten (10) hours per week in paid teaching, counseling, consulting or other non-related business activities. Attorney shall consider the City his exclusive client and may not engage in the practice law to benefit any other entity or individual.

Section 11. Annual, Sick, and Military Leave

Attorney shall be eligible for annual leave at accrual rates established for other City employees. Attorney shall have up to sixty (60) hours of administrative leave, and sick, holiday, or other leave benefits will accrue at rates established for other City employees. Administrative leave shall not accumulate or be compensated for upon termination or expiration of this Appointment Agreement. Military leave shall be accrued pursuant to applicable federal or state laws.

Section 12. Benefits

City will make available to Attorney the same health, dental, vision, disability, retirement, and life insurance benefits as made available to other City employees.

Section 13. Retirement

City agrees to execute all necessary agreements for Attorney's participation in the

Arizona State Retirement Plan and to make contributions required by the Arizona State Retirement System based on Attorney's base salary.

Section 14. Professional Development

City agrees to pay for the necessary professional dues and subscriptions of national, state, and local associations that facilitate continued professional growth and advancement of Attorney; specifically included are State Bar of Arizona professional dues and costs incurred in complying with mandatory continuing legal education activities. City further agrees to pay for job-related travel and subsistence per diem enabling Attorney to attend seminars and continuing education programs.

Section 15. Bonding

City shall bear the cost of any fidelity or corporate surety bond or insurance required by the City Code. Coverage shall also be provided pursuant to Resolution No. 433, as amended.

Section 16. Conflict of Interest

Attorney shall be bound by the provisions of A.R.S. 38-501 et seq. pertaining to Conflict of Interest of Officers and Employees.

Section 17. Notices

Notices subject of this Appointment Agreement shall be deemed legally sufficient at the time of deposit with the United States Postal Service, postage prepaid, addressed as follows:

- | | |
|---------------|---|
| (1) CITY: | Mayor and Council
City of Page
697 Vista Avenue
P.O. Box 1180
Page, Arizona 86040 |
| (2) ATTORNEY: | Joshua Smith
P.O. Box 1111
Page, Arizona 86040 |

Notices subject of this Appointment Agreement will also be deemed legally sufficient upon personal delivery to Attorney or City.

Section 18. Pre-Employment Drug and Alcohol Testing

Attorney shall be subject to pre-employment drug testing, post-accident drug and alcohol testing, and reasonable suspicion drug and alcohol testing pursuant to the City of Page Employee Drug Free Workplace Policy.

Section 19. Claims against Attorney

Attorney shall promptly notify the City of any claims against him of any kind, whether formal or informal, and in regard to any court, administrative body (including, without limitation, the State Bar of Arizona), or any adjudicatory or quasi-adjudicatory body, and shall fully cooperate with any investigation the City may elect to undertake or have undertaken on its behalf with respect thereto. Attorney shall not represent or advise the City with respect to any such claims. Attorney may, however, submit a formal request that the City defend, indemnify and hold him harmless for, from, and against such claims pursuant to Section 7 hereof. Following appointment of independent counsel to represent the City in connection therewith, Attorney may also present a written or oral explanation of the events surrounding such claim and may suggest possible defenses thereto.

Section 20. General Provisions

This Appointment Agreement was executed in Page, Arizona, and shall be governed in accordance with the laws of the State of Arizona. Venue for any dispute arising from this Appointment Agreement shall be Coconino County, Arizona.

This Appointment Agreement may only be modified by mutual written consent of the parties.

This Appointment Agreement represents the entire agreement between the parties with respect to the subject matter hereof, supersedes all prior and contemporaneous oral or written agreements between the parties relating to its subject matters.

Provisions of this Appointment Agreement shall be deemed severable; any portion hereof determined to be invalid by a tribunal of competent jurisdiction shall not affect the legal sufficiency of the document as a whole.

This Appointment agreement is not assignable by either City or Attorney.

The section headings used in this Appointment Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Appointment Agreement.

The prevailing party to any judicial or administrative contest pertaining to the Appointment Agreement will be entitled to an award of reasonable attorneys' fees

and costs.

Section 21. Review of Appointment Agreement by Special Counsel

This Appointment Agreement was reviewed on behalf of Special Counsel for the City by Attorney Scott Rhodes. Attorney Joshua Smith neither represented nor advised the City in connection herewith. In acknowledgement thereof, the City hereby waives any claim of a conflict of interest pursuant to the Arizona Rules of Professional Conduct and/or A.R.S. §§ 38-501 et seq.

IN WITNESS WHEREOF, the City of Page has caused this Appointment Agreement to be signed and executed in its behalf by its Mayor, and duly attested by its City Clerk, and the Attorney has signed and executed this Appointment Agreement, in duplicate, with an effective date of January 14, 2026.

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Special Counsel for the City

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Council**Meeting Date:** January 14, 2026**Presented by:**

Steven Kidman, Mayor

Brief Title: Council Liaison Reports on Board Meetings**Agenda Section:** Boards and Commissions**Agenda Sub-category:** Administrative Report**Action:** Other**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

N/A

Background:

Reports on the most recent Board meetings by Board Liaisons (The most recent Board Agendas can be found on the City of Page website <https://cityofpage.org/government/public-meetings/>):

Mayor Kidman – Page Utility Enterprises Board

Mayor Kidman – Page Public Safety Personnel Retirement Systems Board

Mayor Kidman – Volunteer Firefighter Pension Board

Vice Mayor Farrow – Youth Advisory Commission

Councilor Auge - Substance Abuse Task Force

Councilor Hettinger - Parks and Recreation Advisory Board

Councilor Preller – Planning and Zoning Commission

Councilor Hammond – Economic Development Advisory Board

Councilor Roundtree – Library Advisory Board

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

None

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Clerk**Meeting Date:** January 14, 2026**Presented by:**

Steven Kidman, Mayor

Brief Title: Economic Development Advisory Board Appointment - Brigham Adams**Agenda Section:** Boards and Commissions**Agenda Sub-category:** Agenda Item**Action:** Motion**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Motion to appoint Brigham Adams to the Economic Development Advisory Board with a term ending June 30, 2027.

Background:

There is one (1) vacancy on the Economic Development Advisory Board. The City has received one (1) request from Brigham Adams to be appointed to the Board.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. Application 2025 - Redacted



City of Page | Board Appointment Application

* Required field

Date: *

10/26/2025

Personal Information:

First Name: *

Brigham

Last Name: *

Adams

Street Address: *

[REDACTED]

P.O. Box: *

[REDACTED]

City: *

Page

State: *

AZ

Zip: *

86040

Home Phone: *

[REDACTED]

Work Phone:

[REDACTED]

Fax:

Email Address: *

[REDACTED]

Boards upon which you wish to serve (you may apply for up to two Boards.):

Advisory Boards and Commissions:

- ☐ Community Center Advisory Board
- ☐ Economic Development Advisory Board
- ☐ Library Advisory Board
- ☐ Parks and Recreation Advisory Board
- ☐ Planning and Zoning Commission
- ☐ Public Safety Personnel Retirement System Board
- ☐ Youth Advisory Commission

City Authorities

- ☐ Substance Abuse Task Force
- ☐ Page Utility Enterprises
- ☐ Board of Adjustment

Brief statement of your qualifications for and/or reasons for applying for these Boards: *

I have been a business owner in Page for fifteen years. I am Applying for planning and zoning so I can be more informed with upcoming projects in the Page area, and help make informed decisions that will continue to benefit interests of the Page community and business owners.

Questionnaire for Board Candidates:

Board(s) for which you are applying:

Planning and Zoning and Economic Development Advisory Board

1. Tell us about yourself and why you are interested in serving on this Board:

I have served this community in several capacities over the years from being on the inaugural board in setting up Page Youth Football in 2011 where I coached till 2018 both in little league and PYF. I have served on the Canyonlands Community Healthcare board for 4 years. We are involved with short term rental industry here, I have raised two boys in this town doing multiple outdoor activities; hiking, camping, boating and running. As my kids have become older and I am naturally not as involved with my community I think this would be a good opportunity for more involvement.

2. What do you think the relationship should be between the City Council and this Board?

It should be a working relationship where communication flows freely between the two participating groups.

3. What do you hope to accomplish by being on this Board and what innovations or ideas do you have that you think might help this Board become more customer oriented?

While serving on any board my focus is what's in it for the people we serve. How can this board improve their daily life? How can we unify as many people as we can? As a board member being in the community to hear and listen to what the general population is saying, and coming back to the board with ideas after listening and then act.

4. What positive and negative issues do you foresee if you are appointed to this Board?

The positive is, representing the community the best we can. Most situations that are negative can be used as experiences to better learn, serve, and adapt in the position.

5. Tell us why we should be interested in appointing you to this Board?

My experience building relationships with people as well as many businesses in town. Being a business owner for fifteen years in this town I have seen the ups and downs especially when the plant closed and covid hit. My business along with dozens of others felt the impact. My business took a hit but I was able to adapt and continue with business as usual.

Demographic Information:

This section is **entirely optional**, and your responses will remain confidential. You may select all that apply or choose not to answer.

Age:

Gender:

Ethnicity:

CITY OF PAGE BOARD INFORMATION

COMMUNITY CENTER ADVISORY BOARD - This board is comprised of five (5) Council appointed citizens for staggered three year terms. This board will act in an advisory and review capacity to the City Council regarding the operation, programming and fundraising activities of the Community Center.

ECONOMIC DEVELOPMENT ADVISORY BOARD - This board is comprised of seven (7) Council appointed citizens for staggered three year terms. The Economic Development Advisory Board shall act as the advisory board to the Page City Council on matters pertaining to the economic development, airport and tourism industries. The board shall advise the Council on goal setting, strategic planning, beautification, construction, marketing strategies, hospitality and business recruitment, retention and expansion.

LIBRARY ADVISORY BOARD - This board is comprised of seven (7) Council appointed citizens for staggered three year terms. This board will act in an advisory and review capacity to the City Council regarding the operation and programming of the Page Public Library.

PARKS AND RECREATION ADVISORY BOARD - This board is comprised of seven (7) Council appointed citizens for staggered three year terms. This board will act in an advisory and review capacity to the City Council regarding the operation, maintenance, promotion, improvement and activities of the City parks, recreation facilities, playgrounds, trails, and playing and

sports fields.

PLANNING AND ZONING COMMISSION - This commission is comprised of seven (7) Council appointed citizens for staggered three year terms. This commission will assist in the preparation of a General Plan; assist in the preparation of development controls; review development proposals, proposed changes to ordinances and changes in development policies; hold public hearings and meetings; assist in preparation of a capital improvements program; make recommendations on proposed boundary changes; and make recommendations on a uniform schedule of fees for service.

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM BOARD - This board is comprised of five (5) members pursuant to Arizona Statute §38-847. This board shall have the responsibilities and duties as set forth in A.R.S. § 38-847, as it may be amended from time to time.

YOUTH ADVISORY COMMISSION - This board is comprised of seven (7) Council appointed members who must be actively enrolled students in a public or private high school in Page (including charter and home schools) between ninth and twelfth grade. The board will assist and advise the Parks and Recreation Board on issues concerning youth in Page; present recommended improvements to the City Council of public projects and programs relating to youth; and assist in planning youth/recreation activities and events.

SUBSTANCE ABUSE TASK FORCE - This task force is comprised of five (5) Council appointed citizens for staggered four year terms. This board is responsible for fostering the health and well being of the citizens of Page, Arizona by coordinating efforts to establish and strengthen programs to reduce and prevent substance abuse in the community.

PAGE UTILITY ENTERPRISES BOARD - This board shall be composed of a total of six (6) members who shall live within the city limits of Page, Arizona. Five (5) members shall be appointed by resolution of the Council and serve for staggered five year terms. The sixth members shall be the Mayor or designee who shall serve as an ex-officio member without the privilege of voting. The board was established as an independent body to operate the Page Utility Enterprises, as more specifically set out in Ordinance No. 588-12. The board has general powers to operate the electric, water, and sewer systems; procure and erect all buildings and facilities for the use of the utilities; appoint a General Manager; and recommend rates, fees, and charges for adoption by City Council.

BOARD OF ADJUSTMENT - This board is comprised of five (5) Council appointed citizens for staggered three year terms, pursuant to Arizona Statute section 9-462-06. **ADJUSTMENT** - Meets as necessary when appeals have been filed. Duties are to hear and decide appeals for variances from terms of the zoning ordinances and to hear and decide appeals in alleged error in the order, requirement, or decision made by the Zoning Administrator.

APPEALS - The board has the authority to hear cases in which a citizen wishes to overturn the decision of the building official on matters pertaining to the adopted Uniform Building Codes. This board does not have the power to hear variances on individual cases. They are primarily concerned with code interpretation and alternate use of building materials whenever a request is denied by the building official. The board should be trained in the Uniform Code and have background in building construction or design. Occasionally the board may be used as a review board to recommend code changes.

FIRE - The board hears matters on petition by a citizen when an interpretation or ruling is needed on the Uniform Fire Code. When such a request is filed, the board sets a meeting date and information on the reason for the interpretation under consideration is presented in report form by the Fire Department. The petitioner presents information in the hearing and the board makes a ruling based on its findings after considering the information and the wording of the Code. Revised December 4, 2018 Ordinance 650-18 Section §31.20

Please confirm your signature by typing your full name in the box below.

Brigham Adams

I agree this is a legal representation of my signature for all purposes just the same as a pen-and-paper signature.

Signed On: 10/26/2025

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Clerk**Meeting Date:** January 14, 2026**Presented by:**

Steven Kidman, Mayor

Brief Title: Substance Abuse Task Force Board Appointment - Breanna Vega**Agenda Section:** Boards and Commissions**Agenda Sub-category:** Agenda Item**Action:** Motion**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to appoint Breanna Vega to the Substance Abuse Task Force with a term ending June 30, 2028.

Background:

There is one (1) vacancy on the Substance Abuse Task Force. The City has received one (1) request from Breanna Vega to be appointed to the Board.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. Application 2025_Redacted



City of Page | Board Appointment Application

* Required field

Date: *

12/20/2025

Personal Information:

First Name: *

Breanna

Last Name: *

Vega

Street Address: *

[REDACTED]

P.O. Box: *

[REDACTED]

City: *

Page

State: *

AZ

Zip: *

86040

Home Phone: *

[REDACTED]

Work Phone:

Fax:

Email Address: *

Boards upon which you wish to serve (you may apply for up to two Boards.):

Advisory Boards and Commissions:

- ☐ Community Center Advisory Board
- ☐ Economic Development Advisory Board
- ☐ Library Advisory Board
- ☐ Parks and Recreation Advisory Board
- ☐ Planning and Zoning Commission
- ☐ Public Safety Personnel Retirement System Board
- ☐ Youth Advisory Commission

City Authorities

- ☐ Substance Abuse Task Force
- ☐ Page Utility Enterprises
- ☐ Board of Adjustment

Brief statement of your qualifications for and/or reasons for applying for these Boards: *

I've been sober for 2.5 years and am an active member of Alcoholics Anonymous. I volunteer about once a month at the Kane County Jail to chair AA meetings and have also volunteered at inpatient rehabs, mental health facilities, and psychiatric wards. Starting January 5th, 2026, I will also be serving as a Senior Public Service Specialist in the Adult Probation department for Coconino County.

Questionnaire for Board Candidates:

Board(s) for which you are applying:

Substance Abuse Task Force

1. Tell us about yourself and why you are interested in serving on this Board:

I moved to Page a little over a year ago and I'm interested in serving on this board because I would love to learn more about how we can help prevent and support Page residents who are struggling with substance abuse. I believe being on this board would help me become a better citizen and Public Service Specialist to our most vulnerable populations.

2. What do you think the relationship should be between the City Council and this Board?

I think the SATF and the City Council have overlapping priorities. I think it is important for the City Council to advocate for the work that the SATF is doing, not only by supporting SATF's programs for preventing substance abuse, but by using their platform to bring awareness to the Task Force for Page residents.

3. What do you hope to accomplish by being on this Board and what innovations or ideas do you have that you think might help this Board become more customer oriented?

I hope to make a real difference in the lives of our residents who are struggling with substance abuse; whether it's them or someone they know. In Coconino County alone, between 2021 and 2024, 23% of all jail bookings were related to drugs or alcohol with an average of 72 inmates per month placed on detox protocol. Page's population only accounts for 5% of Coconino County, but 12% of all substance abuse related arrests are made here. The county is prioritizing services to Flagstaff residents, as they account for the most arrests, and I think looking at their programs could help us navigate substance abuse in our community. One of the ways Flagstaff is encouraging recovery in their community is by using outdoor treatment. We are so lucky to be living in a beautiful place like Page, and I believe there's an opportunity here to create programs for people trying to recover that prioritize outdoor activities that are fun, free, and accessible.

4. What positive and negative issues do you foresee if you are appointed to this Board?

I see so many positives! Being of service in the Page community and building meaningful relationships with our residents are just a couple of examples. A challenge I foresee is that this would be my first time on a Board/Authority of any kind, so I'm sure there would be a learning curve for me while I establish myself as a member of the Task Force.

5. Tell us why we should be interested in appointing you to this Board?

I believe my lived experience, as well as my professional experience, would make me an ideal candidate for the Substance Abuse Task Force. I would be an active and engaged member with my top priority always being the wellbeing of our residents.

Demographic Information:

This section is **entirely optional**, and your responses will remain confidential. You may select all that apply or choose not to answer.

Age:

Gender:

Ethnicity:

CITY OF PAGE BOARD INFORMATION

COMMUNITY CENTER ADVISORY BOARD - This board is comprised of five (5) Council appointed citizens for staggered three year terms. This board will act in an advisory and review capacity to the City Council regarding the operation, programming and fundraising activities of the Community Center.

ECONOMIC DEVELOPMENT ADVISORY BOARD - This board is comprised of seven (7) Council appointed citizens for staggered three year terms. The Economic Development Advisory Board shall act as the advisory board to the Page City Council on matters pertaining to the economic development, airport and tourism industries. The board shall advise the Council on goal setting, strategic planning, beautification, construction, marketing strategies, hospitality and business recruitment, retention and expansion.

LIBRARY ADVISORY BOARD - This board is comprised of seven (7) Council appointed citizens for staggered three year terms. This board will act in an advisory and review capacity to the City Council regarding the operation and programming of the Page Public Library.

PARKS AND RECREATION ADVISORY BOARD - This board is comprised of seven (7) Council appointed citizens for staggered three year terms. This board will act in an advisory and review capacity to the City Council regarding the operation, maintenance, promotion, improvement and activities of the City parks, recreation facilities, playgrounds, trails, and playing and sports fields.

PLANNING AND ZONING COMMISSION - This commission is comprised of seven (7) Council appointed citizens for staggered three year terms. This commission will assist in the preparation of a General Plan; assist in the preparation of development controls; review development proposals, proposed changes to ordinances and changes in development policies; hold public hearings and meetings; assist in preparation of a capital improvements program; make recommendations on proposed boundary changes; and make recommendations on a uniform schedule of fees for service.

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM BOARD - This board is comprised of five (5) members pursuant to Arizona Statute §38-847. This board shall have the responsibilities and duties as set forth in A.R.S. § 38-847, as it may be amended from time to time.

YOUTH ADVISORY COMMISSION - This board is comprised of seven (7) Council appointed members who must be actively enrolled students in a public or private high school in Page (including charter and home schools) between ninth and twelfth grade. The board will assist and advise the Parks and Recreation Board on issues concerning youth in Page; present recommended improvements to the City Council of public projects and programs relating to youth; and assist in planning youth/recreation activities and events.

SUBSTANCE ABUSE TASK FORCE - This task force is comprised of five (5) Council appointed citizens for staggered four year terms. This board is responsible for fostering the health and well being of the citizens of Page, Arizona by coordinating efforts to establish and strengthen programs to reduce and prevent substance abuse in the community.

PAGE UTILITY ENTERPRISES BOARD – This board shall be composed of a total of six (6) members who shall live within the city limits of Page, Arizona. Five (5) members shall be appointed by resolution of the Council and serve for staggered five year terms. The sixth members shall be the Mayor or designee who shall serve as an ex-officio member without the privilege of voting. The board was established as an independent body to operate the Page Utility Enterprises, as more specifically set out in Ordinance No. 588-12. The board has general powers to operate the electric, water, and sewer systems; procure and erect all buildings and facilities for the use of the utilities; appoint a General Manager; and recommend rates, fees, and charges for adoption by City Council.

BOARD OF ADJUSTMENT - This board is comprised of five (5) Council appointed citizens for staggered three year terms, pursuant to Arizona Statute section 9-462-06. **ADJUSTMENT** - Meets as necessary when appeals have been filed. Duties are to hear and decide appeals for variances from terms of the zoning ordinances and to hear and decide appeals in alleged error in the order, requirement, or decision made by the Zoning Administrator.

APPEALS - The board has the authority to hear cases in which a citizen wishes to overturn the decision of the building official on matters pertaining to the adopted Uniform Building Codes. This board does not have the power to hear variances on individual cases. They are primarily concerned with code interpretation and alternate use of building materials whenever a request is denied by the building official. The board should be trained in the Uniform Code and have background in building construction or design. Occasionally the board may be used as a review board to recommend code changes.

FIRE - The board hears matters on petition by a citizen when an interpretation or ruling is needed on the Uniform Fire Code. When such a request is filed, the board sets a meeting date and information on the reason for the interpretation under consideration is presented in report form by the Fire Department. The petitioner presents information in the hearing and the board makes a ruling based on its findings after considering the information and the wording of the Code. Revised December 4, 2018 Ordinance 650-18 Section §31.20

Please confirm your signature by typing your full name in the box below.

Breanna Vega

I agree this is a legal representation of my signature for all purposes just the same as a pen and paper signature.

Signed On: 12/20/2025

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REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Clerk**Meeting Date:** January 14, 2026**Presented by:**

Steven Kidman, Mayor

Brief Title: Northern Arizona Council of Governments (NACOG) Micro Transit Presentation**Agenda Section:** Unfinished Business**Agenda Sub-category:** Presentation**Action:** Motion**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

TBD

Background:

Tod Morris from the Northern Arizona Council of Governments (NACOG) will present a proposal to formally request council funding to support local public transportation.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

1. Public Transit Presentation-FINAL



Local Transit: Page Plan and Application

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January 14th City Council Presentation

Goals of Presentation:

- Discuss Why Transit Matters in Page
 - Review Planning Findings
- Discuss Opportunity for New Future: Proposed Service
 - Review Federal Funding Opportunity & Timing
- Break Down Silos
 - Review Collaborative Approach with Quality Connections
- Line out the Pathway to Partnership
 - Quality Connections Ask

Quality Connections Overview:

- Helping Hands Transition
- Previous Transit Understanding
- Future for Transit
- Wanting to Partner
- Excited for this Opportunity

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Timelines

Timeline	Planning	Local Service Implementation
Fall 2025	Local Service Evaluation	
Winter-Spring 2026	Implementation Planning: Local Service	
Summer 2026	Regional Planning: Greater Page Region Summer 2026	
Fall 2026	Final Plan Completed 9/1/26	

Timelines

Timeline	Planning	Local Service Implementation
Fall 2025	Local Service Evaluation	
Winter-Spring 2026	Implementation Planning: Local Service	City Council Presentation Complete 5311 Application
Summer 2026	Regional Planning: Greater Page Region Summer 2026	5311 Award Announcements Local Service Implementation
Fall 2026	Final Plan Completed 9/1/26	Page Local Service Launch 10/1/26

Planning and 5311 Application Timing

Plan Year	Focus
Oct 2026- Oct 2028 Years 1-2 (2025 FTA 5311)	New Local Service Launch Maintain Regional Routes & Regional Partnerships
Oct 2028- Oct 2030 Years 3-4 (2027 FTA 5311)	Local Service Enhancements/Modifications Implement Enhanced Regional Services
Oct 2030-2032 Years 5- Beyond (2029 FTA 5311)	Established Regional Transit Service and begin assessments of regional Governance models

Why Transit Matters in Page

Online Surveys- 303 Respondents

- 93% - “Important for Page to have Transit”
 - 72% very important for Page
- 70%- “Overall need for transit” = high or very high
- 62%- likely they would use system
 - 20%= “I would not use”
- Trip purpose above 40% (Work/School, Shopping, Med Appts, Social Activities, Recreation)

Why Transit Matters : Opportunity for Page

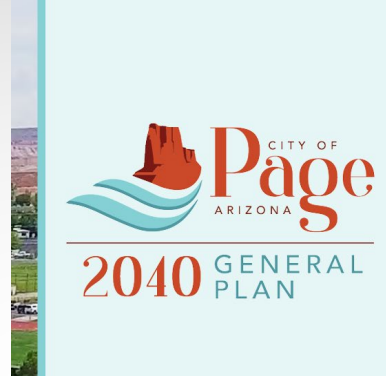
Key Stakeholder Interviews:

- Need to look at more **tech solutions** overall as town
- Need to **get out of silos** as we think about big issues
- Needs ways for **kids to get around**
- City may be **unaware of transit funding** history
- **Advertising** will be key.
- Transit key to **quality of life**
- Community needs to help determine the **role of trolleys**
- Need to **look toward future**, not past
- Need to understand **transit data** and performance on Page impacts

Why Transit Matters in Page

Circulation and Mobility Goals

- Expanding transit service **coverage and frequency.**
- Supporting **on-demand and flexible transit models.**
- Improving first/last mile connections to key destinations.
- **Leveraging federal funding**, including FTA Section 5311, for transit expansion
- Exploring **public-private partnerships** and **technology-driven solutions.**

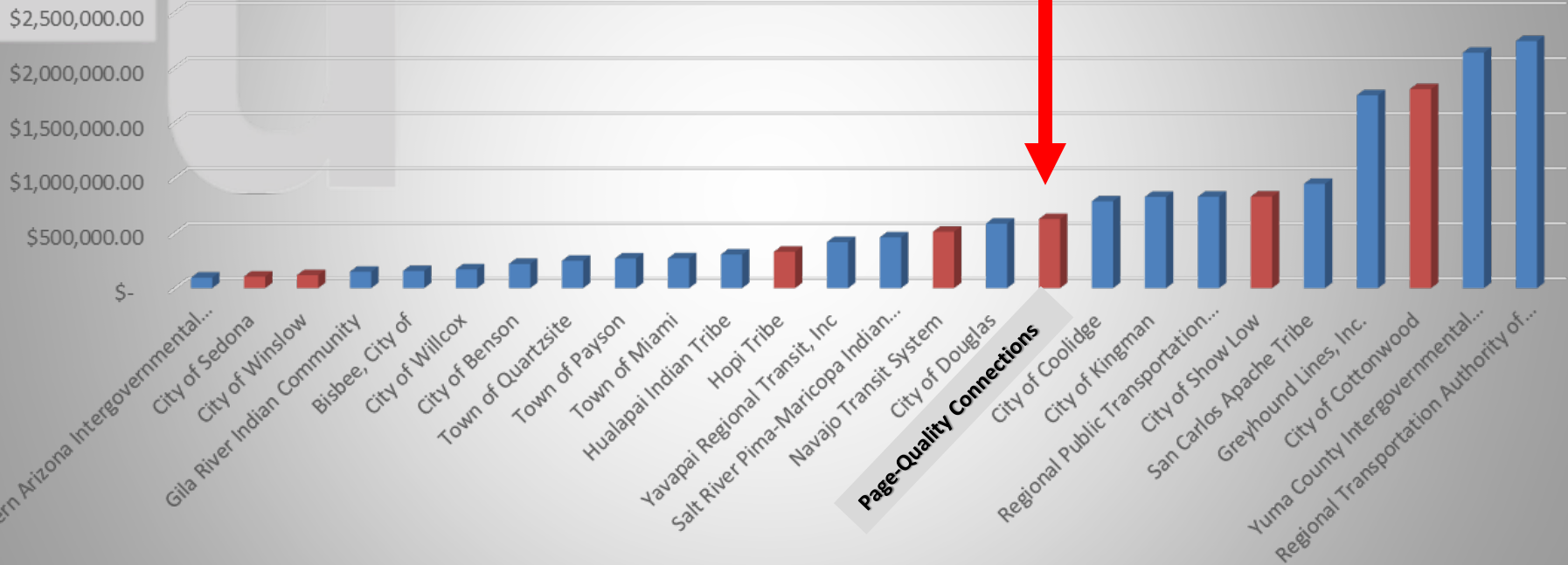


Why Transit Matters : Opportunity for Page

- New start required
- Transit service must serve both residents and visitors
- Needs to be a highly attractive serve that represents the community
- Grow sustainably in coordination with local partners
- Factor in the unique operating environment
- Capitalize on opportunity for innovation

5311 Funding in AZ

5311 Awards Across AZ



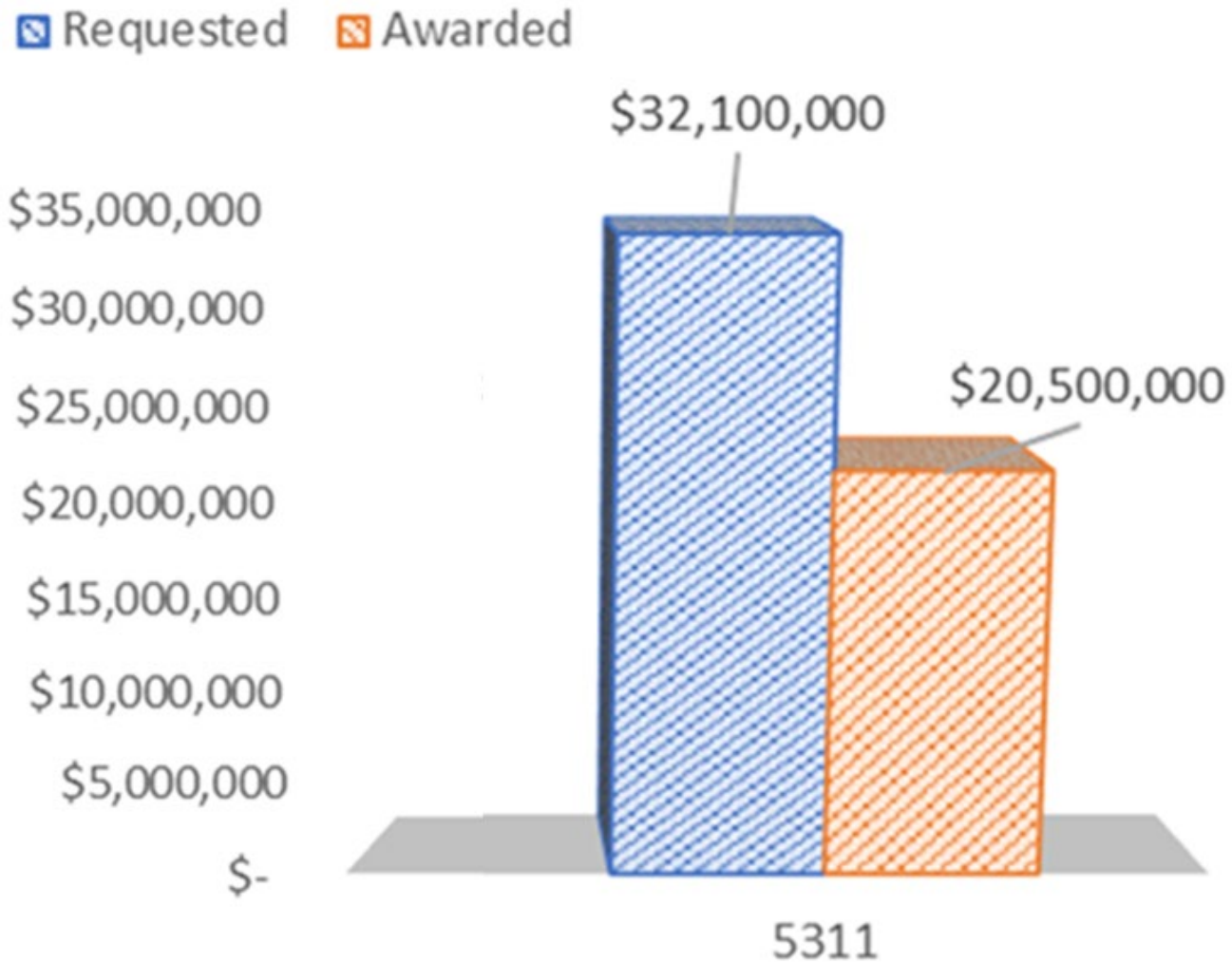
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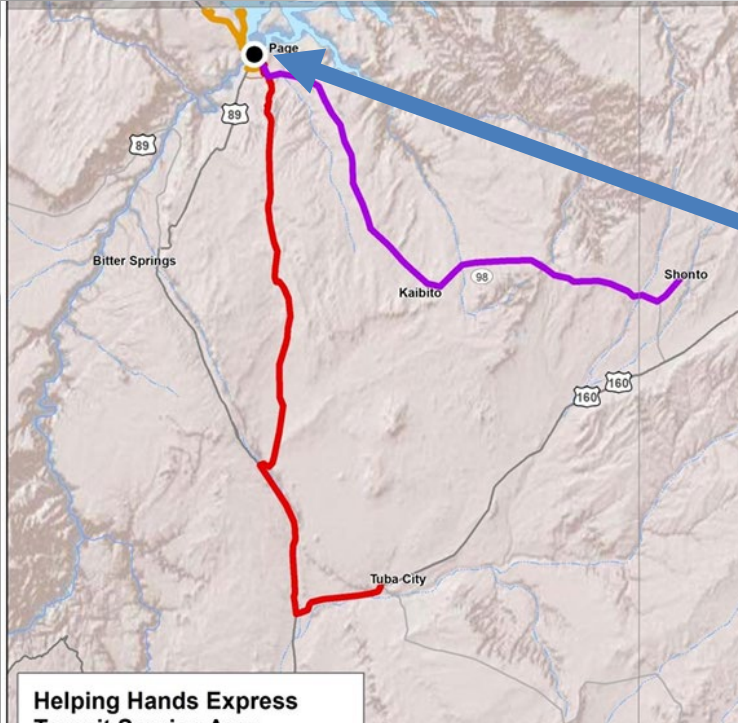
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5311 Funding in AZ



Opportunity to Revamp Historic Service



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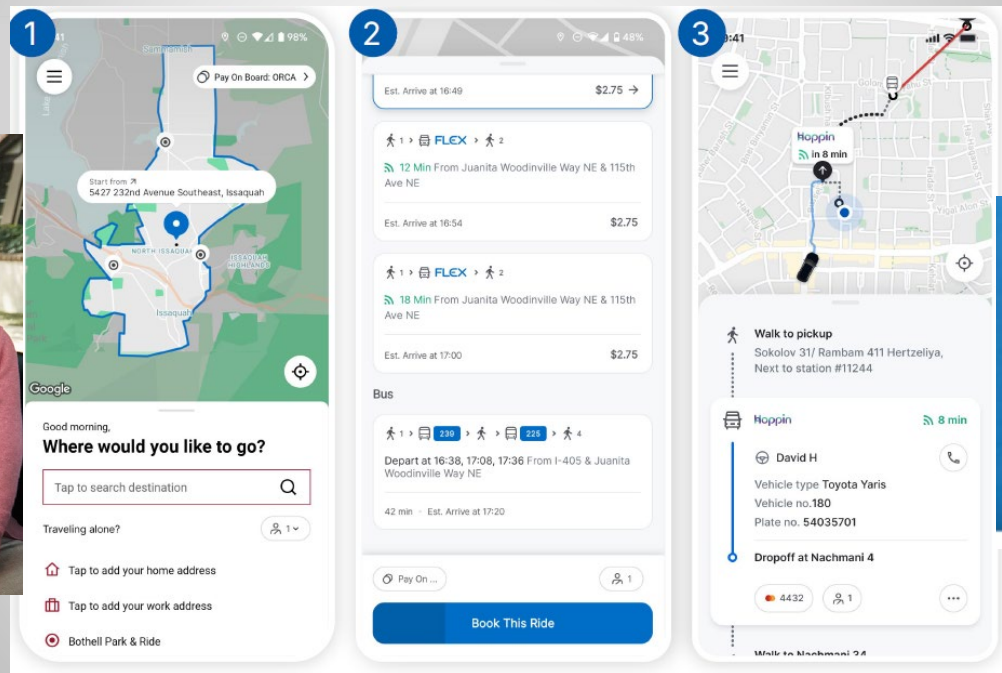
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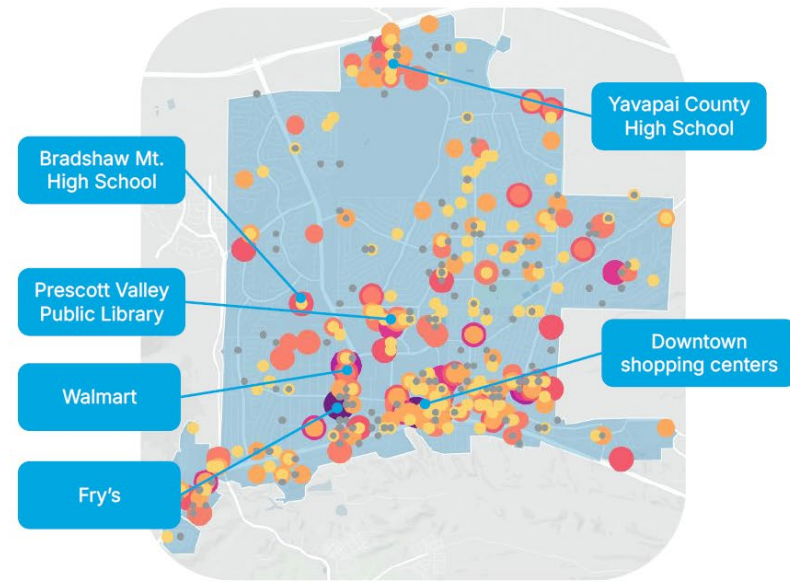
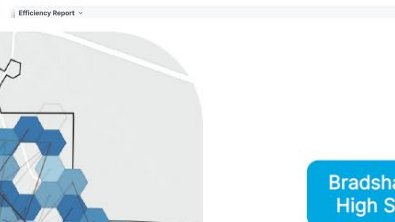
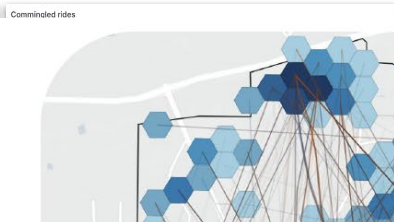
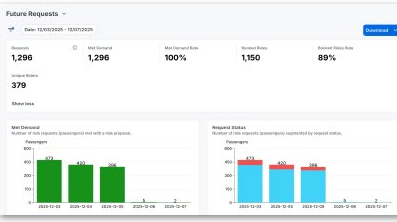
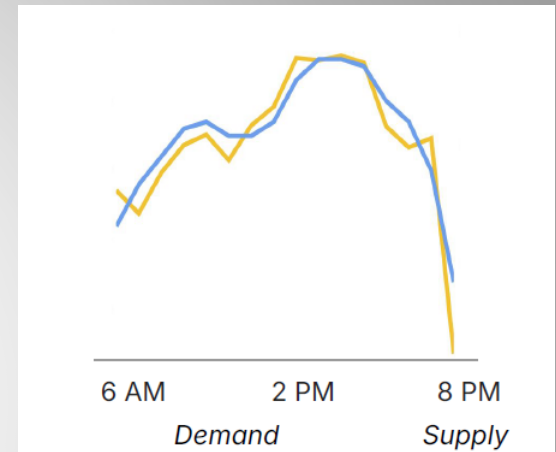
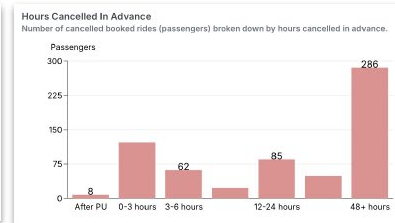
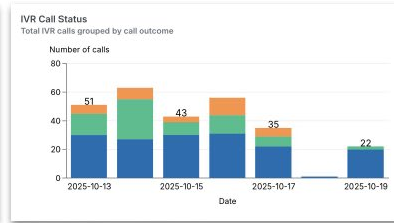
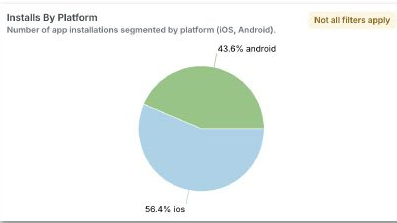
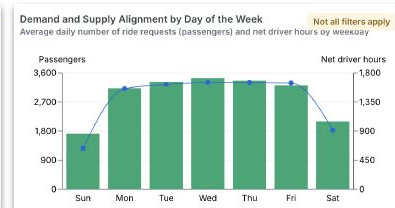
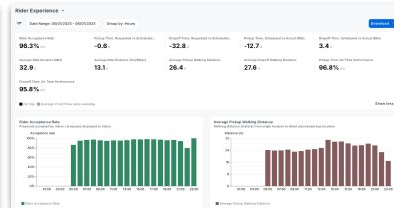
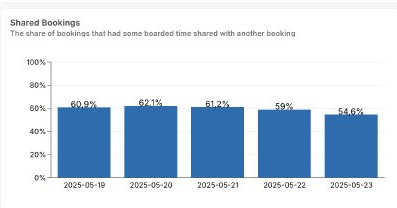


Microtransit

- Microtransit- is **on-demand** public transportation that uses technology to deliver shared rides to common destinations.



Microtransit Data Collection: Inform Planning



Microtransit Data Collection: Inform Planning

Trolleys= Great opportunity.... But come with limitations

- Trolleys require specialized & costly parts and skilled technicians
- Harsh rural conditions (dust) accelerate wear and tear.
- Limited suspension systems lead to rough rides
- Trolleys are typically designed for low-speed urban environments.
- CDL Driver Requirement

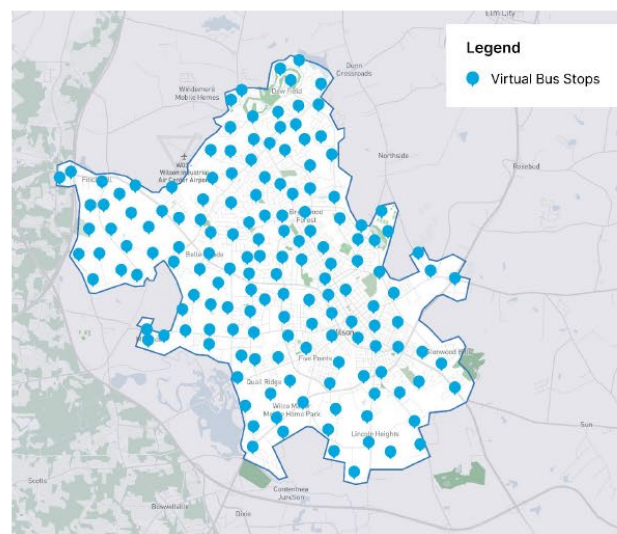
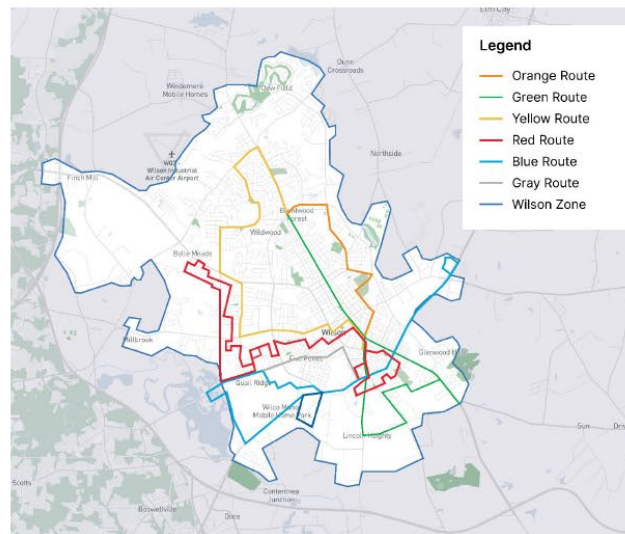


Microtransit: Collects data to identify the appropriate and sustainable role for Trolley.

Opportunity for Page: Proposed Vision

- Local Service: Contract with 3rd Party for vehicles/software/operations at Baseline level
- Baseline Level= 3 vehicle spread across existing service area
 - *Flexible Service Area* Pending
- QC focus on ***quality control*** locally while working to maintain and enhance regional service.
- Lead with microtransit, then let data direct trolleys implementation
- **Quality Connections=Page Transit Ambassador**

Microtransit Zones



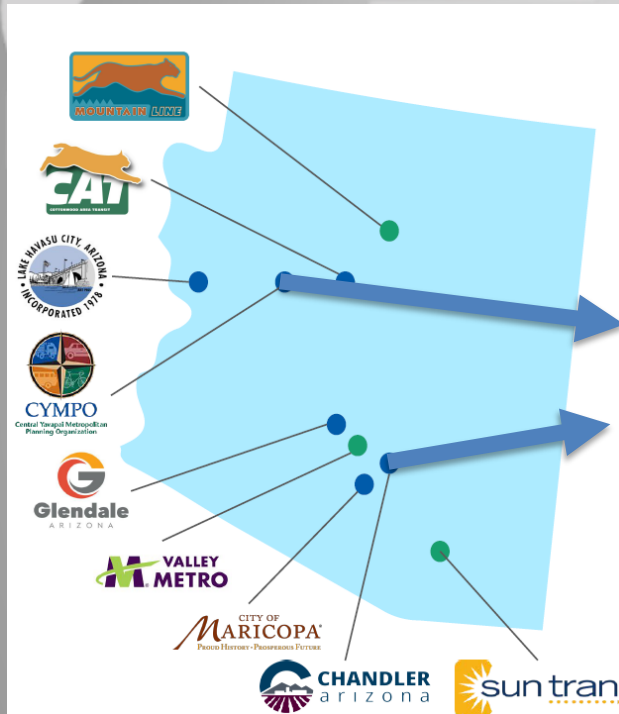
2x
Ridership

150%
Transit coverage

Local Vision: Contracted Service

- Vehicle access right away.
- “Pilot Period” without major up front investments
- Microtransit service- contract service seamlessly aligns software with operations
- Reduces operational headache and allows focus on community engagement and trust building and program development
- Affordable and Proven

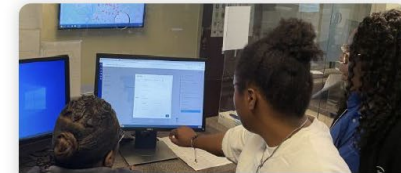
Contracted Services in Arizona



Driver vetting, hiring, training, and retention



Vehicle acquisition, branding, and maintenance



Live service monitoring and management



Rider marketing & community engagement



Customer service



Funding & Grant Support

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Planning and 5311 Application Timing

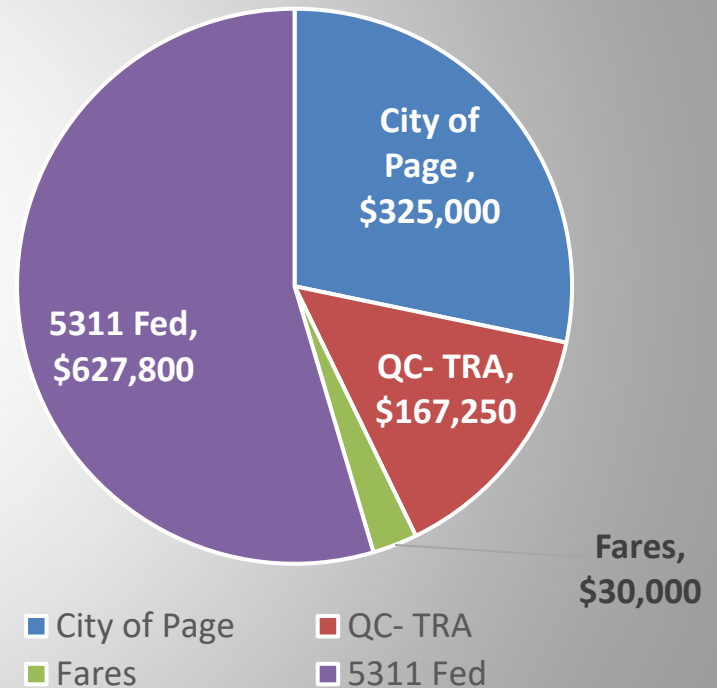
Plan Year	Focus
Oct 2026- Oct 2028 Years 1-2	New Local Service Launch Maintain Regional Routes & Regional Partnerships
Oct 2028- Oct 2030 Years 3-4	Local Service Enhancements/Modifications Implement Enhanced Regional Services
Oct 2030-2032 Years 5- Beyond	Established Regional Transit Service and begin assessments of regional Governance models

5311 Application: Annual Budget

Proposed Service Levels 2026-2028

- Baseline Local Page Microtransit Service
- Daily Kaibeto/Shonto and Tuba City Routes Remain
- Transit Ambassador

FY27 Transit Budget



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NACOG Region: Federal and Local Match



NACOG Region: Annual Federal and Local Match

Community	Federal Match	Local Match
Show Low 9,300 Annual Service Hrs	\$830,424.00	\$540,651.86
Cottonwood 15,354 Annual Service Hrs	\$1,805,672.00	\$991,286.62

Breaking down the Silos

Why we feel City of Page would want to consider this

- Committed and willing partner
- We've done this before – Transit Experience
- 55-60% of total cost a being funded by FTA
- Opportunity for major overhaul
- Community Need
- Careful consideration now... We are doing this the right way
- Quality Connections manages service, but in close coordination with City

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Breaking down the Silos:

How we'd like to work with the City

- Work with Page & NACOG on Service Parameters
 - Times of day/days of weeks
 - Seasonal Considerations
 - Service Goals and Data Tracking Priorities
 - Fares
- Branding, Promotion, and Community Engagement
- Continuous Service Evaluation & Collaboration
 - Page Transit Ambassador

Formal Request

To satisfy the local service levels recommended in planning process= **\$325,000 from the City of Page:**

Operational Local Match Requirement (\$250k)

+

Start Up Costs one time (\$75k)
(Vehicle Branding/Hardware/Software)

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Questions

The logo for the Northern Arizona Council of Governments (NACOG) features the acronym "NACOG" in a bold, dark blue sans-serif font.

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QUALITY
CONNECTIONS

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Transit Manager

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Appendix: Peer Review

31-Jul	Amended service schedule implemented due to recurring fleet failures .
4-Aug	Express Transit update: buses breaking down faster than repairs can be completed.
14-Aug	Request to be added to the state's vehicle transfer waiting list .
4-Sep	Bus 24 reported with oil leak; Bus 29 sent to dealership for engine damage .
11-Sep	Two buses grounded ; concerns about continuing service to Navajo communities.
12-Sep	Temporary service change proposed to stabilize operations with only 3 buses .
18-Sep	Fourth bus broke down ; only two buses remain in service.
23-Sep	Bus 26 confirmed to need a \$6,498 transmission replacement.
24-Sep	Service reduced to two buses; student transportation suspended .
26-Sep	Unable to pick up students due to lack of operational vehicles .
29-Sep	Bus 29 confirmed to be covered under warranty for motor replacement.
2-Oct	Further service reduction announced ; only two buses available daily.

Plus find out that Local Match funding for Local Service wasn't sustainable

Appendix: Peer Review

Town	Population	Challenge	Lessons Learned
Bastrop TX	10,000	Declining ridership on fixed-route and demand-response services	Branding and education are critical—use local champions and social media.
Chandler AZ	280,000 (service area much smaller)	Limited fixed-route coverage for schools and neighborhoods ; growing demand for flexible, tech-driven transit	Chandler Flex demonstrates how microtransit can complement fixed-route networks in diverse communities
Steamboat, CO	13,700	Seasonal congestion, parking shortages, and service gaps for visitors and locals.	Can leverage microtransit to manage visitor surges and improve mobility in hard to reach neighborhoods
Moab, UT	5,300	Heavy tourism traffic, limited parking, and lack of public transit options	Use on-demand microtransit to design strategic fixed-route service for high-demand corridors
Durango, CO	19,000	Limited late-night transit options , seasonal congestion, and access gaps to recreational areas	Recreation-focused microtransit can reduce congestion at trailheads and parks.... People will hike where microtransit takes them!

Appendix: Draft Timeline

- Present to Page City Council-1/14/26
- Complete 5311 Application- 2/18/26 (ideally submit 2/1/26)
- Refine service parameters of microtransit service levels (times, days, zones, costs)- Spring 2026
- Develop marketing plan- Summer 2026
- 5311 Announcements- 6/1/26
- QC Develop and Issue RFP for Local Service 6/1/26
- QC and City of Page Select Vendor- 7/30/26
- NACOG complete regional service planning 8/1/26
- NACOG completes final plan 9/1/26
- Page Service Launch 10/1/26

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Attorney**Meeting Date:** January 14, 2026**Presented by:**

Josh Smith, City Attorney

Brief Title: Ordinance 747-26 - Land Sale to Premium Builders, LLC for Property Adjacent to Newburn Rd**Agenda Section:** Unfinished Business**Action:** Ordinance**Agenda Sub-category:** Ordinance**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Clerk to introduce Ordinance 747-26. Move to adopt Ordinance 747-26.

Background:

This agreement reflects the direction from council relating to the land sale for a residential development along an extended Newburn Rd.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:

This will result in both revenue and costs to the city. Revenue from land sale and costs for public infrastructure.

Attachments:

1. ORDINANCE Land Sale - Premium Builders
2. Exhibit 1 - Purchase Agreement

ORDINANCE NO. 747-26

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, PERTAINING TO THE SALE BY NEGOTIATION OF REAL PROPERTY OWNED BY THE CITY OF PAGE; AND APPROVING THE AGREEMENT FOR THE PURCHASE OF REAL ESTATE.

WHEREAS, Section 32.036, Page City Code, provides that the City of Page may sell real property owned by the City of Page; and

WHEREAS, after appropriate publication of notice, Premium Builders, LLC or assigns (hereinafter "Buyer") desires to purchase the real property described in the Agreement for Purchase of Real Estate, subject to the terms and conditions of said Agreement, for the sum of \$29,777.00 per acre; and

WHEREAS, A.R.S. § 9-802 allows a City to adopt a public record by ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:

Section 1. The Agreement for the Purchase of Real Estate attached hereto as Exhibit 1 and incorporated herein by reference, is hereby declared a public record. A minimum of one paper copy and one electronic copy of Exhibit 1 shall be maintained in compliance with A.R.S. § 44-7041 in the office of the City Clerk and shall be available for public inspection during normal business hours.

Section 2. The following described real property may be sold to Buyer subject to the terms and conditions set forth in the Agreement for the Purchase of Real Estate, providing in part:

Description of property:

Approximately 12.09 acres of real property located in the City of Page, Coconino County, Arizona, consisting of a portion of County Assessor's Map Parcel No: 8010632A and all of County Assessor's Map Parcel No: 80106034 to be purchased in two phases as more particularly described in Exhibit 1.

Sales Price:

The purchase price shall be Twenty-Nine Thousand Seven Hundred Seventy-Seven Dollars (\$29,777.00) per acre, plus Buyer shall also pay all costs

including appraisal fees, escrow fees, title fees, recording fees, and seller's legal publication costs.

BE IT FURTHER ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE:

The terms and conditions of the attached Agreement for the Purchase of Real Estate are hereby approved and the Mayor is authorized to execute the Agreement and all necessary land sale documents.

This Ordinance is effective thirty (30) days from its adoption.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA this 14th day of January, 2026, by the following vote:

Ayes	_____
Nays	_____
Abstentions	_____
Absent	_____

CITY OF PAGE

By _____
Mayor

ATTEST:

APPROVED AS TO FORM:

CITY CLERK

CITY ATTORNEY

EXHIBIT ON FILE AT:
PAGE CITY CLERK'S OFFICE
697 VISTA AVE., PAGE, AZ

Exhibit 1

AGREEMENT FOR THE PURCHASE OF REAL ESTATE

BY THIS AGREEMENT, the parties hereto declare, covenant and agree as follows:

1. Definitions.

The following terms are hereby defined for purposes of this Agreement and shall be given the stated meanings unless the context requires otherwise:

Seller: CITY OF PAGE
City Hall
P.O. Box 1180
Page, Arizona 86040
Telephone: (928) 645-8861

Buyer: PREMIUM BUILDERS, LLC OR ASSIGNS

Telephone:

Escrow
Agent: PIONEER TITLE AGENCY, INC.
809 North Navajo
P. O. Box 508
Page, Arizona 86040
Telephone: (928) 645-0064

Date of this
Agreement: The _____ day of _____, 2026.

Property: A portion of that certain real property located in the City of Page, Coconino County, Arizona, identified as Coconino County Assessor's Map Parcel No: 8010632A, more particularly described as:

See Exhibit A attached hereto and incorporated herein by reference.

Purchase
Price: The Purchase Price for the Property shall be Twenty-Nine Thousand Seven Hundred Seventy-Seven Dollars (\$29,777.00) per acre as appraised on February 6, 2025 (see Exhibit B), plus Buyer shall also pay all costs including appraisal fees, escrow fees, title fees, recording fees, and Seller's legal publication costs incurred herein.

Closing
Date:

The Closing Date shall be that date which is the latter of (a) the land sale ordinance becoming operative pursuant to A.R.S. § 19-142(B) (i.e. thirty (30) days after adoption of the land sale ordinance by City Council without referendum filing); or (b) thirty (30) days after any required referendum vote approving this transaction; or not later than sixty (60) days following satisfaction or waiver of the Conditions to Closing contained in Section 8. However, the Closing Date shall not extend beyond December 31, 2026, unless agreed to in writing by the parties. See, paragraph 10 for further provisions concerning the Closing Date and definition of "closing" and "close of escrow".

2. Purchase and Sale of Property. Subject to and upon the terms, provisions and conditions set forth herein, Seller agrees to sell and Buyer agrees to purchase the entire right, title and interest of Seller in and to the Property for the Purchase Price.

3. Purchase Price.

3.1 The Purchase Price shall be payable by Buyer in lawful currency of the United States.

3.2 Upon Buyer's execution hereof, Buyer shall deposit Twenty Thousand Dollars (\$20,000.00) with Escrow Agent as earnest money hereunder. All earnest money deposited shall be credited at the Closing Date toward the Purchase Price.

3.3 On or before the Closing Date, Buyer shall tender to Seller one hundred percent (100%) of the purchase price.

3.4 The funds deposited pursuant to Paragraph 3.2, above, shall be invested by Escrow Agent with a federally insured commercial bank or savings institution in such savings accounts, certificates of deposit or similar investments as Buyer shall direct from time to time, provided that any and all such funds be available and disbursed when required by the terms of this Agreement. All earnings on such invested funds shall be paid to the party entitled hereunder to receive the principal of such funds, and, upon payment to Seller, shall be credited towards the Purchase Price.

4. Information/Delivery Items.

4.1 Title Report: Seller shall provide Buyer with a preliminary title report or commitment for title insurance.

4.2 Entry on Property: Buyer and its authorized representatives and agents have been provided access to the Property for the purpose of making such examinations, test investigations, surveys, inquiries or other inspections including, but not limited to, hydrological, topographical, traffic and engineering studies and reports,

tests, borings and analysis of the soils and water (including subsurface conditions), investigation of the availability and quality of access, utilities, water and sewer to the Property, and to otherwise inspect the general condition of the Property as may be necessary to satisfy Buyer that the Property is suitable for Buyer's intended development. The cost of all such examinations or investigations is the responsibility of Buyer. Buyer shall indemnify and hold Seller harmless from and against any and all loss, cost, damage, injury, or expense arising out of or related to claims of injury to persons or property, or claims of lien for work or labor performed, or materials or supplies furnished as a result of the exercise of Buyer's right of entry hereunder.

4.3 Licenses and Permits: Seller shall, within ten (10) days of the date of request, make available at Buyer's request true and correct copies of all presently existing licenses, permits, certificates of occupancy and other documents issued by any governmental or nongovernmental entity to the Seller necessary for the use of the Property for its present uses.

5. Contingencies.

5.1 Buyer's obligation to consummate the purchase of the Property and to close escrow is conditioned upon the acceptance or waiver (subject to the provisions set forth below) of the title report. Buyer must provide written notice to Seller within thirty (30) days of the release of the title report of any discrepancy or disapproval. Buyer shall permit Seller an additional forty-five (45) day period to cure Buyer's objections, whereupon Seller shall undertake in good faith and utilize its best efforts to take all action necessary to cure same. If Buyer's objections are not cured to Buyer's satisfaction prior to expiration of the period permitted by this paragraph, Buyer may either (a) cancel and terminate this Agreement or (b) waive any remaining objections and approve the condition of title to the Property as then existing. If Escrow Agent issues any amended preliminary reports or commitments for title insurance, Buyer shall have a period of twenty (20) days after receipt of the same to object to any matter not appearing in prior reports or commitments and shall have the same options as provided above with respect to objections to the original report. Seller shall use its best efforts to cure any objections Buyer has with respect to the condition of title.

5.2 It is acknowledged that the contingencies set forth in Paragraph 5.1 are for the exclusive benefit of Buyer, and Buyer may elect to waive any such contingency reserved for its benefit and proceed to consummate the transaction contemplated hereby, unless this Agreement has been terminated according to the terms hereof. Any such waiver shall be executed in writing and deposited with Escrow Agent or Seller.

5.3 If all of the contingencies set forth in paragraph 5.1 have not been satisfied or waived in writing within the period provided in paragraph 5.1, this Agreement may be terminated by Buyer, and the earnest money shall be returned to Buyer and the parties shall have no further obligation hereunder.

6. Obligations, Representations and Warranties.

6.1 Seller hereby agrees to diligently undertake the performance of all obligations of Seller contained in this paragraph and makes the representations and warranties set forth herein:

- (a) Seller will comply with all provisions of Paragraph 4, above;
- (b) Prior to the Closing Date, assuming all necessary governmental approvals have been obtained and all terms of this Agreement have been fulfilled, Seller shall deposit with Escrow Agent a Deed and related Affidavit of Real Property Value (if needed), duly executed by Seller in proper form for recording;
- (c) All risk of loss is Seller's until the Property is conveyed to Buyer in accordance herewith. In the event of material loss or damage to the Property, Buyer may cancel and terminate this Agreement and receive a refund of all earnest Money deposited;
- (d) No default or breach exists under any covenant, condition, restriction, right-of-way or easement affecting the Property, or any portion thereof, which is to be performed or complied with by the owner of the Property, and Seller has no knowledge of any fact or condition which would constitute such default or breach;
- (e) No actions, suits, proceedings or investigations are pending or, to the knowledge of Seller, threatened against or relating to the Property in any court or before any governmental department or agency, and Seller has no knowledge of any basis for any such action, suit, proceeding or investigation;
- (f) No person, firm, or other entity has any right or option to acquire the Property or any portion thereof or any interest therein, superior to the rights of Buyer herein, and Seller will take no action prior to the close of escrow hereunder which will adversely affect the rights of Buyer hereunder or adversely affect the ability of Seller to perform hereunder, provided, however, Seller and Buyer understand that the effectiveness of this Agreement may be determined by a referendum vote, provisions of the Page City Code pertaining to land sales, and subject to the provisions of Paragraph 8.4;
- (g) The Property will be conveyed and exclusive possession thereof delivered by Seller to Buyer at the close of escrow in the same condition it is in as of the date of Buyer's execution of this Agreement, natural wear and tear and Buyer's testing excepted;
- (h) There are not, and shall not be at closing, any leases or rental agreements affecting the Property, not previously disclosed in writing, or any rights of possession thereof;
- (i) No work has been performed or is in progress at, and no materials have been furnished to, the Property or any portion thereof which, though not currently the subject of a lien, might give rise to mechanics', materialmens' or other liens against

Seller's interest in the Property or any portion thereof or any improvements hereafter erected thereon;

(j) No hazardous wastes or substances have been knowingly dumped, deposited or buried on the Property by the Seller or any of its agents or employees after 1975;

(k) The representations of Seller contained herein are and will be true and correct as of the Closing Date, and Seller will have duly performed all of the covenants, agreements and conditions required by this Agreement to be performed, observed and complied with by Seller in order to consummate the transaction contemplated hereby on or before the Closing Date. Seller covenants that it will advise Buyer, in writing, on or before the Closing Date, of any change in any representation or warranty set forth in this paragraph. In the event of any material or substantive change in the representations or warranties prior to the close of escrow, Buyer, in addition to all other rights and remedies, shall be entitled to terminate this Agreement and receive a refund of all earnest money deposits pursuant hereto.

6.2 Buyer hereby represents and warrants that Buyer will have performed, observed, and complied with all of the covenants, agreements and conditions required by this Agreement to be performed, observed and complied with by Buyer including, without limitation, payment of all funds required to be paid by Buyer on or before the Closing Date, and will execute and deliver all documents required to be executed and delivered by Buyer in order to consummate the transaction contemplated hereby on or before the Closing Date.

6.3 Buyer acknowledges and agrees that Buyer is purchasing the Property in "As-Is" condition without expressed or implied warranties of any kind, and that Buyer is relying wholly on Buyer's own judgment with respect to the suitability and condition of the Property.

7. Conditions of Sale.

7.1 Seller makes no representation or warranty with respect to access to and from adjoining streets.

7.2 Buyer acknowledges that all required on and off-site improvements to the property shall be made by the Buyer and at Buyer's sole expense including, but not limited to, the costs of extending infrastructure (e.g., roadway, water, sewer, electric, telephone, and cable).

7.3 Buyer acknowledges that it is familiar with and understands that the purchased property is subject to use and development restrictions imposed by the City of Page General Plan, the General Development and Subdivision Regulations, City of

Page Zoning Ordinance, the Gateway Area Specific Development Plan, City of Page adopted building codes, and other applicable state and federal laws.

8. Conditions to Closing.

8.1 Buyer's purchase of the Property and closing of the transaction contemplated hereby is conditioned upon and subject to:

- (a) Satisfaction or waiver of all contingencies set forth in Paragraph 5.1.
- (b) Performance of all obligations of Seller set forth in Paragraph 6.1.
- (c) Issuance by Pioneer Title or the licensed insurer for which it is agent to or for the benefit of Buyer of an owner's title insurance policy showing fee simple title to the Property in Buyer subject only to those printed exceptions customarily contained in such policies and those encumbrances, restrictions, reservations, exceptions, stipulations, conditions and requirements approved by Buyer pursuant to Paragraph 5.1.
- (d) Buyer, at Buyer's sole expense, shall apply for and obtain all necessary approvals for the development of residential housing. City shall have taken final action to approve all of the entitlements required for Buyer's construction of the residential development, subject only to terms and conditions reasonably satisfactory to Buyer. All of the entitlements shall have become final and non-appealable, and all of the entitlements shall remain in full force and effect as of the closing in accordance with their respective terms.
- (e) Buyer and Seller have executed a mutually acceptable agreement for the installation of Public Infrastructure as described in Section 17 below.

The foregoing conditions are solely for the benefit of Buyer. At any time or times on or before the date for the satisfaction or waiver of each condition, at Buyer's election in its sole and absolute discretion, Buyer may waive any of the foregoing conditions by written notice to Seller. In the event any of the foregoing conditions or other conditions to this Agreement which are for the benefit of Buyer are neither fulfilled nor waived in writing by Buyer within the time provided in this Agreement, Buyer, at its election in its sole and absolute discretion, by written notice to Seller, may terminate this Agreement, receive Buyer's earnest money less Seller's publication costs, and be released from all obligations under this Agreement except to the extent such obligations expressly survive termination of this Agreement.

8.2 Seller's obligation to sell the Property shall be conditioned expressly upon the fulfillment to Seller's satisfaction (as determined by Seller in its sole and absolute discretion) of each of the following conditions precedent within the time periods specified in this Agreement:

- (a) Performance of all obligations of the Buyer set forth in Paragraph 6.2.
- (b) Satisfaction of any city ordinance pertaining to this transaction including, without limitation, an approval by the voters of the City of Page pursuant to any referendum vote required to approve this transaction.
- (c) If required by applicable regulations, Buyer shall submit and obtain an approved final plat for the subdivision of the Property. All costs to obtain said approvals shall be borne by Buyer, however Buyer shall not be required to reimburse the City for any time spent by internal City staff or counsel other than as set forth in the City's fee schedule.
- (d) Buyer shall have provided evidence reasonably satisfactory to Seller that Buyer has obtained financing commitments sufficient to accomplish the construction of the project and related infrastructure and that such funds shall be, effective as of closing, committed for such purpose. In this regard, it is understood that Buyer will require Seller's approval of Seller's Closing Condition prior to Buyer's closing of its loan for construction of the improvements. Seller's approval of Buyer's evidence of financing shall not be unreasonably withheld or conditioned. Seller agrees to approve or disapprove Buyer's evidence of financing within twenty (20) days after Buyer's submittal of same. Any disapproval shall be in writing and shall state the reasons for disapproval and the required changes to obtain such approval. Upon receipt of a disapproval by Seller Buyer shall resubmit its evidence of financing and Seller agrees to approve or disapprove Buyer's revised/amended submittal within fifteen (15) days after Buyer's submittal.
- (e) Buyer shall have obtained sitewide grading and drainage permits for the residential housing development, including required permits for the construction of underground utilities, and any other permits required from a governmental agency having jurisdiction over the property which are required for the commencement of construction of the necessary infrastructure.
- (f) Buyer and Seller have executed a mutually acceptable agreement for the installation of Public Infrastructure as described in Section 17 below.

The foregoing conditions are solely for the benefit of Seller. At any time or times on or before the date for the satisfaction or waiver of each condition, at Seller's election in its sole and absolute discretion, Seller may waive any of the foregoing conditions by written notice to Buyer. In the event any of the foregoing conditions or other conditions to this Agreement which are for the benefit of Seller are neither fulfilled nor waived in writing by Seller within the time provided in this Agreement, Seller, at its election in its sole and absolute discretion, by written notice to Buyer, may terminate this Agreement and be released from all obligations under this Agreement except to the extent such obligations expressly survive termination of this Agreement. In the event of termination pursuant to this Paragraph 8.2, the earnest money shall be returned to Buyer.

8.3 Each party shall exercise commercially reasonable diligence in an effort to satisfy the Closing Conditions as expeditiously as possible after the date of this Agreement. Each party shall cooperate with the other party in the other party's efforts with respect to the satisfaction of the conditions.

8.4 The parties acknowledge and agree that Seller has executed this Agreement in its proprietary capacity as owner of the Property, and that nothing in this Agreement binds or otherwise obligates the City of Page in the exercise of its regulatory authority. Specifically, and without limiting the foregoing, nothing in this Agreement obligates the Page Planning Commission or the Page City Council to approve any development plans or other requests, or obligates City staff as to their analyses, reports, recommendations or any other staff functions or duties relating to the proposed project.

9. Failure to Close/Earnest Money.

9.1 In the event Buyer terminates this Agreement as elsewhere expressly authorized, all earnest money deposited hereunder shall be returned to Buyer less publication costs incurred by Seller, and this Agreement shall thereupon be deemed void and of no further force or effect.

9.2 In the event Seller refuses, fails, or is unable to satisfy its obligations hereunder, the sole remedy of Buyer is the return of earnest money deposited hereunder. This Agreement and the escrow established hereby shall be terminated. In such event any earnings gained on the earnest money deposit, as provided under Paragraph 3.4, shall be delivered to Buyer.

9.3 In the event all contingencies or conditions to closing reserved for Seller's benefit have been satisfied or waived and Seller has tendered complete performance on or before the Closing Date, and Buyer is not entitled to terminate this Agreement, but Buyer nevertheless refuses or fails to close the transaction contemplated hereby in accordance with the terms of this Agreement, then Seller shall make a written demand of Buyer to perform and close this Agreement. If Buyer does not do so within five (5) days after receipt of such demand, this Agreement shall be deemed breached, and Seller may elect one or more of the following remedies: (i) terminate this Agreement whereby all of the earnest money deposited hereunder shall be paid to Seller and the Escrow established hereby, (ii) institute legal proceedings against Buyer for specific performance of Buyer's obligations hereunder, and/or (iii) pursue any other remedies available at law or in equity including, without limitation, suit for damages or other alternative relief.

10. Closing Date.

Buyer and Seller shall pay all monies, execute and deposit all documents, and complete all other obligations required hereunder in order to consummate the purchase and sale of the Property on or before the Closing Date. On, or as soon as practical

following the Closing Date, Escrow Agent shall record all necessary documents and otherwise accomplish the provisions hereof so as to close the transaction contemplated hereby (herein sometimes referred to alternatively as the "closing" or "close of escrow").

11. Taxes, Assessments, Prorations.

11.1 All real estate taxes, interest, utilities, rents, and/or insurance premiums, if any, relating to the Property shall be prorated as of the date of closing. All assessments, if any, shall be paid in full by Seller at the Closing Date. Real estate taxes shall be calculated on the basis of the latest figures prepared by the governmental authority responsible for assessing the Property based on the most recent tax rate as then determined. If the taxes for the current year are later determined to be different than those upon which proration was based, Seller and Buyer shall adjust the difference outside of escrow based upon the actual figures. All monthly prorating shall be made on the basis of a thirty (30) day month.

11.2 All appraisal costs, survey fees, escrow fees, and recording fees shall be paid by Buyer. Buyer shall pay all fees and premiums with respect to issuance of preliminary title reports, title insurance commitments and the owner's title insurance policy to be issued to Buyer, all as provided herein.

12. Nomination.

Buyer may only assign its rights under the Purchase Agreement with the prior written consent of the Seller, which consent will not be unreasonably withheld.

13. Escrow Instructions.

13.1 Buyer and Seller hereby employ Escrow Agent to act as their escrow agent in connection with the purchase and sale agreed to herein on the terms set forth herein.

13.2 Seller and Buyer will each pay Escrow Agent upon demand all charges payable by them respectively as provided herein, if any.

13.3 In the event of a breach of this Agreement or non-compliance with the terms herein, Buyer and Seller authorize Escrow Agent to hold any money and documents deposited hereunder until an action shall be brought in a court of competent jurisdiction to determine the rights of Seller and Buyer, or to interplead said parties by an action brought in any such court.

13.4 Seller and Buyer will indemnify and save harmless Escrow Agent against all costs, damages, attorneys' fees, expenses and liabilities which it may incur or sustain in connection with these instructions or the escrow or any court action arising therefrom and will pay the same upon demand; provided, however, that this paragraph shall not

apply with respect to such matters resulting from Escrow Agent's negligence, omission, error, or intentional wrong-doing.

13.5 Seller and Buyer direct that all money payable hereunder be paid to Escrow Agent. Disbursement of any funds may be made by check of Escrow Agent.

13.6 Seller and Buyer agree that the employment of Escrow Agent shall not affect any rights of subrogation under the terms of any title insurance policy issued pursuant to the provisions hereof.

13.7 If disbursement is made to other than the parties hereto by reason of death, insolvency, bankruptcy, dissolution of Seller or by reason of any legal proceedings, Escrow Agent shall be paid such reasonable fees as Escrow Agent shall establish.

13.9 The word "charges" as used herein refers to all charges and advances made and obligations incurred by Escrow Agent in connection herewith and all charges of Escrow Agent in connection with the issuance of its title insurance policy.

13.10 The day provided herein within which compliance with any requirement must be met shall end at the close of the then regularly-established public business hours of Escrow Agent for such day.

14. Miscellaneous.

14.1 Any notice to be given by Buyer or Seller shall be given in writing and delivered in person to Buyer or Seller, or forwarded by certified or registered mail, postage prepaid, at the address indicated in Paragraph 1 hereof, unless the party giving any such notice has been notified, in writing, of a change of address. Any such notice shall be effective three (3) days after postmark, if mailed, or upon receipt, if delivered.

14.2 This Agreement contains the complete understanding and agreement of the parties hereto with respect to all matters referred to herein, and all prior representations, negotiations and understandings are superseded hereby and merged into this Agreement. No party shall be liable or bound to any other person hereto in any manner by any agreement, warranty, representation or guarantee, except as specifically set forth herein or in any instrument executed pursuant hereto, nor shall this Agreement create or confer any benefit with rights or provide to third parties any claim or right of action under this Agreement.

14.3 In the event any party hereto shall employ legal counsel to bring an action at law or other proceeding against any other party to enforce any of the terms, covenants or conditions hereof, the party prevailing in any such action or other proceeding shall be paid all reasonable attorneys' fees and costs incurred by the other party, as determined by the court and not the jury, and in the event any judgment is secured by such prevailing party, all such attorneys' fees and costs shall be included in the judgment.

14.4 If any term or provision of this Agreement is determined to be invalid, such invalid term or provision shall not affect or impair the remainder of this Agreement, but such remainder shall continue in full force and effect to the same extent as though the invalid term or provision were not contained herein.

14.5 Time is of the essence of this Agreement. Except as herein otherwise provided, this Agreement and all of the terms and provisions hereof shall inure to the benefit of and be binding upon the heirs, executors, personal representatives, successors and assigns of the parties hereto.

14.6 The parties hereto agree to execute, acknowledge and deliver such other documents and instruments as may be reasonably necessary or appropriate to carry out the full intent and purpose of this Agreement.

14.7 If a date provided herein within which any requirement must be met shall fall on a Saturday, Sunday or date on which Escrow Agent, state, county or governmental offices are closed, or date on which the banks in Arizona are generally closed, then the date of compliance shall be extended through the next date when none of the above is applicable.

14.8 For the convenience of the parties, this Agreement may be executed in one or more counterparts, each of which may be executed by one or more of the parties hereto, with the same force and effect as though all parties executing such counterparts had executed but one instrument.

14.9 The date of this Agreement shall be the date a fully executed copy hereof is deposited with Escrow Agent, which date Escrow Agent shall insert on the first page hereof.

14.10 This Agreement and the rights of the parties hereto shall be governed and construed in accordance with the laws of the State of Arizona with venue in Coconino County.

15. Option to Purchase.

Seller hereby grants to Buyer the option to purchase one additional parcel, more particularly described as Phase 3 in Exhibit C, attached hereto and incorporated herein by reference, subject to the terms and conditions hereinafter set forth.

The Purchase Option granted herein shall become effective as of the closing of escrow on the Property described in Exhibit A, and Buyer shall have the right to exercise said option hereunder by delivering written notice to Seller within twenty-four months (24) months of said closing. The right to exercise said Option shall be conditioned upon:

1. The completion and dedication of the public infrastructure (e.g. roads, utilities,

curb/gutter/sidewalk, streetlights, etc.) on the Property in accordance with all applicable regulations and specifications, and as approved by Seller and to the satisfaction of Seller; and 2. The issuance of building permits for 50% of lots created on the Property. In the event that Buyer fails to complete the development of residential housing lots and associated infrastructure to the satisfaction of the Seller, along with obtaining building permits for 50% of lots developed on the Property, all options to purchase set forth herein shall be terminated at Seller's election and the Seller shall not be obligated to sell any additional property to Buyer other than the Property described in Exhibit A.

Buyer's notice to exercise the Purchase Option shall be accompanied by a minimum of 5% earnest money. The purchase price for the Option parcel will be Twenty-Nine Thousand Seven Hundred Seventy-Seven Dollars (\$29,777.00) per acre. However, the appraised value shall be escalated annually each July 1 subsequent to closing until the option to purchase is exercised based on the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index All Urban Consumers, West Region for All Items ("CPI"). If, on a relevant date, the CPI does not exist in the above format, the City will substitute any official index published by the Bureau of Labor Statistics, any successor agency, or similar governmental agency, which is then in existence and which is then most nearly comparable to the CPI.

The purchase option shall be subject to all City Code requirements at the time of its exercise, including applicable zoning, development, publication, and sale procedure regulations. The purchase option shall generally be subject to the same terms and conditions of this Agreement, including contingencies and conditions to closing relating to the development of residential housing. However, the Seller makes no representations about any financial commitments pertaining to the development of the Purchase Option property or any public infrastructure related to its development. Upon exercise of the Purchase Option, the parties will enter into a purchase agreement for the option parcel which generally conforming to the form and content of this Agreement which must be approved by the City Council by ordinance.

16. Conflict of Interest.

This Agreement is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Agreement by reference.

17. Seller Infrastructure.

The parties agree that in exchange for the Buyer placing deed restrictions upon all of the lots to be developed that restrict the dwellings constructed upon said lots to long-term rental or owner-occupied properties, that the Seller shall reimburse the cost of certain public infrastructure within Seller's right-of way or on Seller owned property, said infrastructure consisting of roads, curb, gutter, sidewalk, and drainage improvements ("City Committed Infrastructure") to be identified in a separate agreement and subject to the conditions described herein.

(a) For the purposes of this Agreement, “long-term rental” shall be defined as a property that shall not be offered or advertised for rent nor rented to any person, entity, or group for a period of less than six (6) continuous months duration. “Long-term rental” specifically prohibits any use as a short-term rental.

(b) “Owner-occupied” shall be defined as the primary residence of a person that holds title to the property. For duplexes, only one side of the property must be owner-occupied to satisfy this requirement.

(c) The deed restrictions shall be placed upon all residential lots created on the Property and shall not be revocable or expire.

(d) The City Committed Infrastructure to be paid for by the Seller will be identified more specifically in a separate agreement but will include an extension of Newburn Road, other City infrastructure within the residential subdivision, and detention drainage infrastructure as recommended by the Ardurra drainage analysis dated September 23, 2025, all subject to the spending limitation below. The parties agree that the maximum amount that Seller will pay for any and all infrastructure to be paid for by Seller in connection with the development of the Property is \$1,517,242.00 (“Maximum Payment”). The Maximum Payment is a not to exceed amount that includes all costs whatsoever relating to the construction, installation, and design of the City Committed Infrastructure, including but not limited to design, labor, and materials regardless of when such costs are incurred. In the event that the bids or actual design/construction costs for the City Committed Infrastructure exceed the Maximum Payment, Buyer agrees to timely pay the difference between the actual costs and the Seller’s Maximum Payment and to otherwise install all required infrastructure for the development at its cost.

(e) Buyer understands and agrees that as a condition to Seller paying for any infrastructure improvements, the improvements must be publicly dedicated or owned and the procurement of all City Committed Infrastructure must comply with all of Seller’s procurement rules and procedures in order for Seller to pay for the improvements. Seller is not obligated to expend any funds for the City Committed Infrastructure until the separate agreement for such has been executed by the parties.

(f) Prior to the commencement of construction of any infrastructure to be dedicated to the Seller, Buyer will be required to provide payment and performance bonds for not less than one hundred percent (100%) of the costs of the construction of the public improvements, in a form satisfactory to the City, to be constructed in accordance with approved plans.

(g) Seller will grant Buyer, upon request therefor, a temporary construction license for improvements to be constructed on Seller owned property. The terms and conditions of the license will be similar to other such licenses issued by Seller.

18. Repurchase Right.

If Buyer (1) closes on the Purchase of the Property; and (2) fails to commence construction activities within twelve (12) months of the date of closing; and (3) fails to expend more than One Million Dollars (\$1,000,000.00) in costs for the development of the Property within two (2) years after the date of closing, then City may re-purchase the Property from Buyer for the amount that Buyer paid to the City at closing for the purchase of the Property (the "Repurchase Option"). The City may exercise its Repurchase Option upon the expiration of two (2) years after the closing date so long as each of the foregoing conditions have been met. This Repurchase Option shall also apply to the Purchase Option in the event that Buyer exercises said option, under the same two conditions for the Property. Buyer agrees that it shall cooperate in execution a deed conveying the Property back to the City if the City properly exercises its Repurchase Right.

SELLER:
CITY OF PAGE

BUYER:
PREMIUM BUILDERS, LLC

By: _____
Mayor

By: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

**APPROVED AND ACCEPTED WITH RESPECT TO THE PROVISIONS DEALING
WITH THE ESCROW AGENT.**

Pioneer Title Agency, Inc.

BY: _____

Exhibit "A"

Phase 1

Beginning at a point being North 1,029.64 feet along the section line and North 89°43'33" West 70.39 feet from the Southeast Corner of Section 31, Township 41 North, Range 9 East, Gila & Salt River Base & Meridian, and running;

thence South 00°16'27" West 104.51 feet;
thence South 12°22'28" East 234.65 feet;
thence South 26°07'12" East 103.48 feet to the Southerly line of Tract F-1, Case 9, Map 45, as found on file with the Coconino County Recorder's Office, Document No.3255510;
thence South 89°42'28" West 541.41 feet along said Southerly line Tract F-1 to the Easterly line Newburn Road;
thence North 00°16'27" East 398.25 feet along said Easterly line Newburn Road;
thence South 89°43'33" East 85.00 feet;
thence North 00°16'27" East 33.26 feet;
thence South 89°43'33" East 359.00 feet to the Point of Beginning.

Containing 200,611 square feet or 4.61 acres.



Exhibit "A"

Phase 2

Beginning at a point being North 1,029.64 feet along the section line and North 89°43'33" West 70.39 feet from the Southeast Corner of Section 31, Township 41 North, Range 9 East, Gila & Salt River Base & Meridian, and running;

thence North 89°43'33" West 359.00 feet;
thence South 00°16'27" West 33.26 feet;
thence North 89°43'33" West 85.00 feet to the Easterly line of Newburn Road;
thence North 00°16'27" East 370.06 feet along said Easterly line Newburn Road to the Northwestern corner of Tract F-1, Case 9, Map 45, as found on file with the Coconino County Recorder's Office, Document No.3255510;
thence South 88°58'04" East 444.04 feet along the Northerly line said Tract F-1;
thence South 00°16'27" West 330.93 feet to the Point of Beginning.

Containing 151,064 square feet or 3.47 acres.



Exhibit B

**AN APPRAISAL REPORT
CONTAINING THE RESULTS OF
AN APPRAISAL OF
VACANT LAND
LOCATED ON THE
EAST SIDE OF NEWBURN ROAD
PAGE, ARIZONA**

HUCK APPRAISAL OFFICE

Robert C. Huck
724 Gail Gardner Way • Prescott, Arizona 86305
Phone (928) 778-7171 • Email: Bob@huckappraisal.com

February 6, 2025

Mr. Jarrett Edwards
P.O. Box 2079
Page Arizona 86040

Re: An appraisal of vacant land located on the east side of Newburn Road in Page, Arizona.

Dear Mr. Edwards:

In accordance with our agreement as outlined in our engagement letter dated January 9, 2025, I hereby transmit the attached appraisal report which contains the results of my appraisal of the subject property. The report sets forth my value conclusions, along with supporting data and reasoning which form the basis of my opinion. This letter is, by reference, made a part of the accompanying report.

The purpose of the appraisal is to provide an opinion of the market value of the fee simple interest in the subject property, 'As Is'. The client for the assignment is Mr. Jarrett Edwards. The intended use of the appraisal is to establish a potential sales price for the subject property. The intended users of the appraisal are Mr. Jarrett Edwards and/or Mr. Darren Coldwell of the City of Page to assist in their decisions regarding the property. No other parties are authorized to rely upon this report without the express written consent of the appraiser.

The results of the appraisal are reported in the attached appraisal report, which contains 40 pages. This Appraisal Report is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

February 6, 2025
Mr. Edwards:
Page Two

This report is also intended to have been prepared in accordance with:

- All requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) as provided by the Appraisal Foundation;
- The Requirements of the State of Arizona Department of Insurance and Real Estate.

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the *fee simple estate* in the subject property, 'As Is', as of January 21, 2025:

TWO HUNDRED FORTY THOUSAND DOLLARS
(\$240,000)

The estimated exposure time linked to the value estimates for the subject property is approximately one year.

The conclusions of this appraisal are subject to the Standard Assumptions and Limiting Conditions contained in the Addenda of this report. In addition, the conclusions are also made in consideration of the following Extraordinary Assumptions and/or Hypothetical Conditions, as discussed in the report. The use of an extraordinary assumption and/or hypothetical condition might have an effect on the assignment results.

1. The subject parcel is identified on a survey supplied to the appraiser as containing 8.06 acres. It is an extraordinary assumption of this appraisal that this land area is substantially accurate.

I hereby disclose that I personally inspected the subject property on January 21, 2025. No one provided significant real property appraisal assistance to Robert C. Huck, the person signing this report.

I hereby certify that I have no interest, present or prospective, in the subject property, and that the appraisal assignment was not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a

February 6, 2025
Mr. Edwards:
Page Three

subsequent event directly related to the intended use of this appraisal. I further certify that to the best of my knowledge and belief, the statements and opinions contained in the appraisal are correct, subject to the limiting conditions expressed herein.

Respectfully submitted,

A handwritten signature in black ink, reading "Robert C. Huck". The signature is written in a cursive style with a large, looping initial "R".

Robert C. Huck
Certified General Real Estate Appraiser
Certificate No. 30123

AN APPRAISAL REPORT
CONTAINING THE RESULTS OF
AN APPRAISAL OF
VACANT LAND
LOCATED ON THE
EAST SIDE OF NEWBURN ROAD
PAGE, ARIZONA

PREPARED FOR

MR. JARRETT EDWARDS
P.O. BOX 2079
PAGE ARIZONA 86040

PREPARED BY

ROBERT C. HUCK
CERTIFIED GENERAL REAL ESTATE APPRAISER
CERTIFICATE NO. 30123

OF

HUCK APPRAISAL OFFICE
724 GAIL GARDNER WAY
PRESCOTT, ARIZONA 86305
(928) 778-7171

EFFECTIVE DATE OF VALUATION
JANUARY 21, 2025

DATE OF REPORT
FEBRUARY 6, 2025

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I previously appraised a portion of the subject property in July, 2023. Other than this appraisal, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. Robert C. Huck has made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to Robert C. Huck, the person signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the State of Arizona Department of Insurance and Real Estate.

CERTIFICATION

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12. As of the date of this report, I, Robert C. Huck, have completed the continuing education program for a Certified General Real Estate Appraiser as specified by the State of Arizona Department of Insurance and Real Estate.

13. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

14. I hereby certify that I am competent to complete the appraisal assignment. The reader is referred to the appraiser's Statement of Qualifications contained in the Addenda.

15. All extraordinary assumptions, hypothetical conditions and limiting conditions imposed by the terms of the assignment or by the undersigned, affecting the analysis, opinions and conclusions contained in this report are contained herein.

16. No change of any item of the appraisal report shall be made by anyone other than the Appraiser, and if changed, the Appraiser shall have no responsibility for any such unauthorized change.

VALUE CONCLUSIONS

The subject property is an ±8.06 acre parcel of vacant land. The parcel is located on the east side of the terminus of Newburn Road in Page, Arizona. The legal description for the property is a metes and bounds described parcel in Section 31, Township 41 North, Range 9 East, Gila & Salt River Base & Meridian, Coconino County, Arizona. The subject parcel is identified on the Coconino County Assessor's Map as a portion of Assessor's Parcel # 801-06-032A.

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the *fee simple estate* in the subject property, 'As Is', as of January 21, 2025:

**TWO HUNDRED FORTY THOUSAND DOLLARS
(\$240,000)**

The estimated exposure time linked to the value estimates for the subject property is approximately one year.

CERTIFICATION

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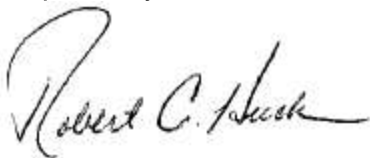
The conclusions of this appraisal are subject to the Standard Assumptions and Limiting Conditions contained in the Addenda of this report. In addition, the conclusions are also made in consideration of the following Extraordinary Assumptions and/or Hypothetical Conditions, as discussed in the report. The use of an extraordinary assumption and/or hypothetical condition might have an effect on the assignment results.

1. The subject parcel is identified on a survey supplied to the appraiser as containing 8.06 acres. It is an extraordinary assumption of this appraisal that this land area is substantially accurate.

I hereby disclose that I personally inspected the subject property on January 21, 2025. No one provided significant real property appraisal assistance to Robert C. Huck, the person signing this report.

I hereby certify that I have no interest, present or prospective, in the subject property, and that the appraisal assignment was not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. I further certify that to the best of my knowledge and belief, the statements and opinions contained in the appraisal are correct, subject to the limiting conditions expressed herein.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert C. Huck", written in a cursive style.

Robert C. Huck
Certified General Real Estate Appraiser
Certificate No. 30123

SUMMARY OF CONCLUSIONS

PROPERTY NAME: Unnamed vacant land

PROPERTY ADDRESS: East side of Newburn Road, Page, AZ

PROPERTY TYPE: Vacant land

ASSESSOR'S PARCEL #'s: Portion of 801-06-032A (Coconino County)

EFFECTIVE DATE OF VALUE: January 21, 2025

DATE OF REPORT: February 6, 2025

ZONING: City of Page R-2

SIZE:

 Land Area: ±8.06 Acres or approximately 351,094 Square Feet

 Building Area: N/A

HIGHEST AND BEST USE:

 As Vacant: Medium density single or multi-family residential development, church, school, mixed use and/or speculative holding pending development with one or more of these uses.

 As Improved: N/A (The subject parcel is improved with a small structure which is to be removed and the subject land is being appraised as vacant land).

EXPOSURE TIME: Approximately one year

PRELIMINARY OPINNIONS OF VALUE:

Sales Comparison Approach:	\$240,000
Cost Approach:	N/A
Income Capitalization Approach:	N/A

FINAL OPINION OF VALUE: \$240,000

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ADDENDA

Subject Photos
Zoning Ordinance
Comparable Location Map
Comparable Photos
Engagement Letter
Certification
Standard Assumptions and Limiting Conditions
Appraiser's State Certificate
Appraiser's Qualifications

PREMISES OF THE APPRAISAL

PURPOSE OF THE APPRAISAL

The purpose of the appraisal is to provide an opinion of the market value of the fee simple interest in the subject property, 'As Is'.

IDENTIFICATION OF THE CLIENT

The client for this appraisal assignment is Mr. Jarrett Edwards.

INTENDED USE OF THE APPRAISAL

The intended use of the appraisal is to establish a potential sales price for the subject property.

INTENDED USER OF THE APPRAISAL

The intended user of the appraisal is Mr. Jarrett Edwards and/or Mr. Darren Coldwell of the City of Page to assist in their decisions regarding the property. No other parties are authorized to rely upon this report without the express written consent of the appraiser.

DEFINITION OF MARKET VALUE

The value addressed in the appraisal of the subject property is *market value*.

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is consummation of a sale as of a specified date and passing of title from seller to buyer under conditions whereby:

- 1. Buyer and seller are typically motivated;*
- 2. Both parties are well informed or well advised, and acting in what they consider their own best interests;*
- 3. A reasonable time is allowed for exposure in the open market;*
- 4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto;*
- 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹*

¹ Rules and Regulations, Federal Register, Vol. 55, No. 165, page 34696 and 12 CFR 34.42.

DEFINITION OF "AS IS" PREMISE

The valuation premise addressed in this appraisal is the 'As Is' premise.

"Market Value as is" on appraisal date means an estimate of the market value of a property in the condition observed upon inspection and as it physically and legally exists without hypothetical conditions, assumptions, or qualifications as of the date the appraisal is prepared.²

DEFINITION OF EXTRAORDINARY ASSUMPTION

An extraordinary assumption is defined as:

An assumption, directly related to a specific assignment, as of the effective date of the assignment results, which, if found to be false, could alter the appraiser's opinions or conclusions.³

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

The subject parcel is identified on a survey supplied to the appraiser as containing 8.06 acres. It is an extraordinary assumption of this appraisal that this land area is substantially accurate.

DEFINITION OF HYPOTHETICAL CONDITION

A hypothetical condition is defined as:

A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis.⁴

Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

There are no hypothetical conditions in the appraisal of the subject property.

² Appraisal Policies and Practices of Insured Institutions and Service Corporations, Federal Home Loan Bank Board, "Final Rule", 12 CFR 34.42(g)

³ Uniform Standards of Professional Appraisal Practice, 2014 - 2015 Edition.

⁴ Uniform Standards of Professional Appraisal Practice, 2014 - 2015 Edition.

PROPERTY RIGHTS APPRAISED

The rights to the property being appraised are the *fee simple estate*.

The *fee simple estate* is defined as:

*Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.*⁵

EFFECTIVE DATE OF VALUE

The effective date of value for the property is January 21, 2025. The formal inspection of the property was made on this date by Robert C. Huck.

DATE OF THE REPORT

The date of the report is February 6, 2025.

⁵ The Appraisal of Real Estate, Tenth Edition, page 122.

SCOPE OF THE APPRAISAL

The appraiser has personally inspected the subject property, subject neighborhood, and market area, and has gathered sufficient data to form an opinion of value for the subject property. Data has been gathered on vacant land sales and listings. Only one of the three widely recognized approaches to value, the sales comparison approach, is processed. All emphasis is placed on this approach in the final conclusion of value.

No one provided significant real property appraisal assistance to Robert C. Huck, the person signing this report.

In developing an opinion of value for the subject property, the appraiser has complied with the requirements of Standard 1 of the Uniform Standards of Professional Appraisal Practice (USPAP).

The results of the appraisal are reported in this Appraisal Report. This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. *Supporting documentation concerning the data, reasoning, and analyses, is retained in the appraiser's file and is available to the client during regular business hours.* The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

This report is also intended to have been prepared in accordance with:

- All requirements of the Uniform Standards of Professional Appraisal Practice (USPAP) as provided by the Appraisal Foundation;
- The Requirements of the State of Arizona Department of Insurance and Real Estate.

EXTRAORDINARY ASSUMPTIONS, HYPOTHETICAL & LIMITING CONDITIONS

The conclusions of this appraisal are subject to the Standard Assumptions and Limiting Conditions contained in the Addenda of this report. In addition, the conclusions are also made in consideration of the following Extraordinary Assumptions and/or Hypothetical Conditions, as discussed in the report. The use of an extraordinary assumption and/or hypothetical condition might have an effect on the assignment results.

1. The subject parcel is identified on a survey supplied to the appraiser as containing 8.06 acres. It is an extraordinary assumption of this appraisal that this land area is substantially accurate.

PRESENTATION OF DATA

PROPERTY IDENTIFICATION AND LEGAL DESCRIPTION

The subject property is an ±8.06 acre parcel of vacant land. The parcel is located on the east side of the terminus of Newburn Road in Page, Arizona. The legal description for the property is a metes and bounds described parcel in Section 31, Township 41 North, Range 9 East, Gila & Salt River Base & Meridian, Coconino County, Arizona. The subject parcel is identified on the Coconino County Assessor's Map as a portion of Assessor's Parcel # 801-06-032A.

STATEMENT OF OWNERSHIP OF THE APPRAISED PROPERTY

According to records found in the office of the Coconino County Assessor, title to the subject property is currently held in the name of:

City of Page
P.O. Box 1180
Page, Arizona 86040

ECONOMIC HISTORY OF THE SUBJECT PROPERTY

According to records found in the Coconino County Assessor's Office, the subject property has been owned by the current owner for many years.

Other than as noted above, the appraiser is unaware of any sales, listings, offers to purchase, options, leases, or negotiations involving the property for the three years prior to the date of the appraisal.

AREA DESCRIPTION - PAGE

Page is a planned community on the shore of Lake Powell near the Arizona/Utah border. The town was named after John C. Page, a 1930's Commissioner of the Bureau of Reclamation.

Page is located approximately 134 miles north of Flagstaff on U.S. Highway 89 in the extreme north end of Arizona. The community is 275 miles north of Phoenix, the state's capitol, and about five miles south of the Arizona/Utah border. The town is situated at the southern boundary of the Glen Canyon National Recreation Area and overlooks the Glen Canyon Dam and Lake Powell. Page is the third largest community in Coconino County, the county seat of which is Flagstaff.

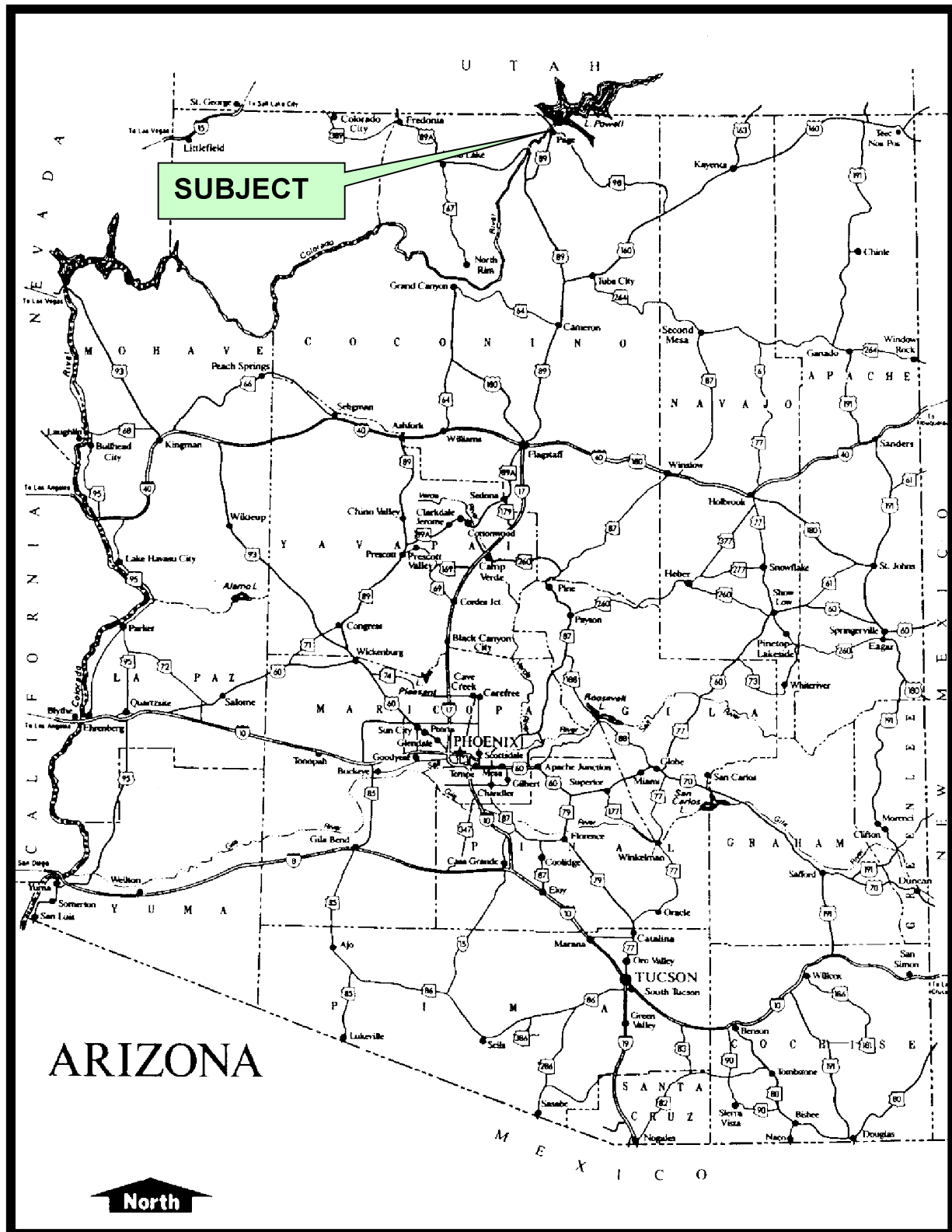
Access to Page is typically via U.S. Highway 89 from north or south. To the south, the highway leads through the Navajo Indian Reservation to Flagstaff. North of Page, Highway 89 turns west and connects with Kanab and St. George, Utah. Alternate access is via a less traveled route, State Highway 98, which leads east into the Reservation.

While Highway 89 has traditionally provided the most common access to Page from other points in Arizona, a portion of this highway was destroyed by a landslide in February, 2013. The road became totally impassable as it ascended a steep cliff near Bitter Springs. The alternate route to the community became Highway 89 to Highway 160 through Tuba City, then north on Highway 98 which connects with Page in the southeastern corner of the city. This detour added approximately 45 miles and 50 minutes to the trip to Page from such points as Phoenix, Flagstaff, Prescott, etc. An alternate detour was developed along Navajo Road 20 through the Navajo Indian Reservation. This road was completed in around June, 2013 and continues to be in use. The Navajo Road 20 detour does not add any significant mileage or travel time to Page.

Page was planned and built by the U.S. Bureau of Reclamation, which began construction in 1957. The construction of the town coincided with the construction of Glen Canyon Dam. Page was founded to house and provide services for the Dam's construction workers. In 1975, the Bureau of Reclamation transferred ownership of the land in and around the town to the City of Page, which became incorporated at that time. The town remains closely associated with Lake Powell in image and economy.

The population of Page has fluctuated widely during the history of the community. From a high of around 6,000 during the construction of the dam, the town's population dropped to around 2,000 during the late 1960's. The second boom in population occurred during the construction of the Navajo Generating Station in the early 1970's. The population in the community reached around 10,000 during 1974 and 1975. However, the population again declined dramatically after the completion of this project falling to around 4,000 in 1977. From 1977 through 1988, the population of the community increased steadily to 7,190 in 1988. However, another decline in population occurred in 1988 until 1990, when

AREA MAP



the census placed the population of the community at 6,598, a reduction of over 8% in the population of the community. This reduction in population was attributable to a general downturn in the Page economy, as discussed elsewhere in this section of the report.

By mid-1990, the population in Page began to increase once again and reached approximately 8,162 persons by the 1995 census. The increase from 1990 to 1995 represents a 4.3% annual compounded rate of growth in the community. The population of the community, as reported in the 2000 census was 6,809, while the current population of the community is estimated to be approximately 7,549. The current population indicates a slight decrease in population when compared with the 2000 census, although some locals maintain that the census results do not provide an accurate indication of the current population of the community.

The population statistics for Page, according to the Arizona Department of Administration are summarized in the following table.

YEAR	POPULATION	Δ/PREVIOUS	Δ/2000
2024	7,479 (Est.)	(2.0%/Year)	0.4%/Year
2023	7,633 (Est.)	(0.1%/Year)	0.5%/Year
2022	7,642 (Est.)	0.3%/Year	0.5%/Year
2021	7,618 (Est.)	0.9%/Year	0.5%/Year
2020	7,549 (Est.)	(1.7%/Year)	0.5%/Year
2019	7,686 (Est.)	0.6%/Year	0.6%/Year
2018	7,640 (Est.)	(0.3%/Year)	0.6%/Year
2017	7,665 (Est.)	0.8%/Year	0.7%/Year
2016	7,607 (Est.)	2.9%/Year	0.7%/Year
2015	7,668	1.1%/Year	0.8%/Year
2014	7,582 (Est.)	2.5%/Year	0.8%/Year
2013	7,395 (Est.)	0.7%/Year	0.6%/Year
2012	7,346 (Est.)	(0.3%/Year)	0.6%/Year
2011	7,369 (Est.)	1.7%/Year	0.7%/Year
2010	7,247	(2.7%/Year)	0.6%/Year
2009	7,447 (Est.)	1.0%/Year	1.0%/Year
2008	7,374 (Est.)	0.9%/Year	1.0%/Year
2007	7,307 (Est.)	1.0%/Year	1.0%/Year
2006	7,230 (Est.)	1.7%/Year	1.0%/Year
2005	7,110 (Est.)	0.9%/Year	0.9%/Year
2000	6,809	(3.6%)/Year	N/A
1995	8,162	4.3%/Year	N/A
1990	6,598	3.0%/Year	N/A
1980	4,907	N/A	N/A

While the 2024 population estimate is 7,479, the Page Chamber of Commerce website reports that around 9,000 people live in the immediate area.

The historical fluctuations notwithstanding, it may be noted that the population in Page has generally grown quite slowly over many years. Modest increases in population are anticipated over the coming years.

The climate in Page is temperate, with a relatively small amount of snow in the winter and few days surpassing 100 degrees in the summer. In general, during the months of December, January and February, the average minimum temperature is between 24 and 32 degrees; and during June, July and August, the average maximum temperature is from 90 to 97 degrees. The annual average minimum temperature is 47.2 and the average maximum temperature is 71.8. The total average precipitation is 4.78 inches.

Because of its youth, the community is largely without older, blighted areas. Accordingly, it is also without historical buildings or landmarks, except for the historical significance of the town's contribution to the building of the Glen Canyon Dam. Page is well laid out, with appropriate areas designated for residences, schools, and commercial enterprises. The primary commercial district is in the center of the community along Lake Powell Boulevard, although an increasing number of commercial concerns are being located off of the Mesa along Highway 89, on the north and south ends of the Highway 89 Loop, and in the Industrial Park along Highway 98

Although it was begun as a temporary camp for construction workers, Page has emerged as a self-sufficient and progressive city, with a much more diversified economic base. Lake Powell, the Navajo Generating Station, and tourism are the major economic factors in Page.

The National Park Service estimates that the Page/Lake Powell area has around three million visitors per year. A significant portion of the tourists are foreign visitors, thousands of whom visit the area on bus tours each year. Businesses in Page provide supplies and services to boaters, campers, and fishermen, who visit Page on their way to and from Lake Powell. In addition, employees of the marinas, lodge, dam, and service facilities adjacent to Lake Powell are typically Page residents.

Closely associated with this segment of the economy is the tourism generated by other surrounding attractions. For some travelers, Page serves as a stopping off point en route to the north and south rims of the Grand Canyon, the Colorado River, Kaibab National Forest, and Bryce and Zion National Parks in southern Utah. In addition, many Native American ruins and cultural centers are located near Page. Many of the foreign visitors are booked onto tours which include Las Vegas, the Grand Canyon, Page/Lake Powell, Sedona, and other nearby attractions.

A threat to the tourist economy was presented by the Sierra Club's statement that the Glen Canyon Dam should be removed and Lake Powell drained. Obviously, if these events were to take place, the economy of the community would be damaged immensely. Congressional hearings of the Sierra Club's case were heard in Washington, D.C. in September, 1997. However, the removal of the dam and draining of the lake would be radical moves, ones which are not likely to be embraced by the Federal government, at least in the near future.

For the time being, business in the community is proceeding without undo concern over these possibilities, although the drought affecting the Southwestern United States drastically lowered the water level in the lake beginning in the early 2000's and continuing through 2022. The impact of the lake level and the reduction in tourism caused by the events of September, 2001 reduced the volume of tourism in the community although the level has bounced back and is now greater than ever. In 2021 the water level reached its lowest level since the lake was filling in the 1960's and the recreational uses of the lake and the businesses which accompany these uses were being threatened. However, the heavy snowfall in the winter of 2022/23 resulted in a much higher than average snowpack and water runoff. As a result, the water level in Lake Powell rose by approximately 65' during the spring and early summer runoff in 2023. This reprieve from many years of declining water levels was welcomed by recreational aficionados of the lake as well as the many Page businesses which depend on lake visitation for profitable operation. However, it will take more years of similar snowfall to bring the lake back up to optimal levels.

The Salt River Project's Navajo Generating Station is located just outside of Page. For many years, this facility had been the single largest employer in the community, supplying as many as 700 jobs. A change in the hiring and promotion policy at this facility was implemented in 1989. This policy stipulated that hiring and promotion in the plant will be made in preference to Navajo Indians rather than to individuals of other ethnic groups. The community braced itself for the impact of this hiring policy, which until the end of the 1989 tourist season, was minimized. However, by the end of 1989, the community and its governing body had become somewhat alarmed by the effect of this policy. The population decreased and the housing market slumped, as evidenced by housing vacancies which equaled approximately 11% of the total housing stock at the time of the 1990 census.

Although completed, the Page economy benefited from the 'scrubber project' at the Navajo Generating Station. This \$500 million project was designed to remove 90% of the sulfur dioxide emissions from the power plant. The 'scrubber project' required the hiring of approximately 500 workers for five to six years. Several permanent workers have been retained to operate the equipment, once installed. Another large scale project to overhaul portions of the plant was considered, although an impasse was reached between the Navajo Nation and Salt River Project with regards to renewing the lease for the land on which the generating station is situated. The most pessimistic forecast was that the plant would close although it remained in operation for a few years until economic issues again threatened its future.

Salt River Project, an owner and the plant's operator, had negotiated to keep it open but faced a variety of headwinds, from retrofits required by federal environmental regulations to renewing a property lease with the Navajo Nation. The NGS is one of the biggest carbon emitters in the County. The lease with the Navajo Nation expired in 2019. If the plant owners did not keep running the plant and didn't negotiate a lease extension, they would start tearing it down for decommissioning by the end of 2019.

The economic benefits of the plant extend far beyond northern Arizona, as its power pumps Colorado River water in the Central Arizona Project canal to Phoenix and Tucson. About half the water used in metro Phoenix comes from the canal. But its impacts, particularly its climate-changing carbon emissions, also extend far beyond the region, making it a major target for environmental groups.

The plant remained in operation until November, 2019 when the plant closed and decommissioned in the face of low natural-gas prices that undercut the economics of the plant. The glut of cheap natural gas that swept the country has made the plant's electricity more expensive than simply buying power from natural-gas-fired plants. The Navajo Generating Station was demolished in December, 2020.

Other significant sectors of Page's economy include trades and public administration. Because of the absence of any major city in the region, Page has become a major trade center for northeastern Arizona and southern Utah. Over 50% of the employees in the community are in the retail and services sector of the economy. In spite of Wal-Mart's initial disruptive impact on the retail sector, sales tax receipts increased by almost 14% per year compounded in the years following the construction of the new Wal-Mart store. This observation indicates that residents are shopping in Page, rather than in Flagstaff, Phoenix, or Kanab, Utah. Furthermore, Page's status as a regional retail center has been strengthened by Wal-Mart's presence. Wal-Mart moved into a new facility on the west side of Highway 89 at its intersection with Haul Road in early 2006. This relocation/expansion further increased the prominence of the area as a retail center, although it created a large vacant space in the existing Gateway Shopping Center.

Public administration is dominated by federal government agencies. The Glen Canyon National Recreation Area is administered by the National Park Service through headquarters in Page. Glen Canyon Dam is managed by the Bureau of Reclamation, and both agencies are part of the U.S. Department of the Interior. There are several locations in and around the community which are being used by these agencies.

Motivated by the 'boom and bust' cycles which had impacted the community, the town embarked on a new growth and development program in the late 1980's. After extensive public input through town hall meetings, the City government adopted a Community Master Plan in January, 1989, and the Gateway Area Specific Development Plan in July, 1989. The purpose of these plans was to embark on a pro-active program to diversify and expand the economic base, and to curb the economic drain which had periodically plagued the community. The Master Plan focused on the development of special use districts, a championship golf course, convention centers, shopping centers, and residential uses. The 'Gateway' Plan focused on consistent quality and design of new development in the newly emerging area off of the Mesa. The City's primary asset for accomplishing these goals was its land holdings. Augmenting this asset has been the City's aggressive pursuit of federal and state grants available for community development.

The unusual origin of the City of Page has resulted in an atypical real estate market. Because the town is located on land once owned by the federal government, and subsequently transferred to the municipality, the City of Page is the dominant owner of undeveloped land in the vicinity. Although some parcels have been transferred to private ownership, most undeveloped acreage in the area is owned by the city. Consequently, the typical real estate market, in which many buyers and sellers interact to establish the market, is not found in Page. In the past, the City government has periodically sold land to private parties through the auction process. This process has recently changed to allow more direct negotiation in the acquisition of city owned land. However, the Page real estate market is still widely affected by the oligopolistic position held by the City in the supply of undeveloped land.

The main portion of the city is located at the Manson Mesa, at an elevation of 4,300 feet. The Mesa is accessed from Highway 89 via a loop road that enters the community from the southwest and the northwest. The mesa is about 100 feet above the level of the highway creating topographical and visibility barriers between the land on the mesa and the land area around the highway. The land on the mesa is quite level and presents few barriers to construction and development. Land off of the Mesa is also typically near level to gently sloping and developable. However, the development of the escarpment at the edge of the Mesa is challenged by sloping terrain.

Historically, growth in Page has been on the Mesa, with most commercial growth taking place in the traditional central business district (CBD) along Lake Powell Boulevard. Although available land has become scarce in the CBD, several new projects have been developed on the Mesa in recent years with the redevelopment of some properties also noted.

While the Mesa remains the heart of the community, the growth in Page has required the development of lands surrounding, but just off the mesa. Abundant land is available for development in this area, which remains within the city limits. Much of the land development off the Mesa has been for commercial and light industrial uses, although a few residential subdivisions offering mobile home and mini-ranch sites have been established to the south of the mesa and the original Townsite.

The development of a previously undeveloped expanse of land along Highway 89 on the west side of the community become known as the 'The Gateway Area'. Infrastructure was extended in this area and some new road construction took place. The City's championship 18 hole Lake Powell Golf Course abuts the escarpment at the west edge of the Mesa. The Courtyard by Marriott motel borders the golf course near the golf course clubhouse. The National Park Service Headquarters building and a Denny's Restaurant represent other new developments in the north end of The Gateway Area. A C-store/gas station, car wash, Days Inn Motel, Jack-in-the-Box and McDonald's Restaurants and the new Wal-Mart Store add to the development in the Gateway Area.

Additional development is taking place in the south end of The Gateway Area around the intersection of Highway 89 and the South Loop Road. The first major development in this area was the Wal-Mart-anchored Gateway Shopping Center which opened in 1991. This

center initially included Wal-Mart, Basha's, Burger King, Subway Sandwich, and several in-line spaces. However, as noted, Wal-Mart moved to the west side of Highway 89. A Ford dealership, several traveler's hotels, low income apartment complex and a Coconino Community College campus have been constructed east of Highway 89 on the South Loop Road.

Page is governed by a mayor and council form of government. In general, the community appears to be well managed, although turnover in the city council has caused some inconsistency in programs and planning during some periods of time. Law enforcement for the community is provided by a municipal police force, the Coconino County Sheriff's Office, and the State Department of Public Safety. The Page fire department has a full time chief and assistant chief and volunteer fire fighters and EMT's.

City services include municipal water and sewer, with trash removal being contracted to private business, with customer billing handled by the City of Page. The City has added a sports complex on Haul Road, a City Library on the South Loop and a new police and fire station on Coppermine Road. A site for a new airport has been selected and studies for this \$50 - \$60 million project are being conducted. This project, however, is not scheduled for completion for approximately ten years.

The City of Page has taken over the electrical service in the area, formerly operated by Arizona Public Service Company. Because of an allocation of electric power generated by Glen Canyon Dam, the City of Page is able to provide electric power at a rate that is lower than many other areas in the state. The community has underground natural gas service by Alliant Gas, telephone by Qwest, and portable propane and butane by local distributors. Trash removal is by a private vendor. Availability and rates for these services are typical as compared with other Northern Arizona communities.

Education is provided by two public elementary schools, a junior high school, a high school, and a branch of Coconino Community College. In addition, there are two pre-schools and the Bureau of Indian Affairs operates two boarding schools and one day school.

Two statewide banks, Wells Fargo and Bank of the West (formerly Community First Bank, Bank One and Valley National Bank), have offices in Page, and both Salt River Project and Coconino County Employees have credit union offices in the community. Page businesses are eligible for assistance in financing fixed assets through the Development Finance Division of the Arizona Department of Commerce. Industrial development is further assisted by the Industrial Authority of the City of Page, and the Industrial Development Committee of the Page/Lake Powell Chamber of Commerce.

Page is served by a small local newspaper, which is published weekly. The Arizona Republic and USA Today provide daily news service. Television and radio communication are via several stations broadcasting from Phoenix, Flagstaff, and Kanab, Utah. Several trucking companies, including UPS, provide surface transportation to the city. The Page Airport has a lighted 5,500 foot paved runway and is used by a small passenger airline as well as a charter service and private planes.

Page offers over 13 churches of numerous denominations, along with other community facilities including; a public library, bowling alley, indoor theater, several recreation areas with tennis courts, golf course and sports fields, a museum and a senior center. Medical facilities include the Page Hospital (25 beds) and three medical clinics. A wide range of medical services are available in Page, although some specialties require transportation to Flagstaff.

CONCLUSION

The City of Page has grown sporadically since its beginning in 1957, although the 'boom & bust' cycles appear to have stabilized. However, growth in population is currently at a slow pace. Originally planned and built as a camp community for construction workers, Page has emerged as a healthy, self-sufficient city with close ties to the recreational activities of Lake Powell.

The real estate market has been molded in part by the City's dominant position as the primary owner of undeveloped land. As increasing amounts of land are transferred to private ownership, the real estate market in Page has become better defined. Nevertheless, the complexion of the market is still colored by the City's vast holdings.

The economy of the community is tied closely to the seasonal tourism industry and, until recently, year round stability was provided by governmental and Navajo Generating Station employment. However, The NGS shut down in late 2019 and the City of Page has had to reduce its workforce in an effort to cope with budget constraints.

Highlighted by the adoption of a 'Community Master Plan' and Gateway Area Specific Development Plan in 1989, Page is well positioned for future growth and development. However, the planned closure of the Navajo Generating Station represents a threat to the local economy.

NEIGHBORHOOD ANALYSIS

The subject property is located in an emerging area south of Manson Mesa. As noted in the Area Analysis, development in the community has typically been on the Mesa. However, with the supply of land on the Mesa shrinking, development of lands off of the Mesa have become more common over the past several years and many of the most prominent businesses in the community are now located off the Mesa along Highway 89 or east of the highway and south of the Mesa.

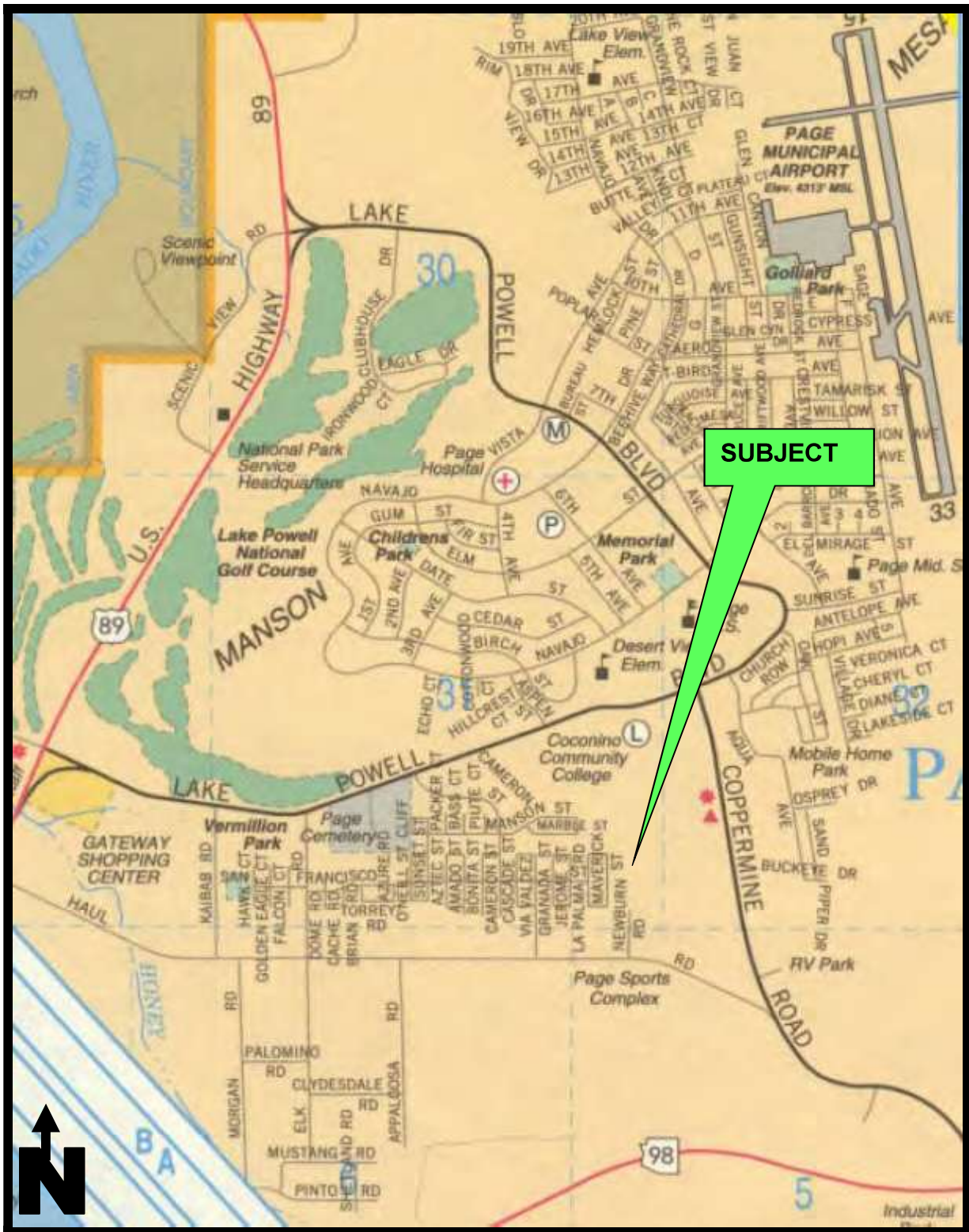
The subject neighborhood is bounded on the north by the escarpment at the edge of the Mesa, on the south by undeveloped lands south of the city, on the east by Coppermine Road and on the west by the undeveloped lands between U.S. Highway 89 and the Colorado River/Glen Canyon. Access to the area is typically along the Highway 89 South Loop, also known as Lake Powell Boulevard, Haul Road or Highway 98. The South Loop Road intersects with Highway 89 at the west end of the district and conveys traffic to the north and south on the highway. Leaving the Highway 89 area heading east, the South Loop turns north onto the Mesa and the more developed portion of the community. Haul Road intersects with Highway 89 on the west and with Coppermine Road on the east. Coppermine Road extends north to the Mesa and south to intersect with State Highway 98. Coppermine Road also provides access to the Industrial Park at the south end of the community and to the Navajo Indian Reservation to the south. Highway 98 extends from Highway 89 on the west to Coppermine Road on the east, then extends farther east into the Navajo Nation lands.

Lands along the Highway 89 Loop and Haul Road have been the location of much of the new commercial development in Page in recent years, with the South Loop sustaining most of the growth. Development on the south side of the district was initiated with the 1991 development of the Wal-Mart-anchored Gateway Shopping Center at the southeast corner of Highway 89 and the 89 Loop. In addition, to the anchor Wal-Mart Store, this center once contained the Basha's Grocery Store, Subway Sandwich Shop, Burger King, and several in-line units. This center became the dominant retail center in the community and lured shoppers from the Mesa. The trend for retail uses to be located off of the Mesa is expected to continue and the subject neighborhood can be expected to benefit.

Wal-Mart built a new store on the west side of Highway 89 at Haul Road. This store opened in 2006 and left the major anchor unit in the Gateway Shopping Center vacant for some time. This space has since been occupied by Page Lumber although several in line spaces are also vacant.

Other developments along the South Loop are Page Ford Automobile Dealership, Comfort Inn and Motel 6 motels, a low-income apartment complex, and the new campus of the Coconino Community College and Northern Arizona University. All of these developments have been built along the south side of the 89 Loop, while the north side is consumed with Page's new Lake Powell National Golf Course.

NEIGHBORHOOD MAP



A lesser amount of commercial activity has taken place on Haul Road, although this thoroughfare has also experienced growth in recent years. The most recent development in this area is a new Comfort Inn Hotel which opened in late November, 2012. Other prominent commercial developments on Haul Road are the Texaco C-Store/gas station which opened in 1996, a Days Inn Suites which opened in 1998 and a Jack in the Box Restaurant which began operations in 1999. All of these establishments are situated at the southeast corner of Highway 89 and Haul Road. A variety of small, commercial and light industrial uses and a low quality motel comprise the rest of the commercial development on this area. A fairly large, light industrial condominium type project known as the Page Industrial Park and two boat storage and service facilities are located near the intersection of Haul Road and Coppermine Road. The Page Honda dealership and Bruce's Rent-to-Own store are located on Coppermine Road just south of its intersection with Haul Road.

While Page's primary residential neighborhoods are located on the Mesa, a growing number of residential properties are located in the subject area. A well-established mobile home park has existed in the area for many years, and a subdivision of small ranchettes has slowly gained momentum. Another, newer residential subdivision, the Paria Canyon Estates is located between the 89 Loop and Haul Road. This subdivision offers manufactured dwellings of good quality and appearance and has gained good acceptance in recent years.

A fairly large, light industrial and storage condominium type project known as the Easy Street Commercial Subdivision and two boat storage and service facilities are located near the intersection of Haul Road and Coppermine Road. A new Page Honda dealership and Bruce's Rent-to-Own store are situated on Coppermine Road just south of its intersection with Haul Road.

The Page Industrial Park is located in the south end of the community. This industrial park is minimally developed with most roads being unpaved and without curb, gutter or sidewalks. However, the area is served by a fairly complete package of utilities and is the home to numerous businesses, most notable Page Steel, Yamamoto Custom Baits, and Reddy Ice (formerly Page Ice). Several other light industrial uses, particularly those which deal with the storage or servicing of boats, storage facilities and miscellaneous uses are also found in the Industrial Park.

Other uses found in the subject neighborhood include the Lake Powell Mobile Home Village, Page Cemetery, the Page Sports Complex, an equestrian center, and an abundance of vacant land. The neighborhood is in the growth stage and is only around 30% developed. The uses immediately surrounding the subject parcel are:

- North: Vacant land, then a medical office, City of Page recreational facility and the Catholic Church.
- South: Single family residences.
- East: Vacant land, then the City of Page Fire Station and a small commercial building both of which front on Coppermine Road.
- West: (Across proposed extension of Newburn Road) Vacant land and single family residences.

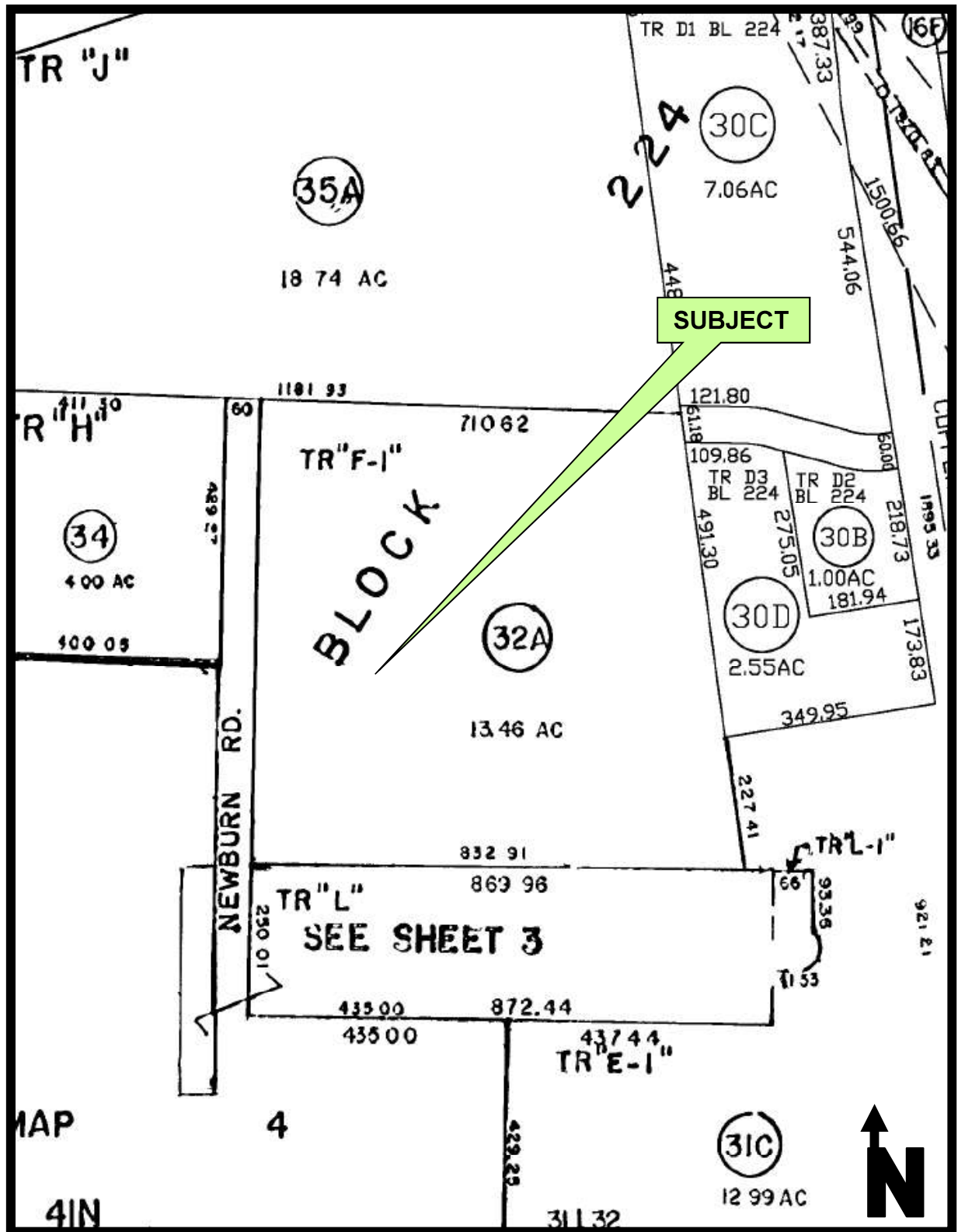
Utilities in the area are similar to other locations in Page. Electric power, natural gas, telephone, and City of Page sewer and water are available. An agent of the City reports that no restrictions on development in the area are presented because of utility limitations. Land values for vacant parcels in newly developed areas of Page have remained fairly stable over the past few years, although they may have trended up slightly. Financing for real estate is most likely through one of the three banks located in the community. The neighborhood is largely unaffected by nuisances or hazards. This is consistent with all of Page, which is largely without detrimental conditions, as a result of its young age.

SITE DESCRIPTION

The subject property is described below and on the following pages.

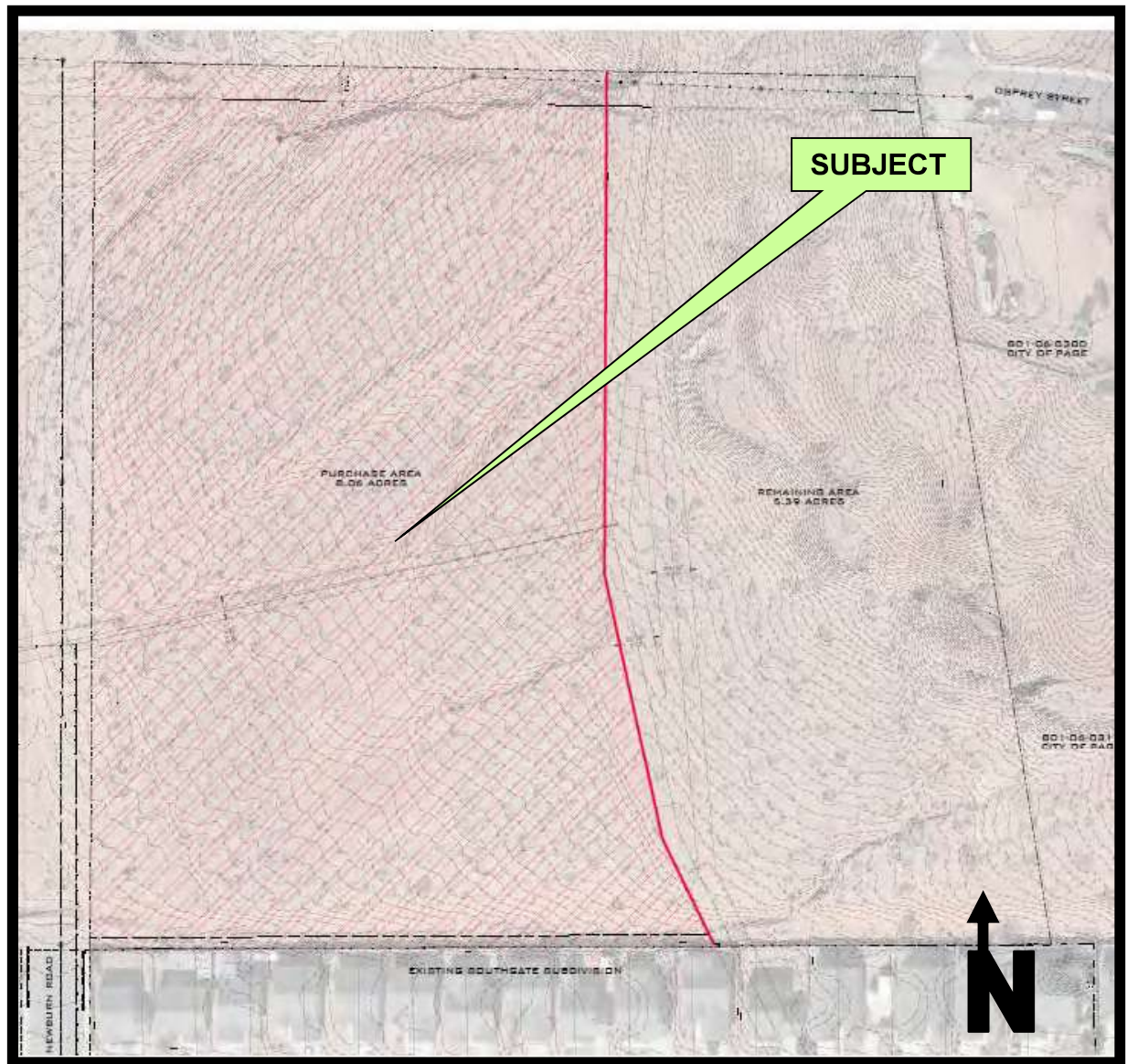
DIMENSIONS:	Not supplied. The parcel has a maximum north/south dimension of approximately 718' and a maximum east/west dimension of approximately 590'.
SIZE:	±8.06 acres based on a parcel diagram supplied to the appraiser.
FRONTAGE:	The parcel has ±718' of frontage on the proposed extension of Newburn Road.
POSITION:	Interior rather than a corner parcel.
SHAPE:	Regularly shaped trapezoid (see assessor's map).
ACCESS:	Access would need to be developed to this parcel from Newburn Road.
STREET IMPROVEMENTS:	Newburn Road south of the subject property is an asphalt paved road with one lane in each direction. The road is improved with curb, gutter, sidewalk and streetlights.
UTILITIES:	Utilities in the area are noted below. Water: City of Page Sewer: City of Page Electricity: City of Page Phone Service: CenturyLink Natural Gas: Alliant Gas Utilities can reportedly be extended from Newburn Road.
TOPOGRAPHY:	Near level to moderately sloping with some undulation, drainage channels and rock outcroppings. The topography of the parcel likely restricts its development potential to some degree although it is fairly typical of many parcels in Page.
SOIL AND SUBSOIL:	The appraiser is unaware of any soil or subsurface conditions which might reduce the utility of the site.

PARCEL MAP



[illegible]

DRONE SURVEY (Submitted by Client)



AERIAL MAP



FLOOD ZONE: According to the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM) for this portion of Page, (Panel # 04005C0400G, dated September 3, 2010), the subject property is located in Zone X, an area determined to be out of the 500 year flood plain.

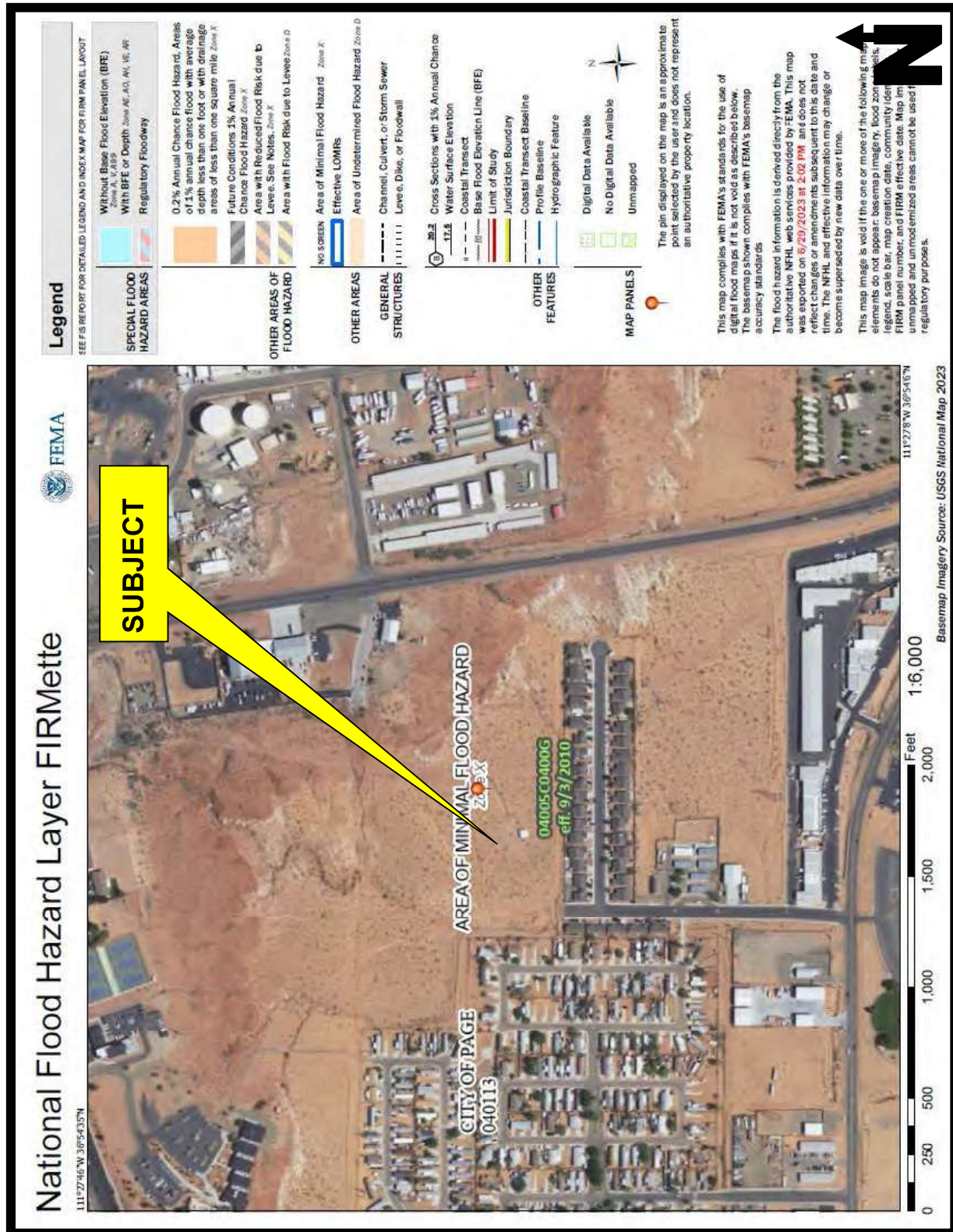
HAZARDS: None noted; no environmental hazards noted.

ENCROACHMENTS: None noted or reported.

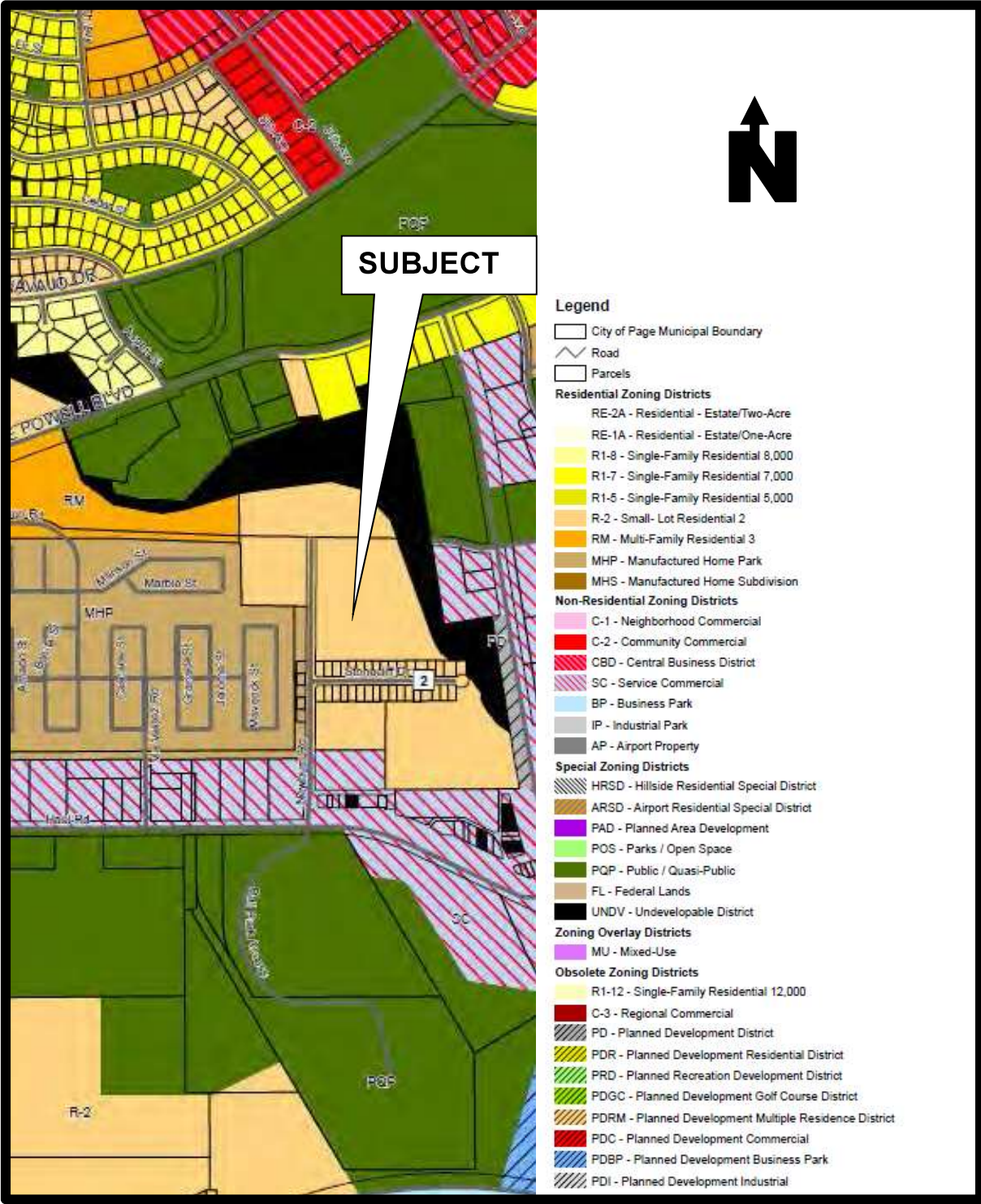
UNIT OF COMPARISON: Price per square foot.

ZONING: City of Page R-2, Small-Lot Residential-2/3,500 Sq. Ft. Single & 7,000 Sq. Ft. Duplex. The intent of this district is to provide for neighborhoods comprised of a mixture of conventional and modular single-family detached homes and small-lot residential dwellings such as duplexes, townhomes, or patio homes together with schools, parks, trails and other public facilities. This district may serve as a transition between higher density multi-family residential districts and low-density single-family residential districts. Single-family homes in this district shall not include manufactured or mobile homes...

FLOOD MAP



ZONING MAP



DESCRIPTION OF IMPROVEMENTS

The subject parcel is unimproved. Therefore, no description of improvements is applicable.

REAL ESTATE TAXES

The subject property is identified by the Coconino County Assessor's Office as a portion of Assessor's Parcel # 801-06-032A. The property is tax exempt.

(Tax data supplied by the Coconino County Treasurer's Office Official Website)

In the opinion of the appraiser, the assessing methods employed by Coconino County are not sufficiently refined. Therefore, meaningful relationships between full cash value, market value, and the conclusions of this report do not necessarily exist.

ANALYSIS OF DATA AND CONCLUSIONS

HIGHEST AND BEST USE

In the third edition of The Dictionary of Real Estate Appraisal, published by the Appraisal Institute, *highest and best use* is defined as:

*The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.*⁶

The highest and best use of land or a site as though vacant is defined as:

*“Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.”*⁷

The highest and best use of a property as improved is defined as:

*“The use that should be made of a property as it exists. An existing property should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.”*⁸

The definitions of highest and best use indicate that there are two types of highest and best use. The first type is highest and best use of the land or a site as though vacant. The second is highest and best use of a property as improved. Each type requires a separate analysis. Moreover, in each case, the existing use may or may not be different from the site's highest and best use.

In estimating Highest and Best Use we examine possible use, permissible use, feasible use, and among the uses stated that use which will provide the highest return.

⁶ The Dictionary of Real Estate Appraisal, Third Edition, page 171

⁷ The Dictionary of Real Estate Appraisal, Third Edition, page 171

⁸ The Dictionary of Real Estate Appraisal, Third Edition, page 171

AS VACANT

In analyzing the highest and best use of the site as vacant, uses that are *legally permissible* are considered first. The legally permissible uses of the site are generally those included in the zoning designation which governs the area. The current zoning for the property is the City of Page Small Lot Residential (R-2) zoning district. Uses permitted in the R-2 district include single family dwellings along with a variety of other uses such as churches, schools and parks.

Within the uses that are outlined as legally permissible, those uses that are *physically possible* are identified next. The subject parcel contains 8.06 acres. The parcel is regularly shaped, generally at street grade (of the proposed future extension of Newburn Road) and can be served by a package of infrastructure, including roads and utilities. The size, shape and surrounding uses of the parcel indicate that it is probably most likely to be used for some type of residential use. The land contained in the parcel ranges from near level to moderately sloping with some undulation, drainage channels and rock outcroppings. It appears likely that its topography restricts its development potential to some degree although it is fairly typical of many parcels in this market.

The *financially feasible* uses of the site are those uses not previously eliminated which produce some return to the land. Infrastructure is available in the area but must be extended to the parcel. The location of the property suggests that some type of residential development is most likely for the site. Several single and multi-family uses would likely be found to be the financially feasible uses over the longer term.

The *maximally productive* use of the parcel is that use which provides the greatest return to the land. Any of the uses identified as financially feasible uses may be considered to be the maximally productive and, therefore, highest and best use of the site. The eventual use will likely be dictated, in part, by the preferences of the buyer/owner. An alternate use is for speculative holding pending future development.

It is, therefore, concluded that the highest and best use of the subject parcel, as vacant, is for some type of single or multi-family use or speculative holding of the parcel pending future development.

As Improved

The subject parcel is unimproved. Therefore, the subject parcel is being appraised as vacant land and no analysis of the highest and best use of the parcel, as improved, is warranted.

MARKET ANALYSIS

The term *market analysis* is used broadly in economics but has more specific meaning within the appraisal discipline. For appraisers, market analysis is the identification and study of the market for a particular economic good or service. Appraisers generally consider market analysis at two levels:

- First, from a broad market viewpoint, without a specific property as the focus of the study.
- Second, from the perspective of the market in which a given property competes.

The market analysis component of an appraisal relates market conditions to the subject property and shows how the interaction of supply and demand affects the value of the subject property. It is also used to determine whether there is appropriate market support for an existing property under a specified use. The market analysis for a property also forms the basis for the highest and best use analysis of the property.⁹

The market analysis for the subject property is conducted in five steps: 1) property productivity analysis; 2.) market area delineation; 3) demand analysis; 4) competitive supply analysis; and 5) interaction of supply and demand.

1. *Property Productivity Analysis*: The subject property comprises 8.06 acres of vacant undeveloped land. The land is centrally located in the community and adjoins existing residential development. It is partially surrounded by vacant undeveloped land. The location of the property suggests that it is a good candidate for infill development in the near term.

The strengths and weaknesses of subject property relative to competing properties may be summarized as noted below.

Strengths

- Central location in the community.
- Location in an area which is characterized by existing residential development.
- Easy access from Haul Road although an extension of Newburn Road will be required to provide improved access to the parcel.
- Access to utilities in the area.

⁹ The Appraisal of Real Estate, Tenth Edition, The Appraisal Institute, Chicago, Ill. Page 50

Weakness

- Some challenges with site preparation may be encountered due to the terrain.
- Inferior marketing window (not a problem for many types of residential uses).
- Relatively large size of the parcel would likely result in a relatively small number of prospective buyers.

2. *Market Area Delineation:* The market area for this type of property is the entire Page area. Given the isolated position of Page, virtually no overlap into other markets is applicable.

Page has grown slowly over recent years and no pronounced increase in population is anticipated. However, the Page market does benefit from a large number of tourists which travel through the area annually. Situated at the edge of scenic Lake Powell, Page is annually visited by around three million tourists who come to see Lake Powell and the Glen Canyon Recreation area. Together with the local population, the tourist trade fuels the hospitality industry including restaurants, C-stores and other uses which may be suitable for the subject site.

The demand for Page real estate has gained strength in recent years as evidenced by the construction of multiple new hotel properties. However, market conditions are somewhat sluggish and demand is moderate in the short term. The subject land would be attractive to some developers over the near and longer terms.

Downside risks to the economic forecast in Page include the recent closure of the Navajo Generating Station which had provided approximately 700 jobs in the community. The concerns surrounding the recreational and employment opportunities associated with Lake Powell and the low water level in recent years represents another challenge to the future of economic development in the community. Other long term risks include such possibilities as: mortgage interest rates increasing to a point which would stifle new development; and inadequate employment opportunities for the new middle aged in-migrants.

3. *Demand Analysis:* In discussing the supply and demand for any type of real estate in Page, it must be noted that this community is small enough that data from secondary sources, such as published studies, are not readily available. Therefore, more general information must be considered.

The demand for vacant land is typically linked to new development which is spurred by the growth in population of a market area and to the number of visitors to the area. While the population of Page has not increased significantly in recent years, the increase in tourism translate into a greater need for such properties. The millions of tourists who visit

Page each year require a substantial labor force to staff hotels, restaurants and the many tourist-related recreational businesses in the area. Local officials report substantial demand for workforce housing.

4. *Competitive Supply:* The primary determinant of supply is the existing supply of undeveloped land in comparable locations in Page. As a result of the history of the community the supply of land in the subject corridor and in competing locations is extensive. As noted, the City of Page is the predominant land owner in the community and it actively promotes the sales of city owned parcels to private developers and users. There is a vast supply of land which may be considered as alternatives to the subject land.

5. *Interaction of Supply and Demand:* The previous analyses conclude that the demand for workforce housing has grown in step with the expanded tourism industry and that the supply of affordable housing is scarce. Therefore, it can be concluded that the demand for housing exceeds the supply. This, in turn, translates into demand which is suitable for the development of affordable housing.

6. *Forecast Subject Capture:* As noted, the demand for undeveloped land suitable for development in Page has been mixed over recent years. Given this source of demand and the subject's convenient location, it can be forecast that the subject parcel would be met with moderate interest if exposed to the market.

APPROACHES TO VALUE

In the valuation of real estate, three approaches to value are generally recognized.

COST APPROACH: *That approach in appraisal analysis which is based on the proposition that the informed purchaser would pay no more than the cost of producing a substitute property with the same utility as the subject property. It is particularly applicable when the property being appraised involves relatively new improvements which represent the highest and best use of the land or when relatively unique or specialized improvements are located on the site and for which there exists no comparable properties on the market.*¹⁰

SALES COMPARISON APPROACH: *Traditionally, an appraisal procedure in which the market value estimate is predicated upon prices paid in actual market transactions and current listings, the former fixing the lower limit of value in a static or advancing market (price wise), and the latter fixing the higher limit in any market. It is a process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales price of the property being appraised. The reliability of this technique is dependent upon; (a) the availability of comparable sales data, (b) the verification of sales data, (c) the degree of comparability or extent of adjustment necessary for time differences, and (d) the absence of non-typical conditions affecting the sale price.*¹¹

INCOME CAPITALIZATION APPROACH: *That procedure in appraisal analysis which converts anticipated benefits (dollar income or amenities) to be derived from the ownership of property into a value estimate. The income approach is widely applied in appraising income-producing properties. Anticipated future income and/reversion are discounted to a present worth figure through the capitalization process.*¹²

In essence, all approaches to value (particularly when the purpose of the appraisal is to establish market value) are market data approaches since the data inputs are presumed to be market derived.

In the valuation of the subject property, only the sales comparison approach is considered applicable. All emphasis is placed on this approach to value.

¹⁰ Byrl N. Boyce, Ph.D. Real Estate Appraisal Terminology (Cambridge, Mass., 1975) page 53

¹¹ Boyce, Real Estate Appraisal Terminology, page 136

¹² Boyce, Real Estate Appraisal Terminology, page 112

LAND VALUATION

SALES COMPARISON APPROACH

In order to estimate the value of the subject land, a search has been made for recent sales and listings of parcels of vacant land which are similar to the subject in location, land area, utility and physical characteristics. The appraiser has conducted such a search for parcels in the subject's immediate area and in competing locations in Page.

The land valuation herein is based upon the economic theory of substitution which holds that an informed buyer would pay no more for a piece of property than an equally desirable one. The most common units of comparison for large parcels of land in this market are the price per square foot and price per acre. Because price per acre is more common for relatively large commercial parcels and/or for parcels with minimal development features (no existing roadways, need to extend infrastructure, not graded, etc.), each comparable sale will be reduced to this unit of comparison for use in this analysis.

Introduction of Comparable Sales & Listings

Of the many sales and listings researched by the appraiser, seven are introduced as comparables in this analysis. The land transactions used in the valuation of the subject parcel are documented on the following page.

COMPARABLE LAND SALES

1. AP# 802-09-001; South side of Haul Road, Opposite Via Valdez Road, Page:
8/23 Sale @ \$1,640,000 adj for improves to \$1,495,000/29.89 Ac = \$50,017/Acre
2. AP# 802-18-012; South side of Haul Road, Opposite Kaibab Road, Page:
6/23 Sale @ \$925,000/14.25 Acres = \$64,912/Acre
3. AP# 802-16-013D; West side of Sandhill Road, Page:
11/21 Sale @ \$525,000 adj for conditions to \$410,000/6.04 Acres = \$67,881/Acre
9/16 Sale @ \$156,000 adj for conditions to \$271,000/6.04 Acres = \$44,868/Acre
4. AP# 801-12-006J, -006K, -015S & -015T; Indigo Ridge Blvd., Page:
7/21 Sale @ \$950,000 /14.49 Acres = \$65,562/Acre
5. AP# 802-18-011; N Side of Highway 98, Page:
10/21 Agreement @ \$1,579,410/68.67 Acres (Total in 5 Phases) = \$23,000/Acre
9/24 Sale @ \$189,670/8.29 Acres (First Phase) = \$23,000/Acre
6. AP# 802-10-020P & Q (Was -020K); Coppermine Road N of Hwy 98, Page:
6/21 Sale @ \$525,000/21.46 Acres = \$24,464/Acre
7. AP# 802-08-001; SWC, Haul Road & Appaloosa Road, Page:
5/20 Sale @ \$140,000/2.98 Acres = \$46,980/Acre

The comparable sales represent vacant parcels of land in the Page market. They are summarized in the table below.

COMPARABLE LAND TABLE

COMP #	PROPERTY ID	SALE DATE	EFFECTIVE* SALE PRICE	SIZE IN ACRES	ZONING	PRICE \$/ACRE
1.	Haul Road @ Via Valdez	8/23	\$1,495,000	29.89	SC	\$50,017
2.	Haul Road @ Kaibab	6/23	\$ 925,000	14.25	SC	\$64,912
3A.	W side of Sandhill Road	11/21	\$ 540,000	6.02	PD	\$67,881
3B.		9/16	\$ 156,000	6.02	PD	\$44,868
4.	Indigo Ridge Boulevard	7/21	\$ 950,000	14.49	PD,R1-8	\$65,562
5.	N Side Hwy 98, E of 89	10/21	\$1,579,410	68.67	R-2	\$23,000
6.	Coppermine Rd, N of 98	6/21	\$ 525,000	21.46	PAD	\$24,464
7.	SWC Haul Rd/Appaloosa	5/20	\$ 140,000	2.98	RE-2A	\$46,980
Means:				20.48		\$48,460
Subject:				8.06	R-2	

*May reflect adjustments for: Rights Conveyed, Financing Terms, Conditions of Sale, Expenditures After Sale.

Discussion of Comparable Sales

Comparable #1 represents the sale of the Page Rodeo Grounds property located on the south side of Haul Road opposite Via Valdez. This parcel is located near the subject and, like the subject, is centrally located in the community. This parcel is zoned to allow many commercial uses and its location with frontage on Haul Road would support commercial and light industrial uses. As such, the comparable is viewed as being superior to the subject with respect to zoning and intensity of use. The comparable is larger than the subject and an adjustment is required for parcel size. The comparable has more near level terrain and is judged to be superior to the subject with respect to topography.

Comparable #2 represents the sale of another property located on the south side of Haul Road. This parcel is opposite Kaibab Road. This parcel is located near the subject and, like the subject, is centrally located in the community. This parcel is also zoned to allow many commercial uses and its location with frontage on Haul Road would support commercial and light industrial uses. As such, the comparable is viewed as being superior to the subject with respect to zoning and intensity of use. Like the previous comparable, this property is larger than the subject and an adjustment is required for parcel size. The comparable has more near level terrain and is judged to be superior to the subject with respect to topography.

Comparable #3 represents the sale of a parcel of land located on Sandhill Road south of Haul Road and just east of Highway 89. This parcel is considered to be slightly superior to the subject with respect to its location and development horizon. The comparable is similar in size when compared with the subject and is not adjusted for parcel size. According to Ms. Heather Rankin of Rankin Realty, a previous, 2016, sale for \$156,000 was impacted by atypical conditions of sale since it was a pre-foreclosure sale which sold for an amount which is viewed as being well below market. However, there is some suggestion that the 2021 sale may have been above market due to the buyer's high level of motivation. Although necessarily subjective, the earlier sale receives a positive adjustment for conditions of sale while the latter transaction receives a negative adjustment. The magnitude of these adjustments is based on comparisons of the prices after the application of the appropriate market conditions adjustments. These adjustments reflect the significant advances in market conditions from the time of the 2016 sale to the date of the 2021 sale. This comparable has been developed with a large apartment complex, a use which is viewed as being more intense than the uses likely to be made of the subject parcel and negative adjustments are made for this element of comparison.

Comparable #4 represents the sale of acreage on the Mesa which adjoins well-established residential neighborhoods. This land is very well suited for higher end residential development. As such, it is viewed as being clearly superior to the subject parcel due to its location. As a result, a significant negative adjustment is made for location. This property is larger than the subject and is adjusted for parcel size.

Comparable #5 represents the agreement between the City of Page and the developer of a residential subdivision to acquire acreage from the City. This parcel fronts Highway 98 although it is accessed from Haul Road. It is judged to be similar to the subject parcel in location. As a result, a significant negative adjustment is made for location. This property is larger than the subject and is adjusted for parcel size, although it is noted that the agreement stipulated that the land was to be acquired in phases. An agent for the City of Page reports that an 8.29 acre portion of this parcel was purchased by the developers for the agreed upon \$23,000 per acre price established in 2021.

Comparable #6 is the sale of a parcel of land located on Coppermine Road, north of Highway 98. This parcel is considered to be generally similar to the subject in location. This parcel is larger than the subject and receives an adjustment for parcel size.

Comparable #7 represents the sale of a parcel located at the southwest corner of Haul Road and Appaloosa Road. This parcel is located near the subject and, like the subject, is centrally located in the community. This property is smaller than the subject and requires a negative adjustment for parcel size. The comparable is zoned for low-density single family residential uses. While this type of use is typically viewed as being a less intense use than more dense residential uses likely to be made of the subject parcel, this difference is included in the adjustment made for parcel size. The comparable has more near level terrain and is judged to be superior to the subject with respect to topography.

Adjustments to Comparable Sales

The comparable sales are analyzed with respect to various *elements of comparison*. Such characteristics as *property rights conveyed, financing terms, conditions of sale, expenditures after the sale, market conditions, location, physical characteristics, and zoning* have been studied in the analysis of the comparable sales. The adjustments made to the comparable sales are summarized in the adjustment grid on the following page.

LAND ADJUSTMENT GRID

Comparable Number	SUBJECT #1	1	2	3A	3B	4	5	6	7	
Property Identification	Newburn Road	Haul/Ma Valdez	Haul/Kaibab	Sandhill Rd	Sandhill Rd	Indigo Ridge	Highway 98	Coppermine Rd	Haul/Appaloosa	Means
Size In Acres	8.06	29.89	14.25	6.04	6.04	14.49	68.67	21.46	2.98	20.48
Transaction Price		\$1,640,000	\$925,000	\$525,000	\$156,000	\$950,000	\$1,579,410	\$525,000	\$140,000	
Price Per Acre		\$54,868	\$64,912	\$86,921	\$25,828	\$65,562	\$23,000	\$24,464	\$46,980	\$49,067
Rights Conveyed	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple	
Adjustment %		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Adjustment \$		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Financing Terms	Cash Equivalent	Cash	OCB	Cash	Cash	Cash	Cash	New Loan	Cash	
Adjustment %		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Adjustment \$		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Conditions of Sale	Typical	Typical	Typical	Motivation	Motivation	Typical	Typical	Typical	Typical	
Adjustment %		0.0%	0.0%	-21.9%	73.7%	0.0%	0.0%	0.0%	0.0%	
Adjustment \$		\$0	\$0	(\$115,000)	\$115,000	\$0	\$0	\$0	\$0	
Improvements	None	Improv.	Typical	Typical	Typical	Typical	Typical	Typical	Typical	
Adjustment %		-8.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Adjustment \$		(\$145,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Adjusted Price		\$1,495,000	\$925,000	\$410,000	\$271,000	\$950,000	\$1,579,410	\$525,000	\$140,000	
Adjusted Price/Acre		\$50,017	\$64,912	\$67,881	\$44,868	\$65,562	\$23,000	\$24,464	\$46,980	\$48,460
Market Conditions, DOV	1/21/2025	8/1/2023	6/1/2023	11/1/2021	9/1/2016	7/1/2021	10/1/2021	6/1/2021	5/1/2020	
Market Conds. Adj. Date	1/21/2025	-1%	1%	6%	61%	9%	6%	12%	35%	
Adjustment %	5.0%									
Adjustment \$		(\$500.17)	\$649	\$66,105	\$113,746	\$169,178	\$261,360	\$95,651	\$33,101	
MC-Adjusted Price		\$1,480,050	\$925,649	\$434,600	\$436,310	\$1,119,178	\$1,840,770	\$620,651	\$173,101	
MC-Adjusted \$/Acre		\$49,517	\$64,958	\$71,954	\$72,237	\$77,238	\$26,806	\$28,921	\$58,088	\$56,215
Location	Newburn Road	Similar	Similar	Superior	Superior	Superior	Similar	Similar	Similar	
Adjustment %		0%	0%	-20%	-20%	-50%	0%	0%	0%	
Adjustment \$		\$0	\$0	(\$14,391)	(\$14,447)	(\$38,619)	\$0	\$0	\$0	
Physical Character, Size in Acres	8.06	29.89	14.25	6.04	6.04	14.49	68.67	21.46	2.98	
Configuration	Typical	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %		15%	5%	0%	0%	5%	20%	10%	-30%	
Adjustment \$		\$7,427	\$3,248	\$0	\$0	\$3,862	\$5,361	\$2,892	(\$17,426)	
Vegetation/View	Typical	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %		0%	0%	0%	0%	0%	0%	0%	0%	
Adjustment \$		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Topography/Flood	Typical	Superior	Superior	Superior	Superior	Superior	Superior	Similar	Superior	
Adjustment %		-15%	-15%	-15%	-15%	-15%	-15%	0%	-15%	
Adjustment \$/Acre		(\$7,427)	(\$9,744)	(\$10,793)	(\$10,836)	(\$11,586)	(\$4,021)	\$0	(\$8,713)	
Infrastructure	Typical	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	
Adjustment %		0%	0%	0%	0%	0%	0%	0%	0%	
Adjustment \$/Acre		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Physical	Typical	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Adjustment %		0%	0%	0%	0%	0%	0%	0%	0%	
Adjustment \$/Acre		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Zoning/Density/Use	R2	Superior	Superior	Superior	Superior	Similar	Similar	Similar	Inferior	
Adjustment %		-40%	-40%	-25%	-25%	0%	0%	0%	Adj. Above	
Adjustment \$/Acre		-\$19,807	-\$25,983	-\$17,988	-\$18,059	\$0	\$0	\$0	Adj. Above	
Indicated Price \$/Acre		\$29,710	\$32,479	\$28,781	\$28,895	\$30,895	\$28,146	\$31,813	\$31,948	\$30,334
Net Adjustment \$/Acre		-\$25,158	-\$32,433	-\$58,139	\$3,067	-\$34,667	\$5,146	\$7,349	-\$15,032	
Net Adjustment %		-45.9%	-50.0%	-66.9%	11.9%	-52.9%	22.4%	30.0%	-32.0%	

Conclusion of Land Value

The unadjusted unit prices extracted from the comparables range from \$23,000 to \$86,921 per acre. The mean for the unadjusted prices is \$49,067 per acre.

Adjustments are made to the various comparables for conditions of sale, market conditions, location, parcel size, topography and zoning/intensity of use. After adjustments are applied in this analysis, the range is narrowed to \$28,146 to \$32,479 per acre and the mean becomes \$30,334 per acre. This range is much narrower and provides a good indication of the likely range of value of the subject property.

When the high and low values are reduced in emphasis, the range is narrowed further to \$28,781 to \$31,948 per acre. The mean for this subset is \$30,340 per acre.

Comparables #3, 6 and 7 are judged to be most similar to the subject with respect to the most likely types of development to be made of the parcels. The fully adjusted values extracted from these comparables range from \$28,781 to \$31,948 per acre and have a mean equal to \$28,832 per acre. Some emphasis is placed on the fully adjusted values extracted from all of the comparables, on the mean for all values, the mean for the subset with the high and low values removed and the mean for the subset of more closely comparable properties. A unit value equal to \$30,000 per acre is well supported by the available data and is concluded for the subject parcel. The total value of this parcel is calculated as shown below.

$$\begin{aligned} 8.06 \text{ Acres @ } \$30,000/\text{Acre} &= \$241,800 \\ \text{Rounded to:} &\quad \$240,000 \end{aligned}$$

VALUE CONCLUSIONS

The indications of value produced using the applicable valuation procedures are summarized as shown below.

Sales Comparison Approach: \$240,000
Cost Approach: N/A
Income Capitalization Approach: N/A

Because only one approach to value is considered applicable in the valuation of the subject parcel, all emphasis is placed on this approach to value and an opinion of market value equal to \$240,000 is concluded for the subject property.

By reason of my investigation and having given careful consideration to the factors which affect real estate value, I have concluded the following market value of the fee simple interest in the subject property, 'As Is', as of January 21, 2025:

**TWO HUNDRED FORTY THOUSAND DOLLARS
(\$240,000)**

EXPOSURE TIME & MARKETING TIME

This discussion includes analysis of both the *exposure time* and *marketing time*. Exposure time is the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. Exposure time is a retrospective opinion based on an analysis of past events assuming a competitive and open market. Marketing time is the length of time it would probably take to sell the property if it were placed on the market on the date of valuation. This period of time begins with the date of valuation.

Both exposure and marketing time for the subject property are very subjective given the lack of activity for vacant land in this submarket. As noted, the appraiser is aware of only a few sales in the past few years of parcels even somewhat similar to the subject property. Market participants note the inconsistent lack of demand for such parcels and the consensus is clearly that the demand for such parcels is light. As a result, it would not be surprising to find that it would take an extended time to locate a buyer with a preference for the subject's specific characteristics.

Based on these observations, it is concluded that the exposure time is approximately one year. In the absence of evidence which suggests that the market is likely to accelerate markedly in the foreseeable future, the exposure and marketing times for the subject property are generally the same.

A D D E N D A

Subject Photos
Zoning Ordinance
Comparable Location Maps
Comparable Photos
Letter of Engagement
Certification
Standard Assumptions and Limiting Conditions
Appraiser's State Certificate
Appraiser's Qualifications

Vacant Land, East Side of Newburn Road, Page, Arizona
Subject Photographs



View of subject property taken from the terminus of Newburn Road.



View of a primitive road across the subject property.



Typical terrain in the subject property.



Typical terrain in the subject property.



Typical terrain in the subject property.



View of a drainage channel which runs near the west border of the subject property.



Street view looking north on Newburn Road.



Street view looking south on Newburn Road.

HSRSD	Hillside Residential Special District	
PQP	Public / Quasi-Public District	
UNDV	Undevelopable District	

(B) *Map established.*

(1) The location and boundaries of the zoning districts established by this code shall be designated upon the official "Zoning Map of the City of Page." The zoning map, together with all data shown on the map and all amendments hereafter adopted, is by reference made a part of this code.

(2) The official zoning map shall be located in and maintained by the Planning and Zoning Department and made available for inspection at City Hall.

(a) Any changes to the official zoning map shall be considered an amendment to the official zoning map and filed in accordance with Section 152.090.

(b) The official zoning map may, from time to time, be republished to delineate any change of zoning approved pursuant to Section 152.090 or any other amendments thereto.

(C) *Boundary determination.* Where uncertainty exists concerning the boundaries of any zoning district shown on the official zoning map, the following rules shall apply:

(1) Where zoning district boundaries are indicated as approximately following street or alley center lines, such center lines shall be construed to be the district boundary.

(2) Where zoning district boundaries are so indicated that they approximately follow property lines, such property lines shall be construed to be the district boundary.

(3) Where zoning district boundaries divide a lot or parcel, the zoning boundary shall be determined by using the scale of the zoning map, unless indicated by legal description with distance and bearing or other dimension. “”

(4) Where existing development has occurred across zoning lines, zoning for the entire parcel shall be that which is applied to the largest portion of the property.

(5) Where a public street, alley, open space, railroad, or utility right-of-way is officially vacated or abandoned, the property that was formerly in the right-of-way will be included within the zoning district of the adjoining property on either side of the centerline of the vacated or abandoned right-of-way or easement, or be considered for public use.

(6) In case of doubt or disagreement concerning the exact location of a district line, determination shall lie with the Director as defined under Section 152.074. The determination of the Director may be appealed in accordance with the provisions of Section 152.086(K).

§ 152.026 RESIDENTIAL DISTRICTS.

(A) *General purpose.* Residential zoning districts are primarily intended to create, maintain and promote the residential character and nature of neighborhoods which are comprised of a range of compatible densities to accommodate the desired physical appearance of the city. These districts primarily accommodate residential uses; however, some nonresidential uses are also allowed to provide public facilities necessary to create a healthy and safe environment to live in.

(B) *Residential districts.*

(1) *Residential-Estate/Two-Acre (RE-2A).* This district is intended to provide an open, country residential atmosphere on large lots where modular and conventional homes are allowed. Lots are typically larger than in the developed portion of the city and include keeping large livestock. Single-family detached homes in this district shall not include manufactured or mobile homes.

(2) *Residential-Estate/One-Acre District (RE-1A).* This district is similar in intent and purpose to the Residential-Estate/Two-Acre (RE-2A) District, except the lot sizes are smaller. In general, the intent is to allow conventional and modular single-family detached housing with large livestock. Single-family homes in this district shall not include manufactured or mobile homes.

(3) **Single-Family Residential-8/8,000 Sq. Ft. (R1-8).** This district is intended to promote and protect the single-family character of a neighborhood where modular and conventional homes are allowed, and to prohibit incompatible activities. Development in this district should afford non-motorized linkages to community and neighborhood services such as schools, parks and shopping areas. All public utilities and facilities must be present. Certain essential and complementary uses are permitted under conditions and standards which ensure their compatibility with the character of the district. Single-family homes in this district shall not include manufactured or mobile homes.

(4) **Single-Family Residential-7/7,000 Sq. Ft. (R1-7).** This district is intended to provide for a modular and conventional single-family dwelling unit environment while providing a denser urban development. Development in this district should afford non-motorized linkages to community and neighborhood services such as schools, parks and shopping areas. All public utilities and facilities must be present. Certain essential and complementary uses are permitted under conditions and standards which ensure their compatibility with the character of the district. Single-family homes in this district shall not include manufactured or mobile homes.

(5) **Single-Family Residential-5/5,000 Sq. Ft. (R1-5).** This district is intended to provide smaller lot sizes than other single-family districts while maintaining a single-family neighborhood character. Development in this district should afford non-motorized linkages to community and neighborhood services such as schools, parks and shopping areas. All public utilities and facilities must be present. Certain essential and complementary uses are permitted under conditions and standards which ensure their compatibility with the character of the district. Single-family homes in this district may include existing and future manufactured homes and conventional and modular homes.

(6) **Small-Lot Residential-2/3,500 Sq. Ft. Single & 7,000 Sq. Ft. Duplex (R-2).** The intent of this district is to provide for neighborhoods comprised of a mixture of conventional and modular single-family detached homes and small-lot residential dwellings such as duplexes, townhomes, or patio homes together with schools, parks, trails and other public facilities. This district may serve as a transition between higher-density multi-family residential districts and low-density single-family residential districts. Single-family homes in this district shall not include manufactured or mobile homes.

(7) **Multiple Family Residential-3 (RM).** This district allows the broadest range of multi-family residential types and is intended for locations closer to primary intensity generators, such as large commercial developments, and to serve as a buffer zone between commercial and lower density residential. The district requires direct connection to higher volume roadways and all public utilities. Provisions for various modes of travel and pedestrian linkages are also critical.

(8) **Manufactured Home Subdivision (MHS).** The intent of this district is to provide an alternative single-family living style for those families who choose a manufactured home environment. Development in this district consists of subdivisions where residents own individual lots. The development standards of this district are intended to be consistent with the standards for other single-family neighborhoods developed at similar densities. All public utilities and facilities must be present.

(9) **Manufactured Home Park (MHP).** The intent of this district is to provide an alternative single-family living style for those families who choose a manufactured home environment, but lease or rent spaces rather than own individual lots. Campgrounds/RV Parks developed in a safe and attractive manner may also be located in this district. The development standards of this district are intended to be consistent with the standards for other single-family neighborhoods developed at similar densities. All public utilities and facilities must be present.

(C) **Residential use standards.** Table 2.1-1: The Table of Allowed Uses for Residential Districts lists land uses permitted by right (P), permitted with approval of a conditional use permit (C) in accordance with Section 152.091, or prohibited in each zoning district (NP). The Use Table also includes references to additional use-specific standards that may be applicable to that use. The organization headings and individual abbreviations utilized in the table are explained as follows:

(1) **Use category.** The "use categories" are intended merely as an organizational tool and are not regulatory. These use categories simply help to organize the list of "specific use types" into common groupings for ease of reference.

(2) **Specific use type.** The "specific use types" are regulatory and function as the basis for defining present and future land uses that are appropriate in each zoning district. Rather than list every possible individual land use type, this list classifies individual land uses and activities into specific use types based on common functional, product or physical characteristics, such as the type and amount of activity, the type of customers or residents, how goods or services are sold or delivered, and site conditions. Further definitions of each specific use type can be found in Sections 152.035 through 152.037.

(3) **Use-specific standards.** Section numbers listed in the "Supplemental Use Regulations" column denote the location of additional regulations that are applicable to the specific use type; however, provisions in other sections of this chapter may also apply.

(4) **Non-specified uses.** When a use cannot be reasonably classified into a specific use type, or appears to fit into multiple specific use types, the Director is authorized to determine the most similar and most appropriate specific use type based on the actual or projected characteristics of the individual use or activity (including but not limited to size, scale, operating characteristics and external impacts) in relationship to the specific use type definitions provided in Sections 152.035 through 152.037. Appeal of the Director's decision may be made to the Board of Adjustment following the procedures under Section 152.086(K).

Table 2.2-1: Table of Allowed Uses for Residential Districts

Use Category	Specific Use Type	<i>P = Permitted Use C = Conditional Use NP = Not Permitted</i> Residential Zoning Districts										
		RE-2A	RE-1A		R-8	R1-7	R1-5	R-2	RM	MHS	MHP	Supplemental Use Regulations
Residential Use Category	Assisted Living Center	NP	NP		N P	NP	NP	N P	C	NP	NP	152.045(D)
	Assisted Living Home	P	P		P	P	P	P	C	NP	NP	152.045(D)(1)
	Child Care, Home	P	P		P	P	P	P	P	P	P	152.045(K)
	Dwelling, Duplex	NP	NP		NP	NP	NP	P	P	NP	NP	
	Dwelling, Manufactured Home	NP	NP		NP	NP	P	NP	NP	P	P	152.045(O)
	Dwelling, Modular Home	P	P		P	P	P	P	NP	P	C	
	Dwelling, Multi-Family	NP	NP		NP	NP	NP	NP	P	NP	NP	
	Dwelling, Principal & Accessory Single-Family Detached	P	P		P	P	P	P	P	P	P	
	Group Care Home	P	P		P	P	P	NP	NP	NP	NP	152.045(N)
	Manufactured Home, Park	NP	NP		NP	NP	NP	NP	NP	NP	P	152.045(P)

	Nursing Home	NP	NP		NP	NP	NP	NP	C	NP	NP	152.045(D)
	Resident Care Home	P	P		P	P	P	P	N P	NP	NP	152.045(W)
	Vacation Home Rentals	P	P		P	P	P	P	P	P	P	152.045(BB)
Public and Semi-Public Use Category	Assembly Hall/Auditorium	NP	NP		NP	NP	NP	NP	C	C	C	
	Campground/RV Park	NP	NP		NP	NP	NP	NP	NP	NP	C	152.045(I)
	Child Care, Center	NP	NP		NP	NP	NP	C	C	NP	NP	152.045(J)
	College or University	NP	NP		NP	NP	NP	N P	C	NP	NP	152.045(X)
	Community Playfields and Parks	P	P		P	P	P	P	P	P	P	
	Community Recreation Center	P	P		P	P	P	P	P	P	P	
	Country Club, Private	P	P		P	P	P	P	P	P	P	
	Fraternal or Social Club, Nonprofit	NP	NP		N P	NP	NP	C	C	NP	NP	
	Library	P	P		P	P	P	P	P	NP	NP	
	Public Safety Facility	P	P		P	P	P	P	P	P	P	
	Religious Assembly	P	P		P	P	P	P	P	P	P	152.045(V)
	School, Boarding	C	C		NP	NP	NP	NP	C	NP	NP	152.045(X)
	School, Public or Private, K-8	C	C		C	C	C	C	C	NP	NP	152.045(X)
	School, Public or Private, 9-12	P	P		P	P	P	P	P	P	P	152.045(X)
	Social Service Facility	NP	NP		NP	NP	NP	NP	C	NP	NP	
	Solar Generation Facility	C	NP		NP	NP	NP	NP	NP	NP	NP	
	Utility Facility and Service Yard, Major	C	NP		NP	NP	NP	NP	NP	NP	NP	
	Utility Facility, Minor	P	P		P	P	P	P	P	P	P	
	Wireless communication	C	C		C	C	C	C	C	C	C	152.045(CC)

	Facility (WCF) (including tower and supporting facilities)											
Agriculture Use Category	Agriculture, General	P	C		NP	NP	NP	NP	NP	NP	NP	
	Market Garden	P	P		C	C	C	C	C	C	NP	
	Ranching, Commercial	P	C		NP	NP	NP	NP	NP	NP	NP	
Commercial Use Category	Farmers Market, Permanent	C	C		NP	NP	NP	NP	NP	NP	NP	
	Feed Store	C	NP		NP	NP	NP	NP	NP	NP	NP	
	Golf Course, Unlighted	C	C		C	C	C	C	C	C	C	
	Parking Lots and Parking Structure	NP	NP		NP	NP	NP	NP	P	NP	NP	

(D) Residential development standards. The following development standards identified in Table 2.2-2 apply to all principal uses and structures in residential districts, except as otherwise expressly stated in this code. General exceptions to these regulations and rules for measuring compliance can be found in Sections 152.035 through 152.037. Regulations governing accessory uses and structures can be found in Section 152.046.

Table 2.2-2: Residential District Development Standards									
	Zoning District	Density, Maximum (dwelling units/gross acre)	Lot Dimensions, minimum		Setbacks			Lot Coverage, maximum (%)	Building Height, maximum (feet)
			Lot size (square feet)	Lot Width (feet)^[1]	Front (feet)	Side (feet)	Rear (feet)		
Single-Family Residential	RE-2A	-	87,120	200	25	25	25	20	35
	RE-1A	-	43,560	150	25	25	25	25	35
	R1-8	-	8,000	70	20 ^[2]	5 w/15 aggregate ^[4]	10	40	30
	R1-7	-	7,000	60	20 ^[2]	5 w/15 aggregate ^[4]	10	45	30
	R1-5	-	5,000	50	15 ^[3]	5 ^[4]	10	-	30
	MHS	10	3 Acre Site 5,000 lot	40	15 ^[3]	5 ^[4]	10	45	30

Multi-Family Residential	MPH	Manufactured Home Park	10 (spaces/gross acre)	3 Acre Site 3,000 space	40	15 ^[3]	5 ^[4]	10	50 (space)	30
	MPH	Campground/RV Park	18 (spaces/gross acre)	2 Acre Site 1,200 space	28	10	5	5	-	20
	R-2	Single-Family Detached	8	3,500	35	15 ^[3]	5 ^[4]	10	50	30
	R-2	All other uses	12	7,000 Site ^[6]	-	20	15 ^[5]	15 ^[5]	50 ^[7]	30
		RM	12 (min)	7,000 Site ^[6]	-	20	15 ^[5]	15 ^[5]	50 ^[7]	35
^[1] Lot width is measured at front setback. ^[2] Front setback shall be 15 feet for side entry garages and/or covered front porch. ^[3] Front setback shall be 20 feet for front entry garages and carports. ^[4] For all corner lots adjacent to a public right-of-way, the minimum street side yard setback shall be ten feet. ^[5] Zero feet for dwelling units with common walls. ^[6] For Single-Family Attached uses within a common site, the minimum individual lot/dwelling unit size shall be 1,500 square feet. ^[7] For Single-Family Attached uses within a common site, the maximum individual lot/dwelling unit coverage shall be 95%.										

(E) Single-family Residential design guidelines. The purpose of this section is to help provide a pleasant residential environment for all single-family dwelling units and subdivisions. Multi-family design guidelines are defined under Section 152.027 Commercial and Mixed-Use Overlay Districts.

(1) Utilities. All on-site and off-site electric and communication utility lines shall be placed underground. To allow for future connections and extensions, all underground utilities shall be extended a minimum of two feet (2'-0") beyond the farthest property boundary, to prevent damaging existing pavement or landscaping when future utility extensions are made.

§ 152.027 COMMERCIAL & MIXED-USE OVERLAY DISTRICTS.

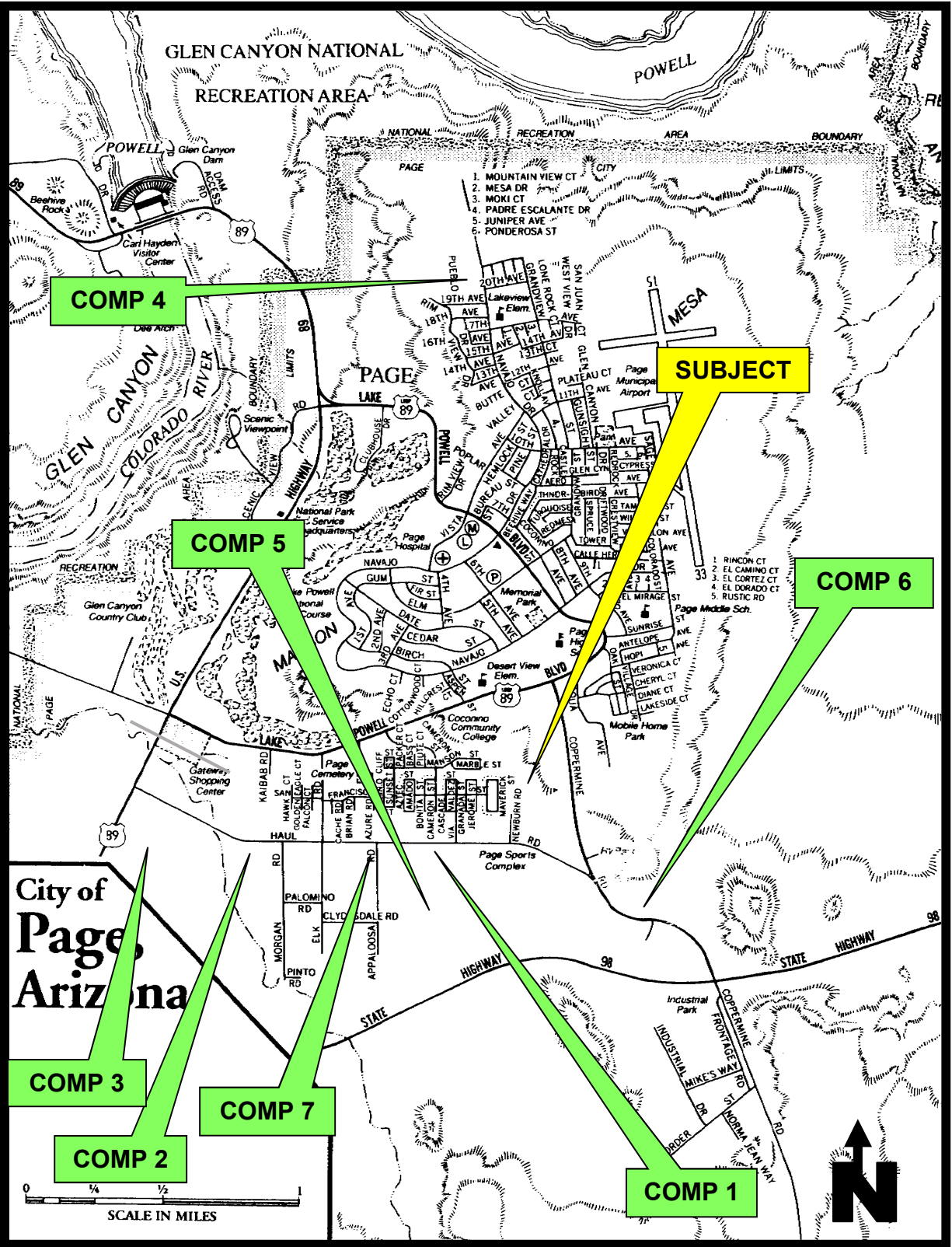
(A) General purpose. The purpose of the Commercial and Mixed-Use Districts is to provide for a variety of commercial and select residential areas, each suited to specific retail, service, entertainment, and residential uses in order to maintain compatibility with adjacent uses. These districts are intended to provide attractive, well-designed developments that are appropriately located along primary roadways and pedestrian facilitates to serve large volumes of customers.

(B) Commercial and Mixed-Use Overlay Districts.

(1) Neighborhood Commercial District (C-1). This district is intended to provide convenient locations for small scale retail or service-related establishments. These locations are to provide services and goods primarily for the surrounding neighborhood and are not intended to draw customers from the entire community. The location of uses in this district are limited to the intersection of a collector street and local street or greater.

(2) Community Commercial District (C-2). This district is intended to provide a range of general commercial needs, such as: major business groupings; regional size shopping centers; retail sales and personal, professional and business services, excluding business parks, that meet the daily demands of the overall larger community and traveling public. This district may also act as a transition between high-density, centrally located commercial activities customarily found in the Central Business District, and multi-family residential districts. Businesses in this district require high visibility, maintain sufficient

COMPARABLE LAND MAP



COMPARABLE PHOTOS



LAND COMPARABLE #1
802-09-001 (COCONINO)



LAND COMPARABLE #2
802-18-012 (COCONINO)



LAND COMPARABLE #1
802-16-013D (COCONINO)



LAND COMPARABLE #4
801-12-006J, 006K, 015S & 015T (COCONINO)



LAND COMPARABLE #7
802-08-001 (COCONINO)

HUCK APPRAISAL OFFICE

Robert C. Huck
724 Gail Gardner Way • Prescott, Arizona 86305
Phone (928) 778-7171 • Email: Bob@huckappraisal.com

January 9, 2025

Mr. Jarrett Edwards
P.O. Box 2079
Page Arizona 86040

Email: jarrett@jarrettedwardsoutdoors.tv

Re: Appraisal of a parcel of vacant land in Page, Arizona.

Dear Mr. Edwards:

As a follow up to our recent communications, I submit the following engagement terms for the appraisal of the property referenced below.

Subject Property:	Newburn Road Parcel
Address:	East side of Newburn Road, north of Haul Road, Page, Arizona
APN:	801-06-032A (Coconino County)
Client:	Mr. Jarrett Edwards
Intended User:	Mr. Jarrett Edwards and/or Mr. Darren Coldwell of the City of Page
Intended Use:	Internal use/establish a potential sales price
Interest Appraised:	Fee simple estate
Appraisal Premise:	'As is' as of the date of valuation
Purpose:	Develop an opinion of the value of the fee simple interest in the subject property as of the date of valuation.
Date of Valuation:	Current; date of inspection
Reporting Option:	USPAP compliant Summary Appraisal Report
Scope:	Inspect subject property; compile data to develop the sales comparison approach to value. Changes to the scope of the appraisal may result in revisions to the fee and/or delivery date.

January 9, 2025
Mr. Edwards:
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Fee:	\$2,900
Delivery:	Approximately 4 - 6 weeks from receipt of signed engagement letter and the appraisal fee
Number of Copies:	Electronic PDF copy of report
Certification:	Attached
Assumptions & Limiting Conditions:	Attached

The appraisal shall be prepared for Mr. Jarrett Edwards and is for the sole and exclusive use of Jarrett Edwards and/or Mr. Darren Coldwell of the City of Page to assist in decisions regarding the subject property. I request that you seek my written authorization before releasing the reports to any other party.

The appraisal will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice. Attached to this letter you will find a copy of our Statement of Limiting Conditions and Appraiser's Certification which are attached to all appraisals prepared by this office. Please review and sign the last page of each of these documents and return the executed copy to me indicating your acceptance and approval of the Limiting conditions and Appraiser's Certification.

It is generally the policy of federally insured financial institutions, to select an appraiser approved by their Board of Directors, and be responsible for the origination of the appraisal assignment. This policy has been mandated by federal regulation. By ignoring this procedure, the lender may require a second appraisal by another qualified appraiser. THE OWNER is aware of this policy and acknowledges that THE APPRAISER cannot be held responsible for the actions of the lender.

The estimated completion date of the appraisal is approximately 4 - 6 weeks after receipt of the signed engagement letter and the appraisal fee. I can only complete the appraisal by this date if I receive from you in a timely manner any relevant information needed for the preparation of the report.

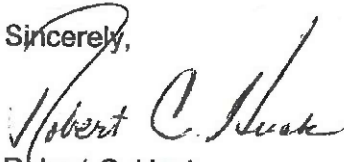
I will proceed with the preparation of this appraisal upon receipt of signed copies of this letter, Statement of Limiting Conditions and Appraiser's Certification and the appraisal fee of \$2,900.

Rec'd 1/13/2025

January 9, 2025
Mr. Edwards
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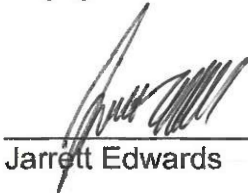
If you have any questions about anything contained in this letter or in any of the attachments, please give me a call. I look forward to working with you on this appraisal and appreciate the opportunity to be of service.

Sincerely,



Robert C. Huck
Certified General Real Estate Appraiser
Certificate No. 30123

Engagement Letter Accepted:


Jarrett Edwards

1-10-2025
Date

CERTIFICATION

(The following certification will be signed by the appraiser and included in the appraisal report.)

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. I previously appraised a portion of the subject property in July, 2023. Other than these appraisals, I have performed no services, as an appraiser or in any other capacity, regarding the properties that are the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
9. Robert C. Huck has made a personal inspection of the property that is the subject of this report.
10. No one provided significant real property appraisal assistance to Robert C. Huck, the person signing this certification.
11. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the State of Arizona Department of Insurance and Real Estate.

CERTIFICATION

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12. As of the date of this report, I, Robert C. Huck, have completed the continuing education program for a Certified General Real Estate Appraiser as specified by the State of Arizona Department of Insurance and Real Estate.

13. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.

14. I hereby certify that I am competent to complete the appraisal assignment. The reader is referred to the appraiser's Statement of Qualifications contained in the Addenda.

15. All extraordinary assumptions, hypothetical conditions and limiting conditions imposed by the terms of the assignment or by the undersigned, affecting the analysis, opinions and conclusions contained in this report are contained herein.

16. No change of any item of the appraisal report shall be made by anyone other than the Appraiser, and if changed, the Appraiser shall have no responsibility for any such unauthorized change.

(The preceding certification will be signed by the appraiser and included in the appraisal report.)

I acknowledge receipt of this certification:


Jarrett Edwards

1-10-2025
Date

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

(The following Statement of Standard Assumptions and Limiting Conditions will be included in the appraisal report)

By this notice, all persons and firms reviewing, utilizing or relying on this report in any manner bind themselves to accept these assumptions and limiting conditions. Do not use this report if you do not so accept. These conditions are a part of the appraisal report, they are a preface to any certification, definition, fact or analysis, and are intended to establish as a matter of record that the appraiser's function is to provide a present market value for the subject property based upon the appraiser's observations as to the subject property and real estate market. This appraisal report is an economic study to estimate value as defined in it. It is not an engineering, construction, legal or architectural study nor survey and expertise in these areas, among others, is not implied.

This is an Appraisal Report which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. Supporting documentation concerning the data, reasoning, and analyses is retained in the appraiser's file. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

1. **LIMIT OF LIABILITY:** The liability of Huck Appraisal of Northern Arizona, Inc. and employees and affiliated independent contractors is limited to the client only and to the fee actually received by the appraiser (total per appraisal). Furthermore, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than client, the client shall make such party aware of all limiting conditions and assumptions of the assignments and related discussions. The Appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physically, financially, and/or legally. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in case of a lawsuit (brought by the lender, partner or part owner in any form of ownership, tenant, or other party), any and all awards, settlements of any type in such suit, regardless of outcome, the client will hold the Appraiser completely harmless in any such action.

2. **COPIES, PUBLICATION, DISTRIBUTION, USE OF REPORT:** Possession of this report or any copy thereof does not carry with it the right of publication, nor may it be used for other than its intended use; the physical report(s) remain the property of the Appraiser for the use of the client, the fee being for the analytical services only. The Bylaws and Regulations of the Appraisal Institute require each Member and Candidate to control the use and distribution of each appraisal report signed by such Member or Candidate. Except as hereinafter provided, the client may distribute copies of this appraisal report in its entirety to such third parties as he may select; however, selected portions of this appraisal report shall not be given to third parties without the prior written consent of the

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

Page 2

signatories of this appraisal report. Neither all nor any part of this appraisal report shall be disseminated to the general public for use by the advertising media, public relations, news, sales or other media for public communication without the prior written consent of the Appraiser.

3. **CONFIDENTIALITY**: This appraisal is to be used only in its entirety and no part is to be used without the whole report. All conclusions and opinions concerning the analysis as set forth in the report were prepared by the Appraiser(s) whose signature(s) appears on the appraisal report, unless indicated as "Review Appraiser". No change of any item in the report shall be made by anyone other than the Appraiser and/or officer of the firm. The Appraiser and firm shall have no responsibility if any such unauthorized change is made.

The Appraiser may not divulge the material (evaluation) contents of the report, analytical findings or conclusions, or give a copy of the report to anyone other than the client or his designate as specified in writing except as may be required by the Appraisal Institute as they may request in confidence for ethics enforcement, or by a court of law or body with the power of subpoena.

4. **TRADE SECRETS**: This appraisal was obtained from Huck Appraisal of Northern Arizona, Inc. or related companies and/or its individuals of related independent contractors and consists of "trade secrets and commercial or financial information" which is privileged and confidential and exempt from disclosure under 4 U.S.C. 552 (b) (4). (Notify the Appraiser(s) signing report or an officer of Huck Appraisal of Northern Arizona, Inc. of any request to reproduce this report in whole or part.)

5. **INFORMATION USED**: No responsibility is assumed for accuracy of information furnished by the work of others, the client, his designate, or public records. We are not liable for such information or the work of possible subcontractors. Be advised that some of the people associated with Huck Appraisal of Northern Arizona, Inc. and possibly signing the report are independent contractors. The comparable data relied upon in this report has been confirmed with one or more parties familiar with the transaction or from affidavit or other sources thought reasonable; all are considered appropriate for inclusion to the best of our factual judgment and knowledge. An impractical and uneconomic expenditure of time would be required in attempting to furnish unimpeachable verification in all instances, particularly as to engineering and market related information. (It is suggested that the client consider independent verification as prerequisite to any transaction involving sale, lease, or other significant commitment of funds on the subject property.)

6. **TESTIMONY, CONSULTATION, COMPLETION OF CONTRACT FOR APPRAISAL SERVICE**: The contract for appraisal, consultation or analytical service is fulfilled, and the total fee is payable upon completion of the report. The Appraiser(s) or those assisting in preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal, in full or in part, nor engage in post appraisal consultation with client or third parties except under separate and special

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

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arrangement and at additional fee. If testimony or deposition is required because of any subpoena, the client shall be responsible for any additional time, fees, and charges regardless of issuing party.

7. EXHIBITS: The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Various photos may be included for the same purpose. Site plans are not surveys unless shown from a separate surveyor.

8. LEGAL, ENGINEERING, FINANCIAL, STRUCTURAL, OR MECHANICAL, HIDDEN COMPONENTS, SOIL: The Appraiser and/or firm has no responsibility for matters legal in character or nature, nor of any architectural, structural, mechanical, or engineering nature. No opinion is rendered as to the title, which is presumed to be good and merchantable. The property is appraised as if free and clear, unless otherwise stated in particular parts of the report.

The legal description is assumed to be correct as used in this report as furnished by the client, his designate, or as derived by the Appraiser.

Please note that no advice is given regarding mechanical equipment or structural integrity or adequacy, nor soils and potential for settlement, drainage, and such (seek assistance from qualified architect and/or engineer) nor matters concerning liens, title status, and legal marketability (seek legal assistance) and such. The lender and owner should inspect the property before any disbursement of funds; further it is likely that the lender or owner may wish to require mechanical or structural inspections by a qualified and licensed contractor, civil or structural engineer, architect, or other expert.

The Appraiser has inspected as far as possible, by observation, the land and the improvements; however, it was not possible to personally observe conditions beneath the soil or hidden structural or other components. We have not critically inspected mechanical components within the improvements and no representation is made herein as to these matters unless specifically stated. Unless stated, the value estimate assumes no such conditions that would cause a loss of value. The land or the soil of the area being appraised appears firm; however, the Appraiser(s) do not warrant against this condition or occurrence of problems arising from soil conditions.

The appraisal is based on there being no hidden, unapparent conditions of the property site, subsoil, structures or toxic materials which would render it more or less valuable. The appraiser and firm have no responsibility for any such conditions or for any expertise or engineering to discover them. Conditions of heating, cooling, ventilation, electrical and plumbing equipment are considered to be commensurate with the condition of the balance of the improvements unless otherwise stated. No judgment may be made by us as to adequacy of insulation, type of insulation, or energy efficiency of the improvements or equipment which is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranties are made concerning obtaining the above mentioned items.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

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The Appraiser has no responsibility for any costs or consequences arising due to the need or the lack of need for flood hazard insurance. An Agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

9. **LEGALITY OF USE:** The appraisal is based on the premise that there is full compliance with all applicable federal, state and local environmental regulations and laws unless otherwise stated in the report; further, that all applicable zoning, building, use regulations and restrictions of all types have been complied with unless otherwise stated in the report; further, it is assumed that all required licenses, consents, permits, or other legislative or administrative authority whether local, state, federal and/or private, have been or can be obtained or renewed for any use considered in the value estimate.

10. **COMPONENT VALUES:** The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.

11. **AUXILIARY AND RELATED STUDIES:** No environmental or impact studies, special market study of analysis, highest and best use analysis study or feasibility study has been requested or made unless otherwise specified in an agreement for services or in the report.

12. **DOLLAR VALUES, PURCHASING POWER:** The market value estimated, and the costs used, are as of the date of the estimate of value. All dollar amounts are based on the purchasing power and the price of the dollar as of the date of the value estimate.

13. **EXCLUSIONS:** Furnishings, equipment, personal property and business operations, except as specifically indicated or if typically considered a part of the real estate, have been disregarded. Only the real estate is considered in the value estimate unless otherwise stated. In some property types, business and real estate interests and values are combined.

14. **PROPOSED IMPROVEMENTS:** Proposed improvements and repairs are assumed to be completed in good and workmanlike manner according to information submitted and/or considered by the appraisers. The estimate of market value is as of the date shown and assumes completion as described in the report. Completion significantly different than described may change the value estimate.

15. **VALUE CHANGE, DYNAMIC MARKET, INFLUENCES, ALTERATION OF ESTIMATE BY APPRAISER:** The estimated market value, which is defined in the report, is subject to change with market changes over time; value is highly related to exposure, time, promotional effort, terms, motivation, and conditions surrounding the offering. The value estimate considers the productivity and relative attractiveness of the property physically and economically in the marketplace.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

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In cases of appraisals involving the capitalization of income benefits, the estimate of market value, investment value, or value in use is a reflection of such benefits and Appraiser's interpretation of income and yields and other factors derived from general and specific client and market information. Such estimates are as of the date of valuation and are subject to changing market conditions.

The "Estimate of Market Value" or "Opinion of Market Value" in the appraisal report is not based in whole or in part upon the race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

The appraisal report and value estimate are subject to change if the physical or legal entity, or financing are different than that envisioned in this report.

16. **MANAGEMENT OF THE PROPERTY:** It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management; neither inefficient nor super-efficient.

17. **FEE:** The fee for this appraisal or study is for the service rendered and not for the time spent on the physical report or the physical report itself. The fee for services is not contingent on any predetermined result or approved amount.

18. **AUTHENTIC COPIES:** The authentic copies of this report have original signatures of the appraiser(s) completing the report. Any copy that does not have the above is unauthorized and may have been altered.

19. **INSULATION AND TOXIC MATERIALS:** Unless otherwise stated in this report, the Appraiser(s) signing this report has (have) no knowledge concerning the presence or absence of toxic or hazardous materials and/or urea-formaldehyde foam insulation in existing improvements; if such is present the value of the property may be adversely affected. The existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser unless otherwise stated. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, radon gas, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

20. **REVIEW:** Unless otherwise noted herein, named review Appraiser of/from Huck Appraisal of Northern Arizona, Inc., has reviewed the report and has not necessarily inspected the subject nor market comparable properties.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

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21. **CHANGES, MODIFICATIONS:** The Appraisers and/or officers of Huck Appraisal of Northern Arizona, Inc. reserve the right to alter statements, analyses, conclusions or any value estimates in the appraisal if facts pertinent to the appraisal process become known which were unknown to us when the report was finished.

22. **AFTER TAX ANALYSIS, AND/OR VALUATION:** Any "after" tax income or investment analysis and resultant measures of return on investment are intended to reflect only possible and general market considerations, whether as part of estimating value or possible returns on investment at an assumed value or price paid. Note that the Appraiser(s) does not claim expertise in tax matters and advises the client and any other using the appraisal to seek competent tax advice as the Appraiser is in no way to be considered a tax advisor or investment advisor.

23. **AMERICANS WITH DISABILITIES ACT:** Unless otherwise stated in this report, the subject property is appraised without a specific compliance survey having been conducted to determine if the property is or is not in conformance with the requirements of the Americans with Disabilities Act. The presence of architectural and communications barriers that are structural in nature that would restrict access by disabled individuals may adversely affect the property's value marketability or utility.

24. **ENVIRONMENTAL CONDITIONS:** The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment.

The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The appraiser's value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report.

No responsibility is assumed for any environmental conditions, or for any expertise or engineering knowledge required to discover them. The appraiser's descriptions and resulting comments are the results of the routine observations made during the appraisal process.

Acceptance of, and/or use of, this appraisal report by the client or any third party constitutes acceptance of the above conditions. Appraiser liability extends only to the stated client and not to subsequent parties or users of any type, and the total liability of appraiser and firm is limited to the amount of fee received by the Appraiser.

STANDARD ASSUMPTIONS AND LIMITING CONDITIONS

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(The preceding Statement of Standard Assumptions and Limiting Conditions will be included in the appraisal report)



Jarrett Edwards

1-10-2025

Date

ARIZONA FINANCIAL ENTERPRISE CREDENTIAL CERTIFICATE

No: CGA-30123

ROBERT C. HUCK			
DITAT DEUS			
CREDENTIAL TYPE	ISSUE DATE	EFFECTIVE DATE	EXPIRATION DATE
Certified General Appraiser	August 15, 1991	September 01, 2024	August 31, 2026

This certificate was printed on August 27, 2024 and will remain in effect until a change request has been approved by the Department or the credential is surrendered, suspended, revoked or expired.

Arizona Department of Insurance and Financial Institutions
difi.az.gov
100 N 15th Ave, Suite 261
Phoenix, AZ 85007-2630

QUALIFICATIONS OF ROBERT C. HUCK
Certified General Real Estate Appraiser, Certificate No. 30123

EDUCATION:

Arcadia High School; Phoenix, AZ, 1965 - 1969, High School Diploma
Southern Methodist University; Dallas, TX 1969 - 1973. Graduated Cum Laude with BA in Economics. Phi Beta Kappa. Extensive course work in Business and Investments.
University of Adelaide; Adelaide, South Australia, 1974. Post Graduate courses in Economics.
Arizona Department of Real Estate: Passed Licensing Exam, 5/81.
Appraisal Institute: Received MAI Designation, July, 1988
State of Arizona Board of Appraisal

EXPERIENCE:

Owner and President of Huck Appraisal of Northern Arizona, Inc., 724 Gail Gardner Way, Prescott, Arizona; May 1997 to Present.
Independent Fee Appraiser, Appraisal Consultants (formerly Russell L. Parker Company), 814 West Gurley Street, Prescott, AZ; July 1984 to May 1997.
Independent Fee Appraiser, RAM Enterprises, Prescott, AZ; 1983 to July 1984.
Real Estate Sales, Sandretto Properties, Inc., Prescott, AZ; 1981-1983; Commercial/Indust. Sales
Owner/President of Squires, Inc., DBA the Two Squires Restaurant, Prescott, Arizona; 1979-1981

PROFESSIONAL DESIGNATIONS

Member, Appraisal Institute 1988 - 2024 (MAI Certificate #7882)
Certified General Real Estate Appraiser, State of Arizona; (Certificate Number 30123)

ORGANIZATION MEMBERSHIPS

Member, Phoenix Chapter, Appraisal Institute
Member, Prescott Kiwanis Club
Member, Prescott United Methodist Church

COURT TESTIMONY

Qualified as an expert witness: Yavapai County Superior Court, Division II
Qualified as an expert witness: U.S. Bankruptcy Court, Phoenix, AZ
Qualified as an expert witness: Mohave County Superior Court
Qualified as an expert witness: Coconino County Superior Court
Qualified as an expert witness: Colorado District Court, Garfield County, CO
Qualified as an expert witness: California District Court, Orange County, CA

SCOPE OF APPRAISAL WORK:

Experience includes the valuation of single & multi-family residential properties, subdivisions, mobile homes, condominium projects, bare land and acreage, retail, office, motel, restaurant, storage, commercial, industrial properties, easement/right of way condemnation and special purpose properties.

APPRAISAL COURSES & SEMINARS

National Association of Independent Fee Appraisers (NAIFA), "Manfctrd Housing Seminar", 2/84
NAIFA, "Mini-Math For Appraisers Seminar," 6/84.
NAIFA, "Member Appraisal Examination," 11/84
Arizona School of Real Estate, "Case Studies, Rules & Regulations Seminar, 4/85
Arizona School of Real Estate, "Introduction to Tax Shelters Seminar," 4/85
NAIFA, "Depreciation Seminar," 7/85
American Institute of Real Estate Appraisers (AIREA), "Problem Solving In Today's Market", 9/85
AIREA, "Standards of Professional Practice," Course Attendance/Exam 2-3, 9/86
AIREA, "Real Estate Appraisal Principles," Challenged & Passed Exam 1A-1, 9/86
AIREA, "Basic Valuation Procedures," Challenged & Passed Exam 1A-2, 9/86
AIREA, "Capitalization Theory & Technique, Part A," Course Attendance/Exam 1B-A 7/87
AIREA, "Capitalization Theory & Technique, Part B," Course Attendance/Exam 1B-B, 6/87
AIREA, "Case Studies in Real Estate Valuation," Course Attendance/Exam 2-1, 10/87
AIREA, "Valuation Analysis and Report Writing," Course Attendance/Exam 2-2, 10/87
AIREA, Submitted "Income-Property Demonstration Appraisal Report," 9/87; Passing Grade, 1/88
AIREA, Wrote "Comprehensive Examination", February, 1988; Received Passing Grade, 3/88
Resolution Trust Corporation (RTC), Seminar "RTC Appraisal Seminar", 12/90
Appraisal Institute (AI), "Standards of Professional Practice, Part A" Attendance/Exam, 2/91
AI, "Exam Preparation Seminar/Arizona Appraisal Law," Seminar Attendance/ Exam, 3/91
AI, "Standards of Professional Practice, Part B" Course Attendance/Exam, 5/92
AI, "Subdivision Analysis", Attended Seminar, 4/93
AI, "Standards of Professional Practice, Part A", Course Attendance/Exam, 4/94
AI, "Market Analysis", Seminar Attendance, 6/94
AI, "Fair Lending & The Appraiser", Seminar Attendance, 6/94
AI, "Understanding Construction Documents", Seminar Attendance, 6/94
AI, "Understanding Limited Appraisals", Seminar Attendance, 6/94
AI, "Standards of Professional Practice, Part B" Course Attendance/Exam, 10/95
AI, "Evaluations", Seminar Attendance, 10/95
AI, "Litigation", Seminar Attendance, 11/95
AI, "Special Purpose Properties", Seminar Attendance, 11/95
AI, "Highest & Best Use Applications", Seminar Attendance, 6/96
AI, "Data Confirmation & Verification", Seminar Attendance, 6/96
AI, "The Internet & Appraising", Seminar Attendance, 10/96
AI, "Tomorrows Appraiser, Videoconference", Seminar Attendance 10/96
AI, "Environmental Law", Seminar Attendance 11/96
AI, "Eminent Domain & Condemnation", Seminar Attendance 9/97
AI, "Internet Strategies for Appraisers", Online Education 2/00

APPRAISAL COURSES & SEMINARS (Continued)

AI, "Appraising Non-Conforming Properties", Seminar Attendance 2/00
AI, "Condemnation Appraising", Seminar Attendance 5/00
AI, "Appraising From Blueprints", AI Online Education 10/00
AI, "Residential Database Training", AI Online Education 2/01
AI, "Analyzing Operating Expenses", AI Online Education 3/01
AI, "Introduction to GIS", AI Online Education 10/01
AI, "Using HP12C Calculator", AI Online Education 11/01
AI, "Standards of Professional Practice, Part C" Course Attendance/Exam 11/01
AI, "Appraising Properties with Detrimental Conditions" AI Online Education 12/01
AI, "Energy Performance & Commercial Property Values", Seminar Attendance 5/04
McKissock Schools, "Residential Construction", Seminar Attendance 6/04
McKissock Schools, "Does My Report Comply With USPAP", Seminar Attendance 6/04
McKissock Schools, "Legal Issues for Appraisers", Seminar Attendance 6/04
AI, "Appraising Motels", AI Online Education 11/04
AI, "Interest Strategies For Appraisers", AI Online Education 9/05
AI, "Apartment Appraisal", AI Online Education 1/06
Arizona School of Real Estate, "USPAP 2005 Update", Seminar Attendance 1/06
Arizona School of Real Estate, "USPAP 2006 Update", Seminar Attendance 6/06
AI, "Introduction to International Valuation Standards", AI Online Education 11/06
AI, "Marshall Valuation Service Applications", AI Online Education 1/08
AI, "What Commercial Clients Want to Know", AI Online Education 2/08
AI, "USPAP 2007 Update", Seminar Attendance 5/08
AI, "Data Verification Methods", AI Online Education 8/09
AI, "Valuation of Green Residential Buildings", AI Online Education 9/09
AI, "Valuation of Green Commercial Buildings", AI Online Education 10/09
AI, "Business Practices & Ethics", AI Online Education, 11/09
USPAP 2010-2011 7-hour Update 7/10
AI, "Appraisal Curriculum Overview – Residential", AI Online Education 9/10
AI, "Appraisal Curriculum Overview – Commercial", AI Online Education 9/10
AI, "Apartment Appraisals", AI Online Education 5/11
AI, "Appraisal of Convenience Stores", AI Online Education 8/11
AI, "Analyzing Distressed Properties", AI Online Education 10/11
USPAP 2012-2013 7-hour Update 4/12
AI, "Business Practices & Ethics", AI Online Education 2/14
Arizona Appraiser's State Conference, "USPAP 2014-2015 Update" Seminar Attendance 3/14
AI, "Advanced Internet Search Strategies", AI Online Education 6/14
AI, "Small Hotel/Motel Valuation", AI Online Education 7/14
AI, "Subdivision Valuation", AI Online Education 8/15
AI, "Forecasting Revenue", AI Online Education 2/16
USPAP 2016-2017 7-hour Update Seminar Attendance 2/16 Arizona Appraisal Seminars & Classes
AI, "Rates and Ratios: Making Sense of GIMs, OARs and DCF", AI Online Education 7/16
AI, "Appraisal of Medical Office Buildings", AI Online Education 12/17
USPAP 2018-2019 7-hour Update Seminar Attendance 3/18 Arizona Appraisal Seminars & Classes

APPRAISAL COURSES & SEMINARS (Continued)

Arizona Board of Appraisal, "Supervisor-Trainee", Online Education 3/18

AI, "Appraisal Business Practices & Ethics", AI Online Education 5/18

AI, "Discounted Cash Flow Model Concepts", AI Online Education 7/18

AI, "Fundamentals of UASFLA": AI Online Education 9/19

USPAP 2020-2021, AI Online Education 4/20

AI, "Analyzing Operating Expenses": AI Online Education 6/20

AI, "Appraising Automobile Dealerships": AI Online Education 7/20

McKissock Schools, "Supporting Spreadsheets-Residential", 8/20

AI, "Excel Applications for Valuation", 10/21

USPAP 2022-2023, AI Online Education 4/22

Arizona Department of Insurance and Financial Institutions, "Appraisal of Fast Food Facilities" 7/22

Arizona Department of Insurance and Financial Institutions, "Appraisal of Industrial and Flex Buildings" 7/22

PARTIAL CLIENT LIST

American Bank
Apache County
Babbitt Brothers Trading Company
Bank of America (Including banks acquired by Bank of America)
Bayview Financial
California Bank & Trust
Chase Bank (Including banks acquired by Chase)
City Governments (Cottonwood, Page, Prescott, Prescott Valley, Williams, et.al.)
Commercial Capital Bank
Community First Bank
Compass Bank (Including banks acquired by Compass Bank)
Country Bank
Desert Hills Bank
Downey Savings
Farm Credit Services
Fain Family/Fain Signature Group
First American Title Company
First National Bank of Amarillo, Texas
First State Bank
Foothills Bank
Heritage Bank
Home National Bank
Irwin National Bank
Laventhol & Horwath
M & I Bank (Including banks acquired by M & I Bank)
Mission Bank
Mohave State Bank
National Bank of Arizona (Including banks acquired by National Bank)
North American Savings Bank
Northern Trust Bank
Peabody Mining Company
Regions Bank
Resolution Trust Corporation (RTC)
State of Arizona
Summit Bank
Temecula Valley Bank
United States Government,
 Government Services Administration
 U.S. Dept. of Interior, Bureau of Indian Affairs
 U.S. Dept. of Interior, National Park Service
U.S. Post Office
U.S. Veterans Administration
Valley Bank
Wells Fargo Bank (Including banks acquired by Wells Fargo Bank)
Western Bank
Yavapai County

Exhibit "C"

Phase 3

All of Tract H, Case 7, Map 2, of Block 224, Page Arizona as found on file with the Coconino County Recorder's Office, Entry No. 1434203. Being more particularly described as follows:

Beginning at a point being North 1,359.67 feet along the section line and North 88°58'04" West 572.86 feet from the Southeast Corner of Section 31, Township 41 North, Range 9 East, Gila & Salt River Base & Meridian, said point being on the Westerly line of Newburn Road, and running;

thence South 00°16'28" West 429.30 feet along said Westerly line Newburn Road;

thence North 89°06'49" West 401.94 feet to and along the Easterly line of Page Lake Powell Mobile Home Village, as found on file with the Coconino County Recorder's Office, Entry No. 3414328;

thence North 00°58'00" West 386.38 feet along said Easterly line Page Lake Powell Mobile Home Village;

thence North 00°59'55" West 44.17 feet;

thence South 88°58'04" East 411.30 feet to the Point of Beginning.

Containing 174,755 square feet or 4.01 acres.



REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Attorney**Meeting Date:** January 14, 2026**Presented by:**

Josh Smith, City Attorney

Brief Title: Land Purchase Agreement Amendment - Kane Scott**Agenda Section:** Unfinished Business**Action:** Motion**Agenda Sub-category:** Agreement/Contract**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Move to approve the amendment to the land purchase agreement with Kane Scott and authorize the mayor to sign.

Background:

Kane is proceeding with due diligence on the purchase of the property for the development of a bowling and family fun center. There are still unresolved issues with getting sewer service to the property and Kane has requested an extension to close in order to work through this and a few other final details.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact: None

Notes:**Attachments:**

1. Kane Amendment-revised closing and repurchase

THIRD AMENDMENT TO AGREEMENT FOR THE PURCHASE OF REAL ESTATE

This Amendment is effective the 14th day of January, 2026, by and between the City of Page, a municipal corporation organized and existing under the laws of the State of Arizona (the "Seller"), and Kane Scott (hereinafter "Buyer").

RECITALS

Whereas, the parties entered into an Agreement for the Purchase of Real Estate ("Agreement") on or about the 12th day of February, 2025; and

Whereas, the parties now desire to amend the Agreement to extend the date of closing and as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. **Incorporation by Reference.** Except as outlined herein, the original Agreement for the Purchase of Real Estate, entered into by the parties on or about February 12, 2025, is hereby incorporated by reference into this Amendment. The parties hereto agree to be bound by all terms, conditions, covenants, and obligations in said Agreement as if each were again fully set forth verbatim herein.
2. "Closing Date:" is hereby modified as follows:

The Closing Date shall be that date which is the latter of (a) the land sale ordinance becoming operative pursuant to A.R.S. § 19-142(B) (i.e. thirty (30) days after adoption of the land sale ordinance by City Council without referendum filing); or (b) thirty (30) days after any required referendum vote approving this transaction; or not later than sixty (60) days following satisfaction or waiver of the Conditions to Closing contained in Section 8. However, the Closing Date shall not extend beyond January 31, 2027, unless agreed to in writing by the parties. See, paragraph 10 for further provisions concerning the Closing Date and definition of "closing" and "close of escrow".

3. The following provision is hereby agreed to by the parties and shall be added into the Agreement as Section 16:

16. Repurchase Right.

If Buyer (1) closes on the Purchase of the Property; and (2) fails to commence construction activities within twelve (12) months of the date of closing; and (3)

fails to expend more than One Million Dollars (\$1,000,000.00) in costs for the development of the Property within two (2) years after the date of closing, then City may re-purchase the Property from Buyer for the amount that Buyer paid to the City at closing for the purchase of the Property (the "Repurchase Option"). The City may exercise its Repurchase Option upon the expiration of one (1) year after the closing date so long as each of the foregoing conditions have been met. Buyer agrees that it shall cooperate in execution a deed conveying the Property back to the City if the City properly exercises its Repurchase Right.

IN WITNESS WHEREOF, the parties hereto have entered into this Amendment on the date indicated above.

CITY OF PAGE

KANE SCOTT

BY: _____
Mayor

By: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

REQUEST FOR COUNCIL ACTION

Request for Council Action:

Meeting Type: Regular Meeting

Department: Finance

Meeting Date: January 14, 2026

Presented by:

Linda Watson, Finance Director

Brief Title: FY 2025 Audited Financial Statement Presentation

Agenda Section: New Business

Action: Other

Agenda Sub-category: Administrative Report

PowerPoint Needed?: Yes

Request for Council Action

Recommended Action:

Presentation Only

Background:

Every year, the City of Page undergoes an annual audit of its financial records. Hinton Burdick CPA's and Advisors have completed this year's audit and would like to make a presentation to the City Council on their results.

The goal of conducting an independent audit is to provide reasonable assurance that the financial statements are free of material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures of the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors have concluded that the City of Page financial report for fiscal year ending June 30, 2025 is fairly presented in conformity with G.A.A.P. (Generally Accepted Accounting Principles).

Alternatives Considered:

Completing the annual audit is a requirement of the State of Arizona,

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:** FY 2026**Amount Requested:****Line Item(s):** 10.442.2590

Budget Impact: \$68,500.00

Notes:

These audit fees have already been paid in FY 2026 for the FY 2025 Fiscal Year.

Attachments:

1. City of Page FY25 ACFR
2. City of Page FY25 Single Audit
3. Letter to Those Who Govern
4. FY25 Page audit presentation

ANNUAL COMPREHENSIVE FINANCIAL REPORT

★ FOR THE YEAR ENDED JUNE 30, 2025 ★ ★ ★

★ CITY OF PAGE, ARIZONA ★



Photos taken by Jake Hunter (LPNGC Driving Range) and Aspen Lindsey (Balloon Regatta/4th of July)

CITY OF PAGE, ARIZONA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2025

PREPARED BY:

CITY OF PAGE FINANCE DEPARTMENT

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CITY OF PAGE, ARIZONA

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Office of the City Manager

December 8, 2025

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Page:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Page for the fiscal year ended June 30, 2025.

This report consists of management's representations concerning the finances of the City of Page. Accordingly, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the City of Page has established a comprehensive internal control framework designed to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, this framework is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Page's financial statements have been audited by Hinton Burdick, PLLC, a firm of licensed certified public accountants. The objective of the independent audit was to provide reasonable assurance that the financial statements for the fiscal year ended June 30, 2025, are free of material misstatement. The 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. Based on the audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified (unqualified) opinion that the City of Page's financial statements for the fiscal year ended June 30, 2025, 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.

GAAP requires management to provide a narrative introduction, overview, and analysis of the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The City of Page's MD&A can be found immediately following the independent auditor's report.

P.O. Box 1180, 697 Vista Avenue, Page AZ 86040, (928)-645-4241

PROFILE OF THE GOVERNMENT

The City of Page, incorporated in 1975, is located in northern Arizona just south of Lake Powell. The City encompasses approximately 37 square miles in Coconino County and has a population of 7,440 according to the 2020 U.S. Census. The City sits at an elevation of approximately 4,300 feet.

The City operates under a Council-Manager form of government. The Common Council, which has policy-making and legislative authority, consists of a Mayor and six Council Members. The Council is responsible for passing ordinances and resolutions, adopting the annual budget, appointing committees, and hiring the City Manager, City Attorney, City Clerk, City Magistrate, and the General Manager for Page Utility Enterprises (PUE). The City Manager is responsible for implementing Council policies and overseeing day-to-day operations, while the PUE General Manager oversees the electric, water, sewer, and refuse utilities pursuant to City ordinance.

Council Members are elected on a nonpartisan, at-large basis to staggered four-year terms, with three members elected every two years. The Mayor is elected directly by the voters for a two-year term.

The City of Page provides a full range of municipal services, including water, sewer, electricity, police and fire protection, planning and zoning, building code enforcement, street construction and maintenance, and recreational and cultural activities.

The City owns and operates its municipal electric, water, and sewer utilities under the name Page Utility Enterprises (PUE), governed by the Page City Council and PUE Board pursuant to City Ordinance 588-12. PUE serves customers within the City's corporate boundaries and, due to the region's isolation, also provides services to customers outside City limits.

The City Manager presents a proposed balanced budget to the City Council each spring. Following review and modification, the tentative budget is typically presented for preliminary adoption in May and final adoption no later than July. The legal level of budgetary control is established at the fund level.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City of Page's economy is heavily influenced by tourism and recreation, particularly during the summer months. The National Park Service estimates that the Page/Lake Powell area received approximately 4.725 million visitors in 2024, representing a decrease of roughly 10 percent from 2023 levels. Lake Powell remains the centerpiece of regional recreation, with nearly 1,960 miles of shoreline.

While the City's estimated population was approximately 7,407 in 2023, Page serves as a regional hub for an estimated additional 45,000 residents within a 75-mile radius.

Since the closure of the Navajo Generating Station in November 2019, tourism-related businesses have become the primary drivers of the local economy. Many of these businesses provide seasonal employment from March through November. The City remains grateful for the continued commitment of local businesses that serve both visitors and residents.

Recognizing the historic role of NGS, the City continues to focus on long-term economic resilience through implementation of its Strategic Plan.

Long-Term Financial Planning

The City of Page remains committed to fiscal responsibility while enhancing quality of life and delivering efficient municipal services.

A newly seated City Council in November 2024 established its strategic priorities in February 2025, focusing on Affordable Housing, Infrastructure Improvements, Safety and Security, Communication, Quality of Life, and Economic Development.

Affordable housing remains a significant challenge. The Mayor and Council continue to evaluate potential strategies and community input to address this need.

Infrastructure improvements are a major priority, including ongoing upgrades to Haul Road and planning for broader roadway improvements throughout the City.

Public safety initiatives continue to focus on emergency response, staffing, equipment acquisition, and training to protect residents and visitors.

The Council has emphasized improved communication and transparency through clearer information sharing and increased community engagement.

Quality-of-life projects include the near completion of a splash pad scheduled to open in spring 2026, planning for a future swimming pool, installation of batting cages at the Sports Complex, completion of a covered and lighted golf course driving range, and preliminary planning for pump and BMX tracks with associated walking paths.

Economic development and tourism faced challenges during the year due to regional wildfires and federal area closures, which negatively affected visitor activity and local business revenues.

Employee health insurance costs increased approximately 4 percent during the year and were absorbed within the budget. The City continues to monitor benefit costs.

During fiscal year 2024-25, the City reported 235 full-time equivalent employees, including Page Utility Enterprises, representing approximately a 10 percent increase from the prior year. Added positions included six full-time EMT/Firefighters, two Finance Department positions, a Public Information Officer, and a City Clerk's Office position. These investments position the City for continued operational and financial stability.

P.O. Box 1180, 697 Vista Avenue, Page AZ 86040, (928)-645-4241

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Page for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This marked the City's fifteenth consecutive year of receiving this award, in addition to awards received from 1992 through 2001. The City has submitted the fiscal year 2024-25 ACFR for consideration for continued recognition.

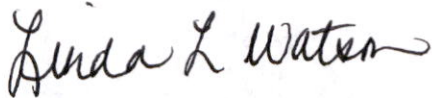
The City also has received the GFOA Annual Budget Award since fiscal year 2018 making this the eighth consecutive year for receiving this award.

The preparation of this report reflects the dedication and professionalism of the Finance Department staff, as well as the cooperation and commitment of employees throughout the organization. We extend our sincere appreciation to the Mayor and City Council for their leadership and support.

Respectfully submitted,

A handwritten signature in blue ink that reads "Frank Marbury". The signature is fluid and cursive, with a long horizontal stroke at the end.

Frank Marbury
City Manager

A handwritten signature in black ink that reads "Linda L. Watson". The signature is cursive and elegant, with a prominent loop at the end.

Linda L. Watson
Finance Director

City of Page

Members of City Council

William R. Diak, *Mayor*

John Kocjan, *Vice Mayor*

David Auge

Brian Carey

Michael Farrow

Theresa Lee

Richard Leightner

City Appointed Officials

Darren Coldwell

City Manager

Joshua Smith

City Attorney

Kim Larson

City Clerk

Andrew Hettinger

City Magistrate

Bryan Hill

Page Utility Enterprises

Departments

Airport

Economic Development

Finance

Fire

Human Resources

Information Technology

Planning & Zoning

Police

Public Works

Kyle Christiansen

Gregg Martinez

Linda Watson

Chief Jeff Reed

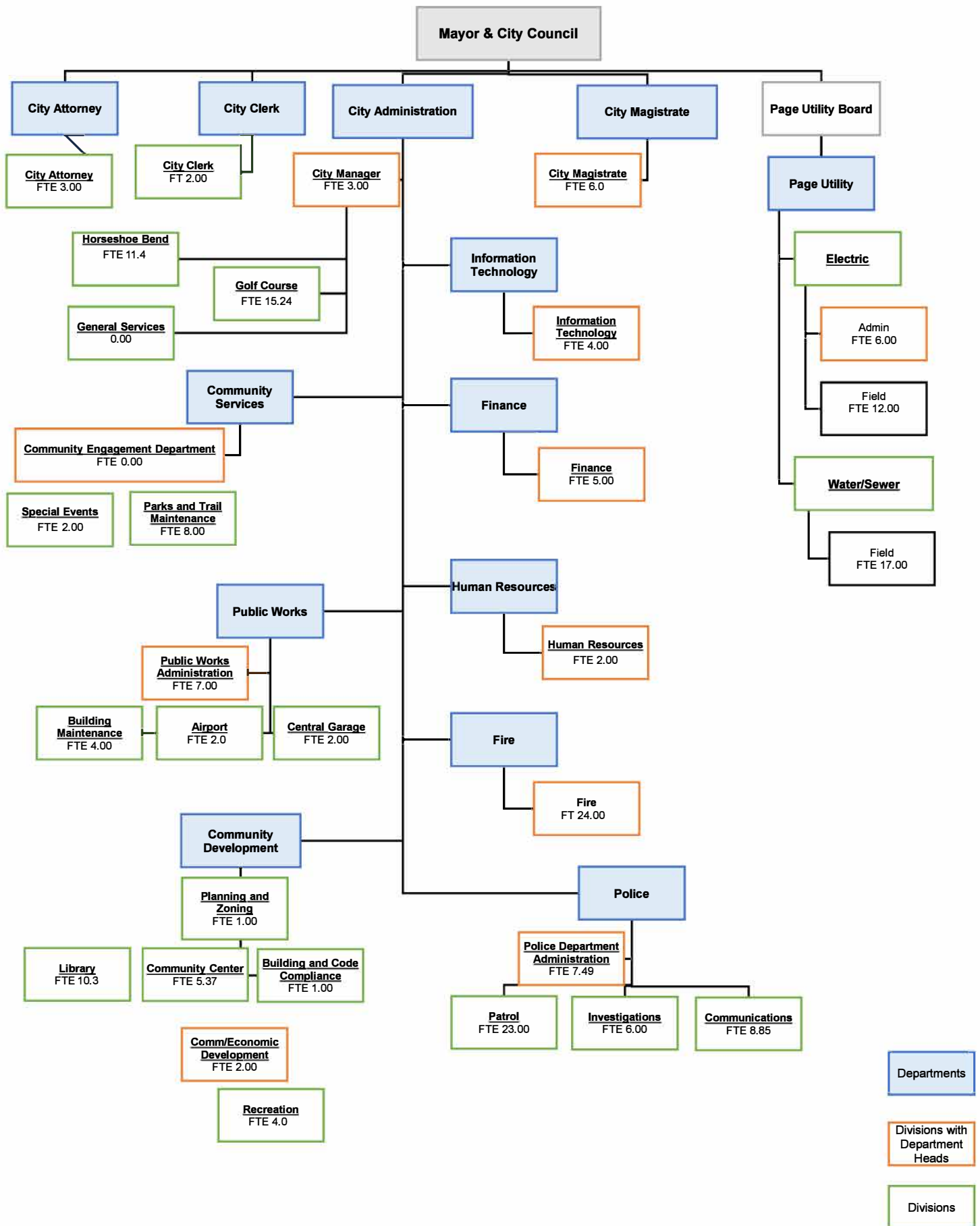
Rachell French

Kane Scott

Zachary Montgomery

Chief Timothy Lange

Kyle Christiansen



FTEs displayed are budgeted numbers



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Page
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Executive Director/CEO

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FINANCIAL SECTION

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Independent Auditors' Report

The Honorable Mayor and
City Council
Page, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Page, Arizona (the City), as of and for the year ended June 30, 2025, 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 accompanying financial statements 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, as of June 30, 2025, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The City's 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 after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

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 GAAS 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 GAAS, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the proportionate share of the net pension/OPEB liabilities, the schedule of changes in the net pension/OPEB liabilities and related ratios, the schedule of pension/OPEB contributions, and the budgetary comparison 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 supplementary budgetary comparison schedule for major funds, the nonmajor fund combining statements and budgetary comparison 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary budgetary comparison schedule for major funds, the nonmajor fund combining statements and budgetary comparison schedules are 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 financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2025, on our consideration of the City'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 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's internal control over financial reporting and compliance.

HintonBurdick, PLLC

Mesa, Arizona
December 8, 2025

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**CITY OF PAGE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025**

As management of the City of Page, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2025. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity (3) identify changes in the City's financial position (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

The discussion and analysis (MD&A) has a different focus and purpose than the transmittal letter of this report and is designed to be read in conjunction with the transmittal letter as well as the basic financial statements beginning on page 16 and the accompanying notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

- At the close of the fiscal year, the City's total net position was \$225,475,555, consisting of \$133,548,126 in capital assets net of related debt, \$2,492,847 in restricted net position, and \$89,434,582 in unrestricted net position. This represents an overall increase of \$18,193,010 from the prior year, driven primarily by growth in cash and cash equivalents and an increase in capital assets within Governmental Activities.

Within the General Fund, actual tax revenues exceeded budgeted amounts by approximately \$2.4 million, largely attributable to the implementation of Ordinance 731-24, which increased the Hotel/Motel tax rate effective September 2024. Despite this revenue growth, the City experienced a net decrease of approximately \$970,000 in its Net Pension/OPEB asset due to national economic conditions.

The reporting of long-term pension liabilities under GASB Statement No. 68 for both Governmental and Business-Type Activities remained consistent with prior-year reporting. During the current fiscal year, the City reported \$1.2 million in deferred inflows of resources related to pensions across both activity types. Additionally, \$3.4 million in deferred inflows related to leases were reported within Governmental Activities. These deferred inflows are presented in accordance with Governmental Accounting Standards Board (GASB) requirements.

Overall, the City realized an increase in revenues compared to the prior year, particularly from higher investment earnings resulting from additional investments and proceeds from land sales. These factors collectively contributed to the positive change in the General Fund balance for the fiscal year.

- The City's total net position at the close of the fiscal year was \$225,475,555. This amount is comprised of \$133,548,126 in capital assets net of related debt, \$2,492,847 restricted net position and \$89,434,582 in unrestricted net position. This position reflects an overall net increase of \$18,193,010 from prior year and is due primarily to an increase in cash and cash equivalents and capital assets in our Governmental Type Activities. For the General Fund, we received \$2.4 million more in tax revenue than was budgeted in this year, reflecting the implementation of Ordinance 731-24 increasing our Hotel/Motel tax category, effective September 2024. Due to national economic conditions, we have realized a net decrease in our Net Pension/OPEB asset of nearly \$970 thousand this year. The reporting structure with GASB 68 and the requirement to report long term pension liabilities for both the governmental activities and the business-type activities changes were made in prior year's reporting. This fiscal year we see a total of \$1.2 million in deferred inflows related to pensions for both Governmental and Business-type Activities. In addition, we see that the deferred

inflows related to leases is reporting at \$3.4 million from the Governmental Activities. These total deferred inflows of resources are reported as required by the Governmental Accounting Standards Board (GASB). In addition, the City has increased overall in our revenue from prior year, particularly in making additional investments and therefore earnings, and increase in sales tax revenue. These are the reasons for the change in fund balance in the General Fund.

- City sales tax remains the single largest revenue source in the General Fund budget for the City of Page. During this fiscal year, city tax revenue increased by \$2.6 million compared to last year. This increase is a direct result of the sales tax rate increase for the Hotel/Motel category that became effective on September 1, 2024.

Historically, the City has budgeted conservatively and has often realized higher-than-projected revenues, allowing for the growth of cash reserves. For this fiscal year, the City budgeted \$16.8 million in tax revenue; however, by June 2025, actual collections totaled \$19.4 million.

The Hotel/Motel category continues to be the primary driver of sales tax revenue, generating \$7.7 million. Additionally, the retail sales and restaurant categories combined contributed \$6.5 million in sales tax revenue to the City of Page.

- The Capital Fund experienced an increase in fund balance of \$3.3 million compared to the prior year. This overall increase was primarily due to the completion of several capital projects during the fiscal year. While the majority of the completed projects were related to airport improvements and included the T-Hangar Taxi Lane Rehabilitation Project, the Taxiway Construction Project, and the Runway Safety Grading Project, the Public Works Department's new building was also being renovated.
- Regarding capital grants, the City of Page receives a variety of federal, state, county, and local grant funds to support City programs and non-capital needs. These include funding for police equipment such as bulletproof vests; Community Development Block Grants for community improvements; Northern Arizona Council of Governments funding that supports a portion of the Community Center Meal Program; and county and state funds distributed to the Page Public Library.

In 2023, the Page Public Library was named "The Best Small Library in America," a prestigious honor of which the City is extremely proud. The Library receives multiple grants that are expended over several years. As of the end of FY 2025, the Page Public Library has approximately \$417,800 in available grant funding remaining to be spent.

The City continues to expend the \$550,000 grant received from the U.S. Department of Justice for the Drug Court Program. This program has proven highly successful in rehabilitating and assisting individuals who are drug-dependent and charged with probation-related offenses. As of the end of June 2025, a grant balance of \$245,000 was carried forward to apply toward FY 2026 expenses.

Once again, the U.S. Department of Transportation has assisted the City of Page through the Essential Air Service program, supporting air travel in and out of Page, Arizona. During this fiscal year, the City received just over \$4.5 million in federal grant funding for this service.

In continued efforts to improve the Page Municipal Airport, the Federal Aviation Administration has awarded approximately \$7.4 million in grants. These funds support major, multi-year projects including improvements to the South Ramp and Taxiway, Runway Safety Area grading, and RSA Phase II. These projects require careful budgeting and extended timelines for completion.

The City was also awarded a \$5 million grant to assist with downtown revitalization. This project is intended to enhance the downtown area, making it safer and more inviting for both residents

and visitors. Implementation of this grant is currently under discussion by the City Council and Management Team.

Another significant project receiving partial grant funding is the construction of the Encompass Detox Facility. This approximately \$3.2 million project is funded through a combination of resources from the Arizona Department of Housing, the City of Page, and Community Bridges. Once completed, the facility will provide critical substance abuse and mental health services to residents of Page and the surrounding region.

Additionally, the City has received funding from Arizona State Parks to assist in the development of a BMX Pump Track and a Splash Pad. Approximately \$150,000 in funding has been allocated and will roll over into FY 2026 for these projects. The Parks and Recreation Board has recommended selecting an alternative location for the Pump Track and further exploring a site suitable for a full BMX track capable of hosting competitions within the Page city limits. The Splash Pad project is nearing completion and is anticipated to open in Spring 2026.

- The City's cash reserves continue to be a key focus for both management and the City Council. Ten years ago, the City Council approved an initial investment of \$6 million outside of the Local Government Investment Pool (LGIP) in certificates of deposit and government agency bonds. As of June 30, 2025, these investments have generated a total of \$3.14 million in interest from prior years, with an additional \$593,902 earned during the fiscal year ended June 30, 2025.
- Over time, the City Council has authorized additional investments, bringing the total balance of investments held outside the LGIP to \$25.6 million. Of this amount, approximately \$4.4 million is associated with Horseshoe Bend–related investments. As of June 30, 2025, the remaining balance in the City of Page General LGIP account was approximately \$18.3 million.

Debt and Lease Update – Fiscal Year Ending June 30, 2025

At year-end, the City reported that it did not have any traditional long-term debt, such as bonds or loans. However, it still has significant long-term obligations. These include compensated absences of \$1.28 million, which represent accrued benefits like vacation and sick leave owed to employees, and a net pension liability of \$6.04 million, which reflects the shortfall between pension benefits owed and the assets set aside to pay them. Lease obligations, when applicable, are also considered part of the City's long-term liabilities. Overall, while the City does not have traditional long-term debt, it still carries obligations totaling \$7.32 million, not including any potential lease commitments. For detailed information on all outstanding debt, including terms, interest rates, and maturities, readers are referred to note 7 of the financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements which include the Statement of Net position and the Statement of Activities. These statements provide information about the activities of the City as a whole. (2) Fund financial 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. (3) Notes to the financial statements.

Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities (Government-wide)

A frequently asked question regarding the City's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities

provide information about the City and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is like the accounting used by most private-sector companies. All the current year's revenues and expenses are considered regardless of when cash is received or paid.

These two statements report the change in the City's net position. Net position, the difference between assets and liabilities, are one way to measure the City's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating. However, it is important to consider other non-financial factors such as changes in the City's sales tax revenue or condition of the City's roads to accurately assess the overall health of the City.

The Statement of Net Position and the Statement of Activities, present information about the following:

- Government activities – All of the City's basic services are governmental activities, including general government, public safety, public works/streets, economic development, culture and recreation, and payment of long-term debt. Sales tax, federal grants, intergovernmental revenues and charges for services finance most of these activities.
- Proprietary activities/Business type activities – The City charges a fee to customers that is intended to cover all or most of the cost of the services provided for water, sewer, sanitation, and electricity.

Reporting the City's Most Significant Funds

Fund Financial Statements

The fund financial statements 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, management establishes many other funds which aid in the management of money for purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The City's two major kinds of funds, governmental and proprietary, use different accounting approaches as explained below.

- Governmental funds – Most of the City's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, 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 government operations and the basic services it provides. Government fund information shows whether there are more or fewer financial resources that can be spent soon to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations included with the Basic Financial Statements on pages 16-17.
- Proprietary funds – When the City charges customers for the services it provides, 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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the City's financial position. The City's combined assets and deferred outflows exceed liabilities and deferred inflows by \$225.5 million as of June 30, 2025 as shown in the following condensed statement of net position. The City has chosen to account for its Utility operations, Golf and Horseshoe Bend operations in enterprise funds which are shown as Business Activities.

**City of Page
Statement of Net Position**

	Governmental activities		Business-type activities		Combined Total	
	6/30/2025	6/30/2024	6/30/2025	6/30/2024	6/30/2025	6/30/2024
Current and other assets	\$ 72,530,577	\$ 61,666,653	\$ 39,958,388	\$ 36,499,546	\$ 112,488,965	\$ 98,166,199
Capital assets	95,525,725	90,123,409	38,032,727	38,342,457	133,558,452	128,465,866
Total assets	168,056,302	151,790,062	77,991,115	74,842,003	246,047,417	226,632,065
Deferred outflows related to pensions/OPEB	2,041,777	2,286,436	699,177	664,888	2,740,954	2,951,324
Total deferred outflows of resources	2,041,777	2,286,436	699,177	664,888	2,740,954	2,951,324
Long-term liabilities outstanding	6,489,232	6,777,566	3,825,431	3,973,677	10,314,663	10,751,243
Other liabilities	4,498,017	3,855,189	3,890,443	3,418,296	8,388,460	7,273,485
Total liabilities	10,987,249	10,632,755	7,715,874	7,391,973	18,703,123	18,024,728
Deferred inflows related to pensions/OPEB	893,347	685,897	314,756	199,257	1,208,103	885,154
Deferred inflows related to leases	3,401,590	3,380,700	-	-	3,401,590	3,380,700
Total deferred inflows of resources	4,294,937	4,066,597	314,756	199,257	4,609,693	4,265,854
Net position:						
Net investment in capital assets	95,150,561	90,123,409	38,022,401	38,283,231	133,172,962	128,406,640
Restricted	2,354,805	12,164,426	138,042	125,169	2,492,847	12,289,595
Unrestricted	57,310,527	37,089,311	32,499,219	29,507,261	89,809,746	66,596,572
Total net position	\$ 154,815,893	\$ 139,377,146	\$ 70,659,662	\$ 67,915,661	\$ 225,475,555	\$ 207,292,807

The City has \$246 million in total assets, with \$133.5 million in capital assets (net of depreciation). The City's water, sewer, sanitation, electric enterprise and Golf and Horseshoe Bend operations are included in the Business-type activities column. These operations are capital intensive, using a large portion of their resources to maintain and replace major equipment and facilities.

Governmental Activities

The City's programs include: General Government, Public Safety, Public Works/Streets, Economic Development, Community Support, Culture and Recreation, Water, Sewer, Sanitation, Electric, Golf and Horseshoe Bend. Each programs' net cost (total cost less revenues generated by the activities) is presented in the following table – Changes in Net Position. The net cost shows the extent to which the City's general taxes support each of the City's programs.

City of Page
Changes in Net Position

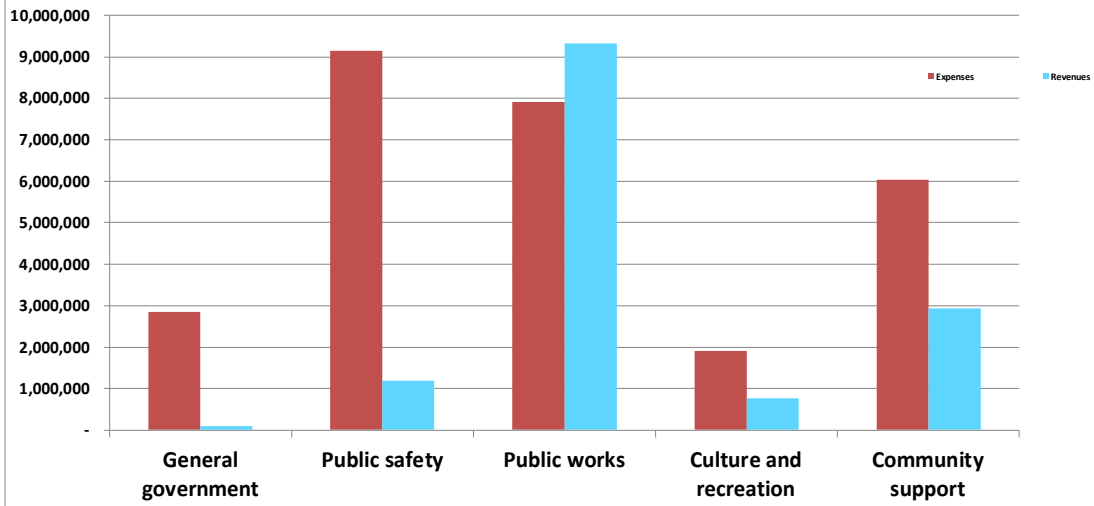
	Governmental activities		Business-type activities		Combined Total	
	6/30/2025	6/30/2024	6/30/2025	6/30/2024	6/30/2025	6/30/2024
Revenues:						
Program revenues:						
Charges for services	\$ 2,073,791	\$ 1,934,685	\$ 23,525,691	\$ 22,174,982	\$ 25,599,482	\$ 24,109,667
Operating grants and contributions	9,935,549	6,586,144	-	-	9,935,549	6,586,144
Capital grants and contributions	2,316,872	5,706,041	(14,171)	51,651	2,302,701	5,757,692
General revenues:						
Taxes	21,002,158	18,420,377	-	-	21,002,158	18,420,377
State revenue sharing	1,557,168	1,949,543	-	-	1,557,168	1,949,543
Investment Income	2,141,379	1,859,528	1,318,282	1,211,202	3,459,661	3,070,730
Gain/(Loss) on disposal of asset	927,771	1,861,279	23,676	(41,311)	951,447	1,819,968
Other revenue/(expense)	171,619	164,266	-	-	171,619	164,266
Total revenues	40,126,307	38,481,863	24,853,478	23,396,524	64,979,785	61,878,387
Expenses:						
General government	2,843,878	1,558,021	-	-	2,843,878	1,558,021
Public safety	9,138,586	8,466,324	-	-	9,138,586	8,466,324
Public works/Streets	7,914,628	5,170,411	-	-	7,914,628	5,170,411
Judicial	-	3,377	-	-	-	3,377
Culture and recreation	1,908,984	1,991,563	-	-	1,908,984	1,991,563
Community support	6,032,305	5,631,300	-	-	6,032,305	5,631,300
Interest on long-term debt	-	-	-	-	-	-
Water	-	-	2,118,152	1,970,793	2,118,152	1,970,793
Sewer	-	-	2,049,227	1,901,861	2,049,227	1,901,861
Sanitation	-	-	1,031,483	992,641	1,031,483	992,641
Electric	-	-	10,562,132	9,604,328	10,562,132	9,604,328
Golf	-	-	2,060,481	1,717,834	2,060,481	1,717,834
Horseshoe Bend	-	-	1,126,919	1,175,796	1,126,919	1,175,796
Total expenses	27,838,381	22,820,996	18,948,394	17,363,253	46,786,775	40,184,249
Increase (Decrease) in net position before transfers	12,287,926	15,660,867	5,905,084	6,033,271	18,193,010	21,694,138
Transfers	3,161,083	2,587,658	(3,161,083)	(2,460,648)	-	127,010
Change in net position	15,449,009	18,248,525	2,744,001	3,572,623	18,193,010	21,821,148
Net position, beginning	139,366,884	121,128,621	67,915,661	64,343,038	207,282,545	185,471,659
Net position, ending	\$ 154,815,893	\$ 139,377,146	\$ 70,659,662	\$ 67,915,661	\$ 225,475,555	\$ 207,292,807

The cost of all governmental activities this year was \$27.84 million, while the cost of all business-type activities totaled \$18.95 million, bringing the total expenses for the government to \$46.79 million. The cost of the governmental activities was financed by general and other revenues which are primarily made up of the tax collections and state shared revenues received by the City that total \$22.56 million. The balance was funded from revenues collected by the City for fees, charges and grant funds.

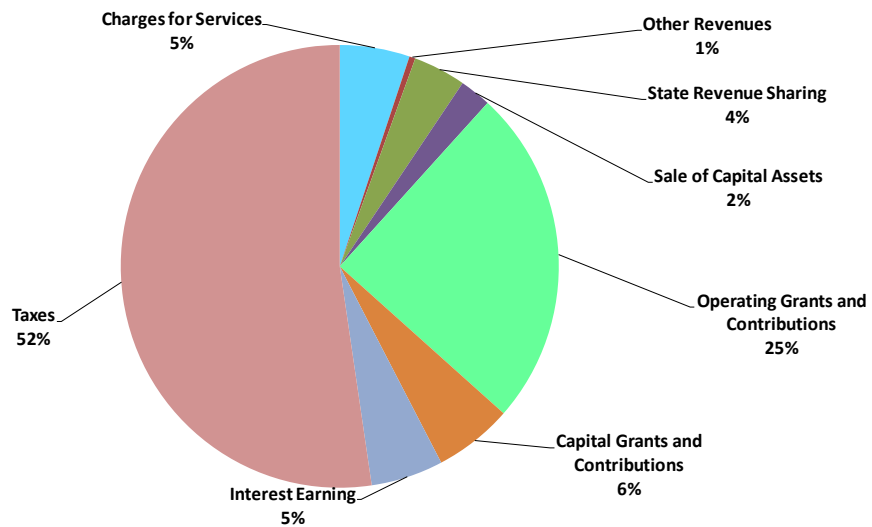
The business-type activities expenses were funded by service fees charges for water, sewer, electric, sanitation services and fees for Golf and Horseshoe Bend. The total revenue received for the business-type activities during the year was \$24.85 million, which is \$1.46 million more than the prior year. The increase in revenues is mainly from the \$1.35 million increase in charges for services which was largely due to the increase of visitation at Horseshoe Bend and the revenue the parking fees generated. Total expenses for the business-type activities of \$18.95 million are \$1.58 million more than the prior year which is mainly due to a increase in power costs.

The following graphs compare program expenses to program revenues and provide a breakdown of revenues by source for all government activities.

Expenses and Program Revenues - Governmental Activities



Revenue by Source - Governmental Activities

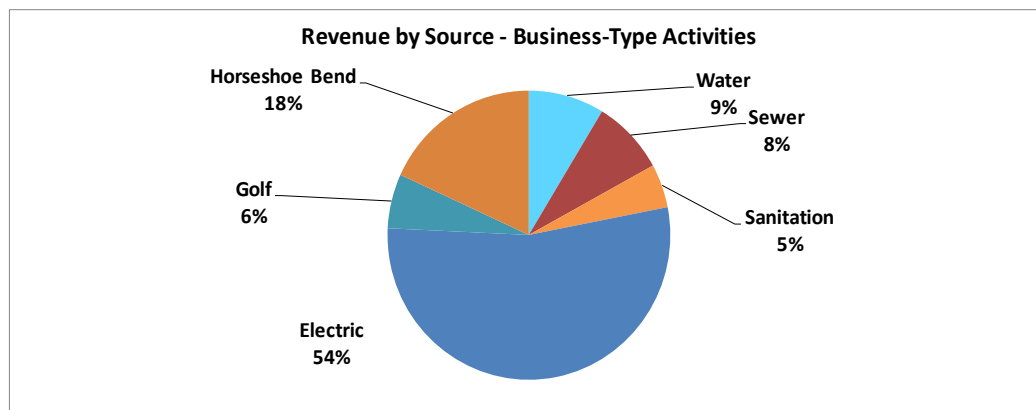
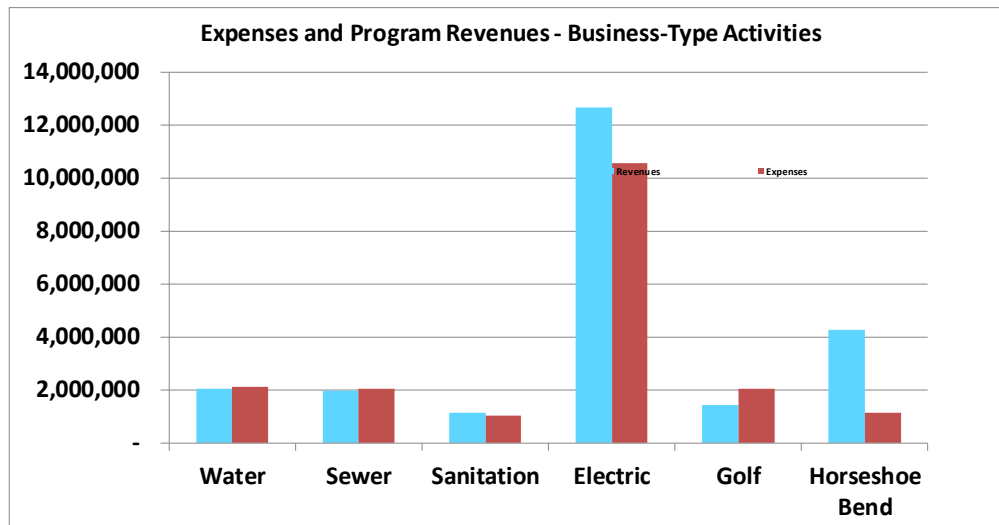


Business Type Activities

The net position of the Business Type activities on June 30, 2025, as reflected in the Statement of Net Position, was \$70.66 million. The cost of providing all Business Type activities this year was \$18.95 million. As shown in the statement of Changes in Net Position, the amounts paid by users of the system were \$23.53 million reflecting a \$1.35 million increase in revenue from the prior year. The Net Position increased by \$2.74 million.

In May 2012, the Mayor and Council passed Ordinance 588-12 which provided for the City Code Chapter 2, Article 8 to be amended and the creation of Page Utility Enterprises to manage the Water and Sewer Utilities as well as Electric, starting on July 1, 2012. Residential sanitation services are provided by Republic Services through a contract with the City of Page and billed through the Utility.

In fiscal year 2024-25 the cost of purchased power remained well below budget expectations. The Electric Fund was therefore able to continue to invest both in infrastructure improvements and grow its cash reserves. The five-year plan to modernize both Water and Sewer infrastructures continued without the need to increase customer rates.



Financial Analysis of the Government's Funds

As noted earlier, the City of Page uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The City of Page's governmental funds focus on short-term inflows, outflows, and spendable resources, providing useful information for assessing the City's financing requirements. Unassigned fund balance represents resources available for discretionary spending at the end of the fiscal year. The City reports several types of governmental funds, including the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds. At the end of the current fiscal year, the combined ending fund balance for these funds was \$64.63 million, an increase of \$10.25 million compared with the prior year. This increase is primarily due to an \$8 million increase in the General Fund investment balance and \$2.4 million in additional sales tax revenue received over the prior year.

The General Fund, which serves as the chief operating fund of the City, ended the year with a total fund balance of \$46.7 million, all of which is unassigned and available for discretionary spending. When compared to total General Fund expenditures, the unassigned fund balance represents 256 percent of spending for fiscal year 2025, indicating strong liquidity and financial flexibility. The Capital Projects Fund also saw an increase of \$3.3 million in its fund balance, primarily due to the completion of several major projects and the purchase of capital assets that were planned in prior years. Key projects completed this fiscal year include a comprehensive remodel of the Community Center, which involved a new roof, sewer line replacement, ADA-compliant restrooms, upgrades to the dining area and hallway, and new exit doors to the back patio.

The City's Public Safety divisions purchased several used vehicles, including a 2024 BC Command Truck for the Fire Department and a 2024 Eclipse Trailer for a mobile command center. The Public Works Department added several used vehicles to its fleet and acquired a wheel balancer and tire changer for the Central Garage Department. Special Events purchased a 2023 cargo van for transporting materials related to community events. In addition, Horseshoe Bend paid a deposit on two passenger trolleys, which were delivered in October 2025, with plans to integrate them into city transportation. The Golf Course made improvements to its driving range with a lighted shade structure, installed a ball washer and dispenser, and purchased a Ventrac tractor with attachments to maintain the 18-hole Lake Powell National Golf Course.

The Public Works Department relocated to 1950 Industrial Road, the former Flex Crete Systems building, completing improvements and moving operations to the new facility. Street projects included work on the Colt Springs Subdivision, finalizing improvements on Vista Avenue, Border Street in the Industrial Park, and 10th Avenue, as well as beginning planning for a roundabout at Haul and Coppermine roads in coordination with ADOT. Recreational improvements included the construction of the Splash Pad, scheduled to open in spring 2026, installation of two new batting cages at the Page Sports Complex, planning for a Pump Track, additional picnic tables and shade canopies for parks, and extending power lines at John C. Page Memorial Park to support events. Engineering work for the Downtown Revitalization Project began this year, with a focus on connecting the Dam Bar Plaza and City Park via new pathways.

The Airport undertook several significant projects funded by FAA grants, including runway grading improvements, the South Ramp Project, taxiway improvements, T-Hangar taxilane rehabilitation, and safety area projects, with partial matching funds provided by the City. All Capital Project expenditures were within budget, totaling \$5.9 million for the fiscal year, leaving an unassigned fund balance of \$13.1 million available for new spending. The remainder of the fund balance is restricted, non-spendable, or committed to specific purposes, including the PSPRS unfunded liability and other capital improvements.

The Highway User Revenue Fund ended the year with a total fund balance of \$543,491, all restricted for road and street construction and improvements. The fund balance decreased by \$182,949 as current year revenues were fully used for street and road maintenance throughout the City. Overall, the City of Page maintains a strong financial position, with significant unassigned fund balances in the General Fund, well-planned capital investments, strategic asset management, ongoing infrastructure development, and proper use of restricted funds.

Proprietary Funds

The City's Proprietary Funds provide detailed financial information similar to the Government-wide Financial Statements. At the end of the fiscal year, all funds had positive unrestricted net positions, except for the Golf Fund, which reported a deficit. Overall, revenues and transfers-in exceeded expenses and transfers-out by \$2.74 million for the fiscal year ended June 30, 2025, reflecting a 4.0 percent increase in net position from the prior year.

Horseshoe Bend experienced an increase in net position of \$587,039, primarily due to growth in tourism and parking fees at the venue. The Golf Fund reported a net position deficit of \$200,020, a decrease of \$993,421, largely resulting from higher wages, employee benefits, and other supply and service costs, coupled with only a modest increase in service fees.

The Electric Utility Fund increased its fund balance by approximately \$2.87 million, driven by a significant decrease in the cost of purchased power. The annual replacement of direct buried electric cable also continued during the year. In the Water and Sewer Funds, multiple major projects were underway, including the Sunrise/Sage Upgrade, as well as other completed infrastructure projects, reflecting continued investment in the City's water and sewer systems.

Overall, the proprietary funds remain financially strong, with most funds reporting increases in net position, while the Golf Fund shows a need to address rising costs or enhance revenue. Investments in infrastructure in the Electric, Water, and Sewer Funds support long-term service stability for the community.

General Fund Budgetary Highlights

The City's annual budget is the legally adopted expenditure control document of the City. Budgetary comparison statements are required for the General Fund and all major special revenue funds. These statements compare the original adopted budget, the budget if amended throughout the fiscal year, and the actual expenditures prepared on a budgetary basis.

The City's General Fund experienced both higher-than-expected revenues and lower-than-expected expenditures during the year. Budgeted revenues were \$25.90 million, while actual revenues totaled \$26.52 million, resulting in an excess of \$0.62 million. This positive variance was primarily due to overall General Fund revenues exceeding projections, particularly from higher-than-anticipated city sales tax collections. On the expenditure side, the City budgeted \$21.57 million but spent only \$18.28 million, which was 84.8 percent of the budgeted amount, resulting in unspent funds totaling approximately \$3.28 million. This under-spending was largely due to all departments not fully utilizing their allocated funds. Overall, the combination of stronger-than-expected revenues and lower-than-expected expenditures resulted in a budget surplus, indicating careful fiscal management and providing the City with additional flexibility for future projects or reserves.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The capital assets of the city are long-term assets that are used in the performance of city functions, including infrastructure assets. These assets include equipment, vehicles, buildings, land, park facilities, and roads. At the end of fiscal year 2025, the net capital assets of the government activities totaled \$95.53 million, representing the resources used for general government functions such as public safety, public works, and other municipal services. The net capital assets of the business-type activities totaled \$38.03 million, reflecting assets used in operations that function similarly to a business, such as water, sewer, or utility services. Depreciation on capital assets is recognized in the government-wide financial statements, which allocates the cost of these assets over their useful lives to reflect wear and tear. Additional details regarding capital assets, including historical cost, accumulated depreciation, additions, and disposals, are provided in note 6 of the financial statements.

Debt

At year-end, the City reported that it had no traditional governmental long-term liabilities outstanding, such as bonds or loans. However, this does not include compensated absences of \$1.28 million, which represent accrued benefits like vacation and sick leave owed to employees, or the net pension liability of \$6.04 million, which reflects the shortfall between pension benefits owed and the assets set aside to pay them. The City's lease obligations, when applicable, are also considered part of its long-term liabilities. For a detailed description of all debt outstanding, including terms, interest rates, and maturities, readers are referred to note 7 of the financial statements. Overall, while the City does not have traditional long-term debt, it still carries significant obligations totaling \$7.32 million, not including potential lease commitments.

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

The City of Page, Arizona as well as other Arizona cities, remains dependent on state shared revenues and local sales taxes for resources. These revenue sources are economically sensitive taxes and subject to slowdowns in the economy and legislative appropriations.

The City maintains that it has an important responsibility to its citizens to carefully account for public funds, to manage its finances wisely, and to plan for the adequate funding of services desired by the public, including the provision and maintenance of public facilities. In these times of major changes in federal and state policies toward local government and the recovery in the City's tax base, the City needs to ensure that it is capable of adequately funding and providing those government services desired by the community.

The City has adopted a Financial Management Policy which establishes guidelines for the City's overall fiscal planning and management. These principles are intended to foster and support the continued financial strength and stability of the City of Page as reflected in its financial goals.

The City Council seated in November 2024, revised and established their Strategic Goals and Priorities dated February 2025. These are their goals and objectives:

Housing:

Goal: Promote the development of affordable housing by ensuring adequate infrastructure support, conducting a thorough assessment, and engaging with developers to address gaps in accessible, moderately priced housing options.

Infrastructure:

Goal: Allocate resources to infrastructure that fosters economic growth, promotes environmental sustainability, and enhances the community's quality of life.

Safety & Security:

Goal: Develop and implement comprehensive safety and security protocols to ensure the protection of residents and property in the community, addressing both immediate and long term needs.

Communication:

Goal: Enhance communication and transparency by establishing clear, accessible communication systems and shared resources that promote engagement, trust, and informed decision making.

Quality of Life:

Goal: Foster a vibrant and connected community by enhancing and maintaining parks, paths, and trails; promoting the beautification of the City through building and streetscape improvements; and investing in recreation, arts, and cultural programs to enrich the quality of life for all residents.

Economic Development:

Goal: Create a thriving, inclusive, and aesthetically appealing community that fosters pride, attracts eco-tourism, and supports long term economic and social wellbeing.

The City initially established an Emergency Reserve Fund in 2019 and then revised and increased the minimum cash reserve for General Fund operations in 2024 to be at \$12 million, per Ordinance 726-24. This reserve must be obtained while maintaining the capital and ongoing operation needs of the community.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the government'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: City of Page, Finance Director, P.O. Box 1180, Page, AZ 86040.

BASIC FINANCIAL STATEMENTS

CITY OF PAGE, ARIZONA
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 35,583,766	\$ 37,399,541	\$ 72,983,307
Investments	23,474,163	-	23,474,163
Receivables (net of allowance)	9,484,903	1,876,306	11,361,209
Prepaid expenses	-	478,159	478,159
Inventories	-	2,070,496	2,070,496
Net pension/OPEB asset	832,383	138,042	970,425
Internal balances	3,112,896	(3,112,896)	-
Restricted assets (temporarily restricted):			
Cash and cash equivalents	42,466	1,108,740	1,151,206
Capital assets (net of accumulated depreciation)			
Land and improvements	45,421,939	63,000	45,484,939
Construction in progress	9,294,913	479,202	9,774,115
Buildings and improvements	12,387,613	18,698,666	31,086,279
Furniture, equipment and vehicles	4,826,918	4,823,104	9,650,022
Infrastructure	23,594,342	-	23,594,342
Distribution systems	-	13,951,862	13,951,862
Leased right-to-use asset	-	16,893	16,893
Total assets	<u>168,056,302</u>	<u>77,991,115</u>	<u>246,047,417</u>
Deferred Outflows of Resources			
Deferred outflows related to pensions/OPEB	2,041,777	699,177	2,740,954
Total deferred outflows of resources	<u>2,041,777</u>	<u>699,177</u>	<u>2,740,954</u>
Liabilities			
Accounts payable and other current liabilities	3,663,055	2,313,295	5,976,350
Customer deposits	-	1,108,740	1,108,740
Unearned revenue	976	-	976
Noncurrent liabilities:			
Due within one year	833,986	468,408	1,302,394
Due in more than one year	449,069	246,659	695,728
Net pension/OPEB liability	6,040,163	3,578,772	9,618,935
Total liabilities	<u>10,987,249</u>	<u>7,715,874</u>	<u>18,703,123</u>
Deferred Inflows of Resources			
Deferred inflows related to pensions/OPEB	893,347	314,756	1,208,103
Deferred inflows related to leases	3,401,590	-	3,401,590
Total deferred inflows of resources	<u>4,294,937</u>	<u>314,756</u>	<u>4,609,693</u>
Net Position			
Net investment in capital assets	95,150,561	38,022,401	133,172,962
Restricted for:			
Pension/OPEB	832,383	138,042	970,425
Capital projects	-	-	-
Highways and streets	543,491	-	543,491
Perpetual care - expendable	286,033	-	286,033
Community support and other	692,898	-	692,898
Unrestricted	57,310,527	32,499,219	89,809,746
Total net position	<u>\$ 154,815,893</u>	<u>\$ 70,659,662</u>	<u>\$ 225,475,555</u>

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 2,843,878	\$ 97,582	\$ 2,001	\$ -	\$ (2,744,295)	\$ -	\$ (2,744,295)
Public safety	9,138,586	961,250	235,277	-	(7,942,059)	-	(7,942,059)
Public works	7,914,628	945,251	6,383,820	2,000,626	1,415,069	-	1,415,069
Culture and recreation	1,908,984	59,356	386,088	316,246	(1,147,294)	-	(1,147,294)
Community support	6,032,305	10,352	2,928,363	-	(3,093,590)	-	(3,093,590)
Total governmental activities	<u>27,838,381</u>	<u>2,073,791</u>	<u>9,935,549</u>	<u>2,316,872</u>	<u>(13,512,169)</u>	<u>-</u>	<u>(13,512,169)</u>
Business-type activities:							
Water	2,118,152	2,034,407	-	-	-	(83,745)	(83,745)
Sewer	2,049,227	1,971,024	-	-	-	(78,203)	(78,203)
Sanitation	1,031,483	1,147,117	-	-	-	115,634	115,634
Electric	10,562,132	12,671,228	-	-	-	2,109,096	2,109,096
Golf	2,060,481	1,434,739	-	-	-	(625,742)	(625,742)
Horseshoe Bend	1,141,090	4,267,176	-	-	-	3,126,086	3,126,086
Total business-type activities	<u>18,962,565</u>	<u>23,525,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,563,126</u>	<u>4,563,126</u>
Total primary government	<u>\$ 46,800,946</u>	<u>\$ 25,599,482</u>	<u>\$ 9,935,549</u>	<u>\$ 2,316,872</u>	<u>(13,512,169)</u>	<u>4,563,126</u>	<u>(8,949,043)</u>
General Revenues:							
Taxes:							
City sales tax					19,126,667	-	19,126,667
Franchise tax					290,825	-	290,825
State sales tax (unrestricted)					1,121,649	-	1,121,649
Auto lieu tax (unrestricted)					463,017	-	463,017
State revenue sharing (unrestricted)					1,557,168	-	1,557,168
Land sales					927,771	-	927,771
Unrestricted investment earnings (losses)					2,141,379	1,318,282	3,459,661
Gain on sale of capital assets					-	23,676	23,676
Other general revenues					171,619	-	171,619
Transfers					<u>3,161,083</u>	<u>(3,161,083)</u>	<u>-</u>
Total general revenues & transfers					<u>28,961,178</u>	<u>(1,819,125)</u>	<u>27,142,053</u>
Change in net position					15,449,009	2,744,001	18,193,010
Net position - beginning					<u>139,366,884</u>	<u>67,915,661</u>	<u>207,282,545</u>
Net position - ending					<u>\$ 154,815,893</u>	<u>\$ 70,659,662</u>	<u>\$ 225,475,555</u>

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Balance Sheet
Governmental Funds
June 30, 2025

	<u>General</u>	<u>Highway User Fund</u>	<u>Airport Fund</u>
Assets			
Cash and cash equivalents	\$ 19,011,456	\$ 584,154	\$ 2,988,362
Investments	23,474,163	-	-
Leases receivable	-	-	3,401,590
Other receivables	63,486	-	28,470
Due from other funds	3,161,487	-	-
Due from other governments	2,079,871	103,692	226,775
Restricted cash and cash equivalents	21,466	-	21,000
Total assets	<u>\$ 47,811,929</u>	<u>\$ 687,846</u>	<u>\$ 6,666,197</u>
Liabilities			
Accounts payable	\$ 337,253	\$ 96,290	\$ 30,390
Accrued liabilities	701,924	-	9,251
Deposits payable	21,466	-	21,000
Due to other funds	314	48,065	-
Unearned revenue	976	-	-
Total liabilities	<u>1,061,933</u>	<u>144,355</u>	<u>60,641</u>
Deferred Inflows of Resources			
Deferred inflows related to leases	-	-	3,401,590
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>3,401,590</u>
Fund Balances			
Restricted:			
Roads and highways	-	543,491	-
Perpetual care - expendable	-	-	-
Public safety - substance abuse funds	-	-	-
Community support	-	-	-
Committed:			
Public works	-	-	3,203,966
Judicial	-	-	-
Assigned:			
Capital outlay	-	-	-
Unassigned	46,749,996	-	-
Total fund balances	<u>46,749,996</u>	<u>543,491</u>	<u>3,203,966</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 47,811,929</u>	<u>\$ 687,846</u>	<u>\$ 6,666,197</u>

The accompanying notes are an integral part of the financial statements.

Grants Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ (338,829)	\$ 12,927,008	\$ 411,615	\$ 35,583,766
-	-	-	23,474,163
-	-	-	3,401,590
25,000	-	2,783	119,739
-	-	314	3,161,801
1,975,001	1,578,235	-	5,963,574
-	-	-	42,466
<u>\$ 1,661,172</u>	<u>\$ 14,505,243</u>	<u>\$ 414,712</u>	<u>\$ 71,747,099</u>
\$ 821,686	\$ 1,238,148	\$ 5,208	\$ 2,528,975
250,683	124,481	5,275	1,091,614
-	-	-	42,466
-	526	-	48,905
-	-	-	976
<u>1,072,369</u>	<u>1,363,155</u>	<u>10,483</u>	<u>3,712,936</u>
-	-	-	3,401,590
-	-	-	3,401,590
-	-	-	543,491
-	-	286,033	286,033
-	-	69,943	69,943
588,803	-	34,152	622,955
-	-	-	3,203,966
-	-	14,101	14,101
-	13,142,088	-	13,142,088
-	-	-	46,749,996
<u>588,803</u>	<u>13,142,088</u>	<u>404,229</u>	<u>64,632,573</u>
<u>\$ 1,661,172</u>	<u>\$ 14,505,243</u>	<u>\$ 414,712</u>	<u>\$ 71,747,099</u>

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CITY OF PAGE, ARIZONA
Reconciliation of Total Governmental Fund Balances
To Net Position of Governmental Activities
June 30, 2025

Total governmental fund balances	\$	64,632,573
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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	\$	138,172,078	
Less: accumulated depreciation		(42,646,353)	
			95,525,725

Net OPEB asset is not an available resource and, therefore is not reported in the funds.		832,383
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Deferred outflows and inflows of resources related to
pensions/OPEB are applicable to future reporting
periods and, therefore, are not reported in the funds.

Deferred outflows	\$	2,041,777	
Deferred inflows		(893,347)	
			1,148,430

Some liabilities, including bonds payable and notes
payable, are not due and payable in the current period
and therefore are not reported in the funds.

Compensated absences	\$	(1,283,055)	
Net pension/OPEB liability		(6,040,163)	
			(7,323,218)

Total net position of governmental activities	\$	154,815,893
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The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General	Highway User Fund	Airport Fund
Revenues			
Taxes	\$ 19,417,492	\$ -	\$ -
Licenses, permits and fees	207,201	-	-
Intergovernmental revenue	3,602,280	1,012,253	743,461
Charges for services	825,668	-	126,151
Fines and forfeitures	219,577	-	-
Lease revenue	-	-	444,638
Investment earnings (loss)	2,071,558	69,815	-
Other revenues	176,070	-	187,367
Total revenues	<u>26,519,846</u>	<u>1,082,068</u>	<u>1,501,617</u>
Expenditures			
Current:			
General government	5,050,826	-	-
Public safety	8,238,358	-	-
Public works	1,857,420	340,560	547,278
Culture and recreation	1,850,921	-	-
Community support	1,284,904	-	-
Capital outlay	-	-	-
Total expenditures	<u>18,282,429</u>	<u>340,560</u>	<u>547,278</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,237,417</u>	<u>741,508</u>	<u>954,339</u>
Other Financing Sources (Uses)			
Land and asset sales	1,025,064	-	-
Transfers in	2,614,442	-	-
Transfers out	(5,301,820)	(924,457)	(520,662)
Total other financing sources and uses	<u>(1,662,314)</u>	<u>(924,457)</u>	<u>(520,662)</u>
Net change in fund balances	6,575,103	(182,949)	433,677
Fund balances, beginning of year	40,174,893	726,440	2,770,289
Fund balances, end of year	<u>\$ 46,749,996</u>	<u>\$ 543,491</u>	<u>\$ 3,203,966</u>

The accompanying notes are an integral part of the financial statements.

Grants Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 19,417,492
-	-	-	207,201
8,012,688	1,948,555	7,988	15,327,225
-	-	57,402	1,009,221
-	-	-	219,577
-	-	-	444,638
-	-	7	2,141,380
-	-	82,537	445,974
<u>8,012,688</u>	<u>1,948,555</u>	<u>147,934</u>	<u>39,212,708</u>
-	-	-	5,050,826
99,245	-	10,086	8,347,689
3,044,358	-	-	5,789,616
33,424	-	19,910	1,904,255
4,676,239	-	166,731	6,127,874
-	5,912,885	-	5,912,885
<u>7,853,266</u>	<u>5,912,885</u>	<u>196,727</u>	<u>33,133,145</u>
<u>159,422</u>	<u>(3,964,330)</u>	<u>(48,793)</u>	<u>6,079,563</u>
-	-	-	1,025,064
-	7,279,409	-	9,893,851
-	-	-	(6,746,939)
<u>-</u>	<u>7,279,409</u>	<u>-</u>	<u>4,171,976</u>
159,422	3,315,079	(48,793)	10,251,539
429,381	9,827,009	453,022	54,381,034
<u>\$ 588,803</u>	<u>\$ 13,142,088</u>	<u>\$ 404,229</u>	<u>\$ 64,632,573</u>

CITY OF PAGE, 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, 2025

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 10,251,539
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between depreciation expense and capital outlays in the current period.

Capital outlay	\$ 8,865,977	
Depreciation expense	<u>(3,319,592)</u>	
		5,546,385

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, donations, and disposals) is a decrease in net position.	(158,308)
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Pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the net pension liability is measured a year before the City's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

Pension/OPEB contributions	\$ 731,029	
Pension/OPEB expense	<u>(714,174)</u>	
		16,855

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(207,462)
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Change in net position of governmental activities	<u><u>\$ 15,449,009</u></u>
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The accompanying notes are an integral part of the financial statements.

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CITY OF PAGE, ARIZONA
Statement of Net Position
Proprietary Funds
June 30, 2025

	Horseshoe Bend	Water	Sewer
Assets			
Current assets:			
Cash and cash equivalents	\$ 2,419,235	\$ 8,473,759	\$ 4,648,999
Receivables, net of allowance	-	237,297	209,810
Inventories	-	262,349	222,968
Prepaid expenses	-	5,613	9,439
Total current assets	<u>2,419,235</u>	<u>8,979,018</u>	<u>5,091,216</u>
Noncurrent assets:			
Restricted cash	-	131,533	-
Net pension/OPEB asset	14,416	18,212	17,691
Capital assets:			
Land	-	-	-
Construction-in-progress	393,802	3,605	-
Buildings and improvements	3,607,972	4,235,900	4,545,961
Machinery, equipment, vehicles	152,743	2,125,662	4,974,901
Distribution system	-	18,442,708	11,994,787
Leased right-to-use asset	-	-	-
Less accumulated depreciation/amortization	<u>(631,322)</u>	<u>(19,089,175)</u>	<u>(17,127,794)</u>
Total noncurrent assets	<u>3,537,611</u>	<u>5,868,445</u>	<u>4,405,546</u>
Total assets	<u>5,956,846</u>	<u>14,847,463</u>	<u>9,496,762</u>
Deferred Outflows of Resources			
Deferred outflows related to pensions/OPEB	73,018	92,246	89,607
Total deferred outflows of resources	<u>73,018</u>	<u>92,246</u>	<u>89,607</u>
Liabilities			
Current liabilities:			
Accounts payable	341,067	192,255	99,212
Accrued liabilities	19,748	49,421	4,573
Customer deposits	-	131,533	-
Due to other funds	208,159	-	-
Current portion of long-term liabilities	24,870	39,740	70,336
Total current liabilities	<u>593,844</u>	<u>412,949</u>	<u>174,121</u>
Noncurrent liabilities:			
Leases payable (net of current portion)	-	-	-
Compensated absences	13,392	21,399	37,873
Net pension/OPEB liability	373,745	472,163	458,656
Total noncurrent liabilities	<u>387,137</u>	<u>493,562</u>	<u>496,529</u>
Total liabilities	<u>980,981</u>	<u>906,511</u>	<u>670,650</u>
Deferred Inflows of Resources			
Deferred inflows related to pensions/OPEB	32,871	41,527	40,339
Total deferred inflows of resources	<u>32,871</u>	<u>41,527</u>	<u>40,339</u>
Net Position			
Net investment in capital assets	3,523,196	5,718,700	4,387,855
Restricted for:			
Pension/OPEB	14,416	18,212	17,691
Unrestricted	<u>1,478,400</u>	<u>8,254,759</u>	<u>4,469,834</u>
Total net position	<u>\$ 5,016,012</u>	<u>\$ 13,991,671</u>	<u>\$ 8,875,380</u>

The accompanying notes are an integral part of the financial statements.

Electric	Golf	Sanitation (non-major)	Total
\$ 20,400,571	\$ -	\$ 1,456,977	\$ 37,399,541
1,321,518	722	106,959	1,876,306
1,585,179	-	-	2,070,496
463,107	-	-	478,159
<u>23,770,375</u>	<u>722</u>	<u>1,563,936</u>	<u>41,824,502</u>
977,207	-	-	1,108,740
63,243	24,480	-	138,042
63,000	-	-	63,000
81,795	-	-	479,202
16,891,892	8,608,811	-	37,890,536
6,925,509	990,214	-	15,169,029
31,019,667	-	-	61,457,162
-	215,995	-	215,995
(33,950,587)	(6,443,319)	-	(77,242,197)
<u>22,071,726</u>	<u>3,396,181</u>	<u>-</u>	<u>39,279,509</u>
<u>45,842,101</u>	<u>3,396,903</u>	<u>1,563,936</u>	<u>81,104,011</u>
320,326	123,980	-	699,177
<u>320,326</u>	<u>123,980</u>	<u>-</u>	<u>699,177</u>
927,305	56,487	86,532	1,702,858
475,042	61,653	-	610,437
977,207	-	-	1,108,740
21,864	2,882,873	-	3,112,896
310,688	22,774	-	468,408
<u>2,712,106</u>	<u>3,023,787</u>	<u>86,532</u>	<u>7,003,339</u>
-	-	-	-
167,293	6,702	-	246,659
<u>1,639,608</u>	<u>634,600</u>	<u>-</u>	<u>3,578,772</u>
<u>1,806,901</u>	<u>641,302</u>	<u>-</u>	<u>3,825,431</u>
<u>4,519,007</u>	<u>3,665,089</u>	<u>86,532</u>	<u>10,828,770</u>
144,205	55,814	-	314,756
<u>144,205</u>	<u>55,814</u>	<u>-</u>	<u>314,756</u>
21,031,276	3,361,374	-	38,022,401
63,243	24,480	-	138,042
<u>20,404,696</u>	<u>(3,585,874)</u>	<u>1,477,404</u>	<u>32,499,219</u>
<u>\$ 41,499,215</u>	<u>\$ (200,020)</u>	<u>\$ 1,477,404</u>	<u>\$ 70,659,662</u>

CITY OF PAGE, ARIZONA
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Horseshoe Bend	Water	Sewer
Operating revenues			
Service fees	\$ 4,267,176	\$ 2,017,236	\$ 1,971,024
Other revenues	-	17,171	-
Total operating revenues	<u>4,267,176</u>	<u>2,034,407</u>	<u>1,971,024</u>
Operating expenses			
Salaries and wages	414,259	461,953	529,850
Employee benefits	148,524	214,664	239,375
Insurance	5,791	52,217	52,282
Service, supplies and other	166,489	577,494	642,866
Power costs	-	-	-
Contract services	272,348	169,146	7,951
Depreciation and amortization	115,165	642,678	576,903
Total operating expenses	<u>1,122,576</u>	<u>2,118,152</u>	<u>2,049,227</u>
Operating income (loss)	<u>3,144,600</u>	<u>(83,745)</u>	<u>(78,203)</u>
Nonoperating revenues (expenses)			
Interest income	245,357	216,611	97,519
Interest expense	(18,514)	-	-
Gain (loss) on disposal of capital assets	-	5,163	-
Total nonoperating revenues (expenses)	<u>226,843</u>	<u>221,774</u>	<u>97,519</u>
Income (loss) before transfers	3,371,443	138,029	19,316
Capital donations	(14,171)	-	-
Transfers from other funds	-	-	-
Transfers to other funds	(2,779,233)	-	-
Change in net position	578,039	138,029	19,316
Total net position, beginning of year	<u>4,437,973</u>	<u>13,853,642</u>	<u>8,856,064</u>
Total net position, end of year	<u><u>\$ 5,016,012</u></u>	<u><u>\$ 13,991,671</u></u>	<u><u>\$ 8,875,380</u></u>

The accompanying notes are an integral part of the financial statements.

Electric	Golf	Sanitation (non-major)	Total
\$ 12,671,228	\$ 1,434,739	\$ 1,147,117	\$ 23,508,520
-	-	-	17,171
12,671,228	1,434,739	1,147,117	23,525,691
1,335,162	719,803	-	3,461,027
416,307	303,370	-	1,322,240
36,599	14,889	-	161,778
204,964	644,722	14,792	2,251,327
7,064,414	-	-	7,064,414
207,384	21,384	1,016,691	1,694,904
1,297,302	347,936	-	2,979,984
10,562,132	2,052,104	1,031,483	18,935,674
2,109,096	(617,365)	115,634	4,590,017
744,812	-	13,983	1,318,282
-	(8,377)	-	(26,891)
18,513	-	-	23,676
763,325	(8,377)	13,983	1,315,067
2,872,421	(625,742)	129,617	5,905,084
-	-	-	(14,171)
-	10,193	-	10,193
-	(377,872)	-	(3,157,105)
2,872,421	(993,421)	129,617	2,744,001
38,626,794	793,401	1,347,787	67,915,661
\$ 41,499,215	\$ (200,020)	\$ 1,477,404	\$ 70,659,662

CITY OF PAGE, ARIZONA
Statement of Cash Flows
Proprietary Fund Types
For the Year Ended June 30, 2025

	Horseshoe Bend	Water	Sewer
Cash Flows From Operating Activities:			
Cash received from customers, service fees	\$ 4,267,176	\$ 2,020,366	\$ 1,953,494
Cash received from other operating revenues	-	17,171	-
Cash paid to suppliers	(441,204)	(881,627)	(709,938)
Cash paid to employees	(534,900)	(670,586)	(778,719)
Net cash flows from operating activities	<u>3,291,072</u>	<u>485,324</u>	<u>464,837</u>
Cash Flows From Noncapital Activities:			
Transfers (to) / from other funds	(2,779,233)	-	-
Payments (to) from other funds	(191,851)	-	-
Net cash flows from noncapital activities	<u>(2,971,084)</u>	<u>-</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities:			
Interest paid	(18,514)	-	-
Purchase of capital assets	(162,722)	(254,833)	(253,651)
Proceeds from sale of capital assets	-	5,163	-
Principal payments on notes payable	-	-	-
Principal payments on lease liabilities	-	-	-
Net cash flows from capital and related financing activities:	<u>(181,236)</u>	<u>(249,670)</u>	<u>(253,651)</u>
Cash Flows From Investing Activities:			
Interest on investments	245,357	216,611	97,519
Net cash flows from investing activities	<u>245,357</u>	<u>216,611</u>	<u>97,519</u>
Net change in cash and cash equivalents	<u>384,109</u>	<u>452,265</u>	<u>308,705</u>
Cash and cash equivalents, beginning of year	2,035,126	8,153,027	4,340,294
Cash and cash equivalents, end of year	<u><u>\$ 2,419,235</u></u>	<u><u>\$ 8,605,292</u></u>	<u><u>\$ 4,648,999</u></u>
Reconciliation to statement of net position:			
Cash and cash equivalents, unrestricted	\$ 2,419,235	\$ 8,473,759	\$ 4,648,999
Cash and cash equivalents, restricted	-	131,533	-
Total	<u><u>\$ 2,419,235</u></u>	<u><u>\$ 8,605,292</u></u>	<u><u>\$ 4,648,999</u></u>
Reconciliation of operating income to net cash provided by operating activities:			
Net operating income (loss)	\$ 3,144,600	\$ (83,745)	\$ (78,203)
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation/amortization	115,165	642,678	576,903
Pension/OPEB expense	65,819	57,194	45,951
Employer pension/OPEB contributions	(46,979)	(59,351)	(57,653)
Changes in operating assets and liabilities:			
(Increase) Decrease in receivables	-	3,130	(17,530)
(Increase) Decrease in prepaid expenses	-	(3,364)	-
(Increase) Decrease in inventories	-	(55,439)	(49,781)
Increase (Decrease) in accounts payable	5,287	(32,899)	33,402
Increase (Decrease) in compensated absences	9,043	8,188	2,208
Increase (Decrease) in accrued liabilities	(1,863)	8,932	9,540
Net cash flows from operating activities	<u><u>\$ 3,291,072</u></u>	<u><u>\$ 485,324</u></u>	<u><u>\$ 464,837</u></u>
Noncash investing, capital, and financing activities:			
Contributions of capital assets	\$ (14,171)	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

Electric	Golf	Sanitation (non-major)	Total
\$ 12,704,275	\$ 1,434,017	\$ 1,144,805	\$ 23,524,133
-	-	-	17,171
(6,993,405)	(677,889)	(1,030,522)	(10,734,585)
(1,821,464)	(989,547)	-	(4,795,216)
<u>3,889,406</u>	<u>(233,419)</u>	<u>114,283</u>	<u>8,011,503</u>
-	(367,679)	-	(3,146,912)
6,109	1,029,424	-	843,682
<u>6,109</u>	<u>661,745</u>	<u>-</u>	<u>(2,303,230)</u>
-	(8,377)	-	(26,891)
(1,649,276)	(371,047)	-	(2,691,529)
25,618	-	-	30,781
-	(750)	-	(750)
<u>-</u>	<u>(48,150)</u>	<u>-</u>	<u>(48,150)</u>
<u>(1,623,658)</u>	<u>(428,324)</u>	<u>-</u>	<u>(2,736,539)</u>
744,812	-	13,983	1,318,282
<u>744,812</u>	<u>-</u>	<u>13,983</u>	<u>1,318,282</u>
3,016,669	2	128,266	4,290,016
<u>18,361,109</u>	<u>-</u>	<u>1,328,711</u>	<u>34,218,267</u>
<u>\$ 21,377,778</u>	<u>\$ 2</u>	<u>\$ 1,456,977</u>	<u>\$ 38,508,283</u>
\$ 20,400,571	\$ -	\$ 1,456,977	\$ 37,399,541
977,207	-	-	1,108,740
<u>\$ 21,377,778</u>	<u>\$ -</u>	<u>\$ 1,456,977</u>	<u>\$ 38,508,281</u>
\$ 2,109,096	\$ (617,365)	\$ 115,634	\$ 4,590,017
1,297,302	347,936	-	2,979,984
64,628	111,485	-	345,077
(206,098)	(79,769)	-	(449,850)
33,047	(722)	(2,312)	15,613
961	-	-	(2,403)
92,371	-	-	(12,849)
353,434	(4,688)	961	355,497
71,475	1,910	-	92,824
73,190	7,794	-	97,593
<u>\$ 3,889,406</u>	<u>\$ (233,419)</u>	<u>\$ 114,283</u>	<u>\$ 8,011,503</u>
\$ -	\$ -	\$ -	\$ (14,171)

CITY OF PAGE, ARIZONA
Statement of Net Position
Fiduciary Funds
June 30, 2025

	Volunteer Firefighters' Pension
Assets	
Current assets:	
Cash and cash equivalents	\$ 633,337
Miscellaneous receivables	<u>3,505</u>
Total assets	<u>636,842</u>
Liabilities	
Current liabilities:	
Accounts payable	<u>1,190</u>
Total liabilities	<u>1,190</u>
Net position	
Restricted for pensions	<u><u>\$ 635,652</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Volunteer Firefighters' Pension
Additions	
Contributions:	
Employer	\$ 3,358
Employee	4,654
State fire insurance premium	32,374
Other	3,505
Total contributions	43,891
Investment income	
Net appreciation (depreciation) in fair value of investments	37,880
Interest	32,666
Net investment earnings (loss)	70,546
Total additions	114,437
Deductions	
Benefits	28,619
Administration	11,511
Total deductions	40,130
Net increase (decrease)	74,307
Net position held in trust for pension benefits:	
Beginning of year	561,345
End of year	\$ 635,652

The accompanying notes are an integral part of the financial statements.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies

Description of 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 nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, when applicable, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting Entity

The City of Page, Arizona (the City) was incorporated March 1, 1975, under the provisions of Article 13, Sections 1 through 6, of the Constitution of Arizona and Title 9 of the Arizona Revised Statutes. The City operates under a Council-Manager form of government. The accompanying financial statements present all activities of the City. The City has no separate component units, entities for which the City is considered to be financially accountable that would be combined to form the City's reporting entity.

Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are franchise taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's electric functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of presentation – fund financial statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies, Continued

The **Highway User Revenue Fund** accounts for the City's share of motor fuel tax revenues and lottery proceeds which are restricted for the maintaining, repairing, and upgrading of streets.

The **Grants Fund** is used to account for grants received by the City which are restricted for specific purposes.

The **Capital Projects Fund** accounts for the acquisition and construction of the City's major capital facilities, other than those financed by proprietary funds.

The **Airport Fund** is used to account for activities related to the operation of the City's airport.

The City reports the following major proprietary funds:

The **Horseshoe Bend Fund** accounts for parking fees and other revenues associated with the operation, construction and maintenance of capital facilities at Horseshoe Bend.

The **Water Fund** accounts for the City's water utility operations.

The **Sewer Fund** accounts for the City's wastewater utility operations.

The **Electric Fund** accounts for the City's electrical services and operations.

The **Golf Fund** accounts for the City's public golf course services and operations.

Additionally, the City reports the following fund types:

The **Pension Trust Fund** accounts for the Volunteer Firefighters' Pension Plan, which accumulates resources for pension benefit payments to qualified volunteer firefighters and EMS personnel.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies, Continued

Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement* focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible 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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary and pension trust funds are reported using the *economic resources measurement* focus and the accrual basis of accounting.

Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

Cash and cash equivalents

Cash includes cash on hand, demand deposits with banks and other financial institutions, deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit accounts and short-term investments with original maturities of three months or less from the date of acquisition.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies, Continued

Investments

The City's policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the state treasurer's pool, obligations of the U. S. Government and other investments as allowed by Arizona State Statutes. All investments are carried at fair value with unrealized gains and losses recorded as adjustments to interest earnings. Fair market values are based on quoted market prices. The reported value of the state treasurer's pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "Internal balances" in the Statement of Net Position and as "Due to" or "Due from" other funds in the fund financial statements. All trade accounts receivable in the General Fund and proprietary funds are shown net of an allowance for doubtful accounts.

The City is the lessor for several land and building leases for aviation services. The leases are for periods of 1 to 40 years, are typically based on square footage involved in the lease and do not include variable payment terms. The City had deferred inflows and receivables of \$3,401,590 as of June 30, 2025 and had related revenues of \$444,638 for the year. The related lease receivables and deferred inflows of resources are recognized at the present value of future lease payments expected to be received during the lease term. The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the receivables and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Inventories and Prepaid Items

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. Inventories for the proprietary funds consist principally of materials used in the repair of the distribution, collection and treatment systems and are valued at cost. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the City as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capitalized assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies, Continued

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the City are depreciated/amortized using the straight line method over the following estimated useful lives:

Building and improvements	7 to 40 years
Machinery and equipment	5 to 15 years
Electric, Water, and Sewer systems	10 to 40 years
Streets, sidewalks & other infrastructure	15 to 40 years
Intangibles: Right-to-use lease assets:	
Equipment	5 years

Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. The pension/OPEB related items reported on the government-wide and proprietary fund financial statements. See footnote 9 for more information.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category. The first type arises from aviation related leases. These amounts are recognized as income in the period that the amounts become available. The second type is pension/OPEB related items reported on the government-wide and proprietary fund financial statements. See footnote 9 for more information.

Pension and other 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 plan's fiduciary net position of the Arizona State Retirement System (ASRS) and the Arizona Public Safety Personnel Retirement System (PSPRS), and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by ASRS and PSPRS. 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.

Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements,

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies, Continued

a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council (Council) has authorized the Finance Director to assign fund balance. The policy used by the governing body to authorize the assignment of fund balance is the City of Page Financial Management Policy. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and expenditures/expenses

Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies, Continued

Property taxes

The City does not currently have a levy for any property taxes.

Compensated absences

The City's policy permits employees to accumulate earned but unused vacation and sick leave benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Employees may not accrue more than 960 hours of sick leave except for the purposes of payment as follows. Once the maximum limit of 960 hours has been accumulated, an employee hired before July 1, 2017, may elect to be paid for the excess of 960 sick hours at a rate of 75% their base pay or purchase service time from ASRS/PSPRS (if eligible) at a rate of 75% their base pay. Upon separation from City employment, an employee may be eligible to be paid at full face value for accrued sick leave if (1) the employee has been employed by any department with the City for ten continuous years and (2) the employee applies for and elects to receive ASRS/PSPRS benefits immediately upon separation from City service. Employees hired on or after July 1, 2017, upon separation from City employment, shall be eligible for accrued sick leave over 560 hours, up to 400 hours, if (1) the employee has been employed by any department with the City for ten continuous years and (2) the employee applies for and elects to receive ASRS benefits City of Page Personnel Rules 19 Revised October, 2018 immediately upon separation from City service. No payment will be made for the first 560 hours of accumulation or beyond 400 additional hours. Termination of the employee will forfeit payment of all sick leave.

Leases and Subscription-Based Information Technology Arrangements

As lessee, the City recognizes lease liabilities for agreements which convey the right to use an asset to the City and meet the criteria specified in GASB 87 and GASB 96. The City uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The City's estimated incremental borrowing rate is based on the City's most recent borrowing rate and/or the changes in the consumer price index.

As lessor, the City recognizes lease receivables for agreements which convey to another entity or individual the right to use one of the City's assets and meet the criteria specified in GASB 87 and GASB 96. 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 its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The City's estimated incremental borrowing rate is calculated as described above.

Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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. The principal operating revenues of the water, sewer, sanitation and electric funds are charges to customers for sales and services.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 1. Summary of Significant Accounting Policies, Continued

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Tax Abatements

The City has not entered into any tax abatement agreements and the City is not aware of any tax abatement agreements that have been entered into by other governments that would reduce the City's tax revenues.

Use of estimates

The preparation of 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, effective for financial statements starting with the fiscal years that end on or after December 31, 2024. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management has implemented this statement in this fiscal year, which resulted in no restatements or adjustments.

Note 2. Stewardship, Compliance, and Accountability

Stewardship, compliance, and accountability are key concepts in defining the responsibilities of the City. The use of budgets and monitoring of equity status facilitate the City's compliance with legal requirements.

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year end.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 2. Stewardship, Compliance, and Accountability, Continued

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Arizona Revised Statutes, the City Manager submits a proposed budget for the fiscal year commencing the following July 1 to the City Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to the third Monday in July, the expenditure limitation for the City is legally enacted through passage of a resolution. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total City expenditures from the audited financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).
4. State law requires that, prior to April 1, the Economic Estimates Commission provides the City with a final expenditure limit for the coming fiscal year.
5. Expenditures may not legally exceed the expenditure limitation of all fund types as a whole. For management purposes, the City adopts a budget by department for the General Fund and in total by fund for other funds. The City Council has adopted a budget transfer policy and all amendments must be done in accordance with this policy.
6. The City has adopted budgets in accordance with A.R.S. requirements and utilizes the budgets as a management control device during the year for the General, Special Revenue, Capital Projects, Debt Service, Permanent, and Enterprise funds. The budgets are prepared on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

The City is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the City to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The City's Funds were all in compliance with this law during the fiscal year, with none being over budget.

There were no supplementary budgetary appropriations made during the year ended June 30, 2025. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation for future years, is not employed by the City.

Expenditures over Appropriations

Expenditures may not legally exceed budgeted appropriations at the department level. The individual Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual reports as listed in the table of contents present all of the departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2025, if any.

Highway User Revenue Funds

Highway user revenue fund monies received by the City pursuant to title 28, chapter 18, article 2 and other dedicated state transportation revenues received during the current fiscal year have been used solely for authorized transportation purposes.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 3. Deposits and Investments

A reconciliation of cash and investments as shown on the Statements of Net Position is as follows:

Cash and cash equivalents	\$ 72,983,307
Investments	23,474,163
Restricted cash and cash equivalents	1,151,206
Fiduciary Fund cash and cash equivalents	<u>633,337</u>
Total	<u><u>\$ 98,242,013</u></u>

Deposits

Custodial Credit Risk

For deposits this is the risk that in the event of a bank failure, the City's deposit may not be returned to it. The City does not have a formal policy for custodial credit risk. As of June 30, 2025, none of the City's bank balance of \$29,235,529 was exposed to custodial credit risk because it was not covered by FDIC insurance or collateralized with securities held by the pledging financial institution's trust department or agent.

Investments

The Arizona State Treasurer's Office operates the Local Government Investment Pool (LGIP). The LGIP is available for investment of funds administered by any Arizona Public Treasurer.

The LGIP is not registered with the SEC as an investment company. The State Board of Investments provides oversight for the State Treasurer's investment pools. Deposits in the LGIP are not insured or otherwise guaranteed by the State of Arizona, and participants share proportionally in any realized gain or losses on investments.

The provisions of State law (A.R.S. 35-323) govern the investment of funds in excess of \$100,000. A.R.S. 35-323 allows for investment in certificates of deposit, interest bearing savings accounts, repurchase agreements with a maximum maturity of 180 days, pooled investment funds established by the State Treasurer, obligations guaranteed by the United States, bonds of the State of Arizona or other local municipalities, commercial paper of prime quality that is rated "P1" by Moody's investors or "A1" by Standard and Poor's rating service, and bonds, debentures or notes that are issued by corporations organized and doing business in the United States subject to certain restrictions. For investments of less than \$100,000, procedures as specified by local ordinance or resolution must be followed.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 3. Deposits and Investments, Continued

As of June 30, 2025 the City had the following deposits and investments:

	<u>Fair Value</u>	<u>Quality Rating</u>	<u>Weighted Average Maturity (2)</u>
Deposits:			
Cash on hand	\$ 123	N/A	N/A
Cash in bank	30,368,851	N/A	N/A
Investments:			
State Treasurer's Investment Pool	42,052,163	AAA	0.07 Years
U.S. Government Agency Securities	21,239,073	AA+	0.88 Years
Mutual Funds	604,840	N/A	N/A
Certificates of deposit	3,976,963	N/A	N/A
Total cash and investments	<u>\$ 98,242,013</u>		

- (1) Ratings are provided where applicable to indicate associated Credit Risk. N/A indicates not applicable. Ratings for the City's investment in the State Treasurer's Investment Pool #7 and the U.S. Government Agency Securities are provided from Standard and Poor's.
- (2) State Treasurer's Investment Pool is valued at the pool's share price multiplied by the number of shares the Town held. The fair value of a participant's position in the pools approximate the value of that participant's shares. (Level 2 inputs).
- (3) Interest Rate Risk is estimated using the weighted average days to maturity.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the provisions of State law (A.R.S. 35- 323). A.R.S. 35-323 requires that the City's investment portfolio maturities do not exceed five years from the time of purchase.

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for reducing its exposure to credit risk is to comply with State law (A.R.S. 35-323). A.R.S. 35-323 limits investment in commercial paper and corporate bonds to the top ratings issued by nationally recognized statistical rating organizations such as Standard & Poor's and Moody's Investor Services.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 3. Deposits and Investments, Continued

Fair value measurements

As noted above, the City holds investments that are measured at fair value on a recurring basis. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The State Treasurer's Investment Pool, U.S Government Agency Securities, mutual funds, and certificates of deposit, as listed above, are valued using quoted market prices (Level 2 inputs).

Note 4. Restricted Assets

Restricted assets at June 30, 2025 consisted of the following cash reserves:

<u>Restricted Cash</u>	
Magistrate Bond Deposits	\$ 5,664
Refundable Deposits	15,802
Airport - Refundable Deposits	21,000
Water Fund - Customer Deposits	131,533
Electric Fund - Customer Deposits	<u>977,207</u>
Total Restricted Cash	<u><u>\$ 1,151,206</u></u>

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CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 5. Capital Assets

The following table summarizes the changes to capital assets for governmental activities during the year:

Governmental Activities:	Balance 06/30/24	Additions	Deletions	Transferred Assets	Balance 06/30/25
Capital assets, not being depreciated					
Land	\$ 45,504,271	\$ -	\$ (82,333)	\$ -	\$ 45,421,939
Construction in progress	6,135,970	6,563,976	(3,405,033)	-	9,294,913
Total capital assets, not being depreciated	51,640,241	6,563,976	(3,487,366)	-	54,716,852
Capital assets, being depreciated					
Buildings and improvements	25,638,403	419,721	(1,081,098)	-	24,977,026
Furniture, equipment, and vehicles	13,238,073	1,316,003	(76,761)	32,137	14,509,452
Infrastructure	40,048,074	3,971,310	(50,636)	-	43,968,748
Total capital assets being depreciated	78,924,550	5,707,034	(1,208,495)	32,137	83,455,226
Less accumulated depreciation for:					
Buildings and improvements	(13,035,616)	(634,895)	1,081,098	-	(12,589,413)
Furniture, equipment, and vehicles	(8,665,593)	(999,828)	853	(17,966)	(9,682,534)
Infrastructure	(18,740,173)	(1,684,869)	50,636	-	(20,374,406)
Total accumulated depreciation	(40,441,382)	(3,319,592)	1,132,587	(17,966)	(42,646,353)
Total capital assets, being depreciated, net	38,483,168	2,387,442	(75,908)	14,171	40,808,873
Governmental activities capital assets, net	\$ 90,123,409	\$ 8,951,418	\$ (3,563,274)	\$ 14,171	\$ 95,525,725

Depreciation expense was charged to the functions/programs of the City as follows:

Governmental Activities:	
General government	\$ 137,394
Public safety	728,078
Public works	2,016,854
Culture and recreation	365,846
Community support	71,420
Total depreciation expense - governmental activities	<u>\$ 3,319,592</u>

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 5. Capital Assets, Continued

The following table summarizes the changes to capital assets for business-type activities during the year:

Business Type Activities:	Balance June 30, 2024	Additions	Deletions	Transferred Assets	Balance June 30, 2025
Capital assets, not being depreciated					
Land	\$ 63,000	\$ -	\$ -	\$ -	\$ 63,000
Construction in progress	304,023	228,494	(53,315)	-	479,202
Total capital assets, not being depreciated	367,023	228,494	(53,315)	-	542,202
Capital assets, being depreciated					
Buildings and improvements	36,977,979	912,558	-	-	37,890,537
Furniture, equipment, and vehicles	14,262,241	1,004,729	(65,805)	(32,137)	15,169,028
Electric distribution system	30,537,336	501,536	(19,204)	-	31,019,668
Water distribution system	18,385,744	56,965	-	-	18,442,709
Sewer distribution system	11,954,223	40,563	-	-	11,994,786
Leased right-to-use equipment	215,995	-	-	-	215,995
Total capital assets being depreciated	112,333,518	2,516,351	(85,009)	(32,137)	114,732,723
Less accumulated depreciation for:					
Buildings and improvements	(18,208,102)	(983,768)	-	-	(19,191,870)
Furniture, equipment, and vehicles	(9,829,839)	(599,858)	65,806	17,966	(10,345,925)
Electric distribution system	(21,436,353)	(676,455)	12,099	-	(22,100,709)
Water distribution system	(14,135,431)	(450,978)	-	-	(14,586,408)
Sewer distribution system	(10,589,078)	(229,105)	-	-	(10,818,183)
Accumulated amortization					
Right-to-use leased equipment	(159,281)	(39,821)	-	-	(199,102)
Total accumulated depreciation	(74,358,084)	(2,979,985)	77,905	17,966	(77,242,198)
Total capital assets, being depreciated, net	37,975,434	(463,634)	(7,104)	(14,171)	37,490,525
Total capital assets, net	\$ 38,342,457	\$ (235,140)	\$ (60,419)	\$ (14,171)	\$ 38,032,727

Business-Type Activities:

Water	\$ 642,678
Sewer	576,903
Electric	1,297,302
Horseshoe Bend	115,165
Golf	347,937
Total depreciation expense business-type activities	\$ 2,979,985

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 6. Long-Term Liabilities

The following is a summary of changes in long-term obligations for the year ended June 30, 2025:

Governmental activities:	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2025</u>	<u>Current Portion</u>
General Obligation:					
Accrued compensated absences	\$ 1,075,593	\$ 207,462	\$ -	\$ 1,283,055	\$ 833,986
Net pension/OPEB liabilities	<u>6,401,108</u>	<u>-</u>	<u>(362,518)</u>	<u>6,038,590</u>	<u>-</u>
Total Governmental Activity Long-term Liabilities	<u>\$ 7,476,701</u>	<u>\$ 207,462</u>	<u>\$ (362,518)</u>	<u>\$ 7,321,645</u>	<u>\$ 833,986</u>
Business-type activities:					
Notes payable	\$ 750	\$ -	\$ (750)	\$ -	\$ -
Lease obligations - equipment	58,477	-	(48,150)	10,327	10,327
Accrued compensated absences	611,917	214,515	(121,693)	704,739	458,081
Net pension/OPEB liabilities	<u>3,751,884</u>	<u>-</u>	<u>(173,112)</u>	<u>3,578,772</u>	<u>-</u>
Total Business-type Activity Long-term Liabilities	<u>4,423,028</u>	<u>214,515</u>	<u>(343,705)</u>	<u>4,293,838</u>	<u>468,408</u>
Total Long-Term Liabilities	<u>\$ 11,899,729</u>	<u>\$ 421,977</u>	<u>\$ (706,223)</u>	<u>\$ 11,615,483</u>	<u>\$ 1,302,394</u>

Generally, resources from the General fund are used to liquidate net pension/OPEB liabilities and compensated absences for governmental activities.

The City has no unused lines of credit as of June 30, 2025.

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CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 6. Long-Term Liabilities, Continued

The City has no direct borrowings or placements of debt.

The City has entered into six note payable agreements for financed purchases of various equipment. The balances of the notes were paid off during the year ending June 30, 2025.

The City has entered into two lease agreements for various equipment for the Golf Fund.

The City entered into a five-year lease agreement as lessee for the acquisition and use of 62 golf carts. The lease had an initial liability of \$185,823. As of June 30, 2025, the value of the lease liability was \$10,847. The City is required to make monthly principal and interest payments of \$3,800. The lease has an interest rate of 30.82%. In addition, the City will not purchase the equipment at the end of the lease term. The equipment has a ten-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$185,823 and had accumulated amortization of \$168,930.

The future principle and interest lease payments are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ -	\$ -	\$ 10,327	\$ 508
Thereafter	-	-	-	-
Total lease payments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,327</u>	<u>\$ 508</u>

Available Borrowing Capacity:

Prior to fiscal year 2007, under Arizona law, cities could issue general obligation bonds for purposes of water, sewer, artificial light, open space preserves, parks, playgrounds, and recreational facilities, up to an amount not exceeding 20% of a City's Secondary Net Assessed Valuation. In fiscal year 2007, Arizona voters approved an amendment to the Arizona Constitution to allow cities to include debt for the acquisition and development of public safety, law enforcement, fire and emergency facilities, and streets and transportation facilities in the 20% debt limit. General Obligation Bonds for all other purposes may be issued up to an amount not exceeding 6% of Secondary Net Assessed Valuation.

As of June 30, 2025 the City has no debt outstanding applicable to the 20% limit and no outstanding general obligation bonds applicable to the 6% limit. Accordingly at June 30, 2025, the City's legal borrowing capacity is \$42,870,603 for the 20% limit and \$12,861,181 for the general obligation 6% limit.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 7. Interfund Receivables, Payables and Transfers

As of June 30, 2025, interfund receivables and payables that resulted from various interfund transactions were as follows:

Due To:	Due From:						Total
	General Fund	Highway User Fund	Capital Projects Fund	Horseshoe Bend Fund	Electric Fund	Golf Fund	
General	\$ -	\$ 48,065	\$ 526	\$ 208,159	\$ 21,864	\$ 2,882,873	\$ 3,161,487
Non-Major Governmental Funds	314	-	-	-	-	-	314
Total	\$ 314	\$ 48,065	\$ 526	\$ 208,159	\$ 21,864	\$ 2,882,873	\$ 3,161,801

The Horseshoe Bend balance of \$208,159 payable to the General fund is payable over 6 years at 6% interest with 2 years remaining.

Interfund transfers for the fiscal year ended June 30, 2025 are as follows:

Transfers Out:	Transfers In:			
	General Fund	Capital Projects Fund	Golf Fund	Total
General Fund	\$ -	\$ 5,291,627	\$ 10,193	\$ 5,301,820
Airport Fund	296,838	223,824	-	520,662
HURF Fund	-	924,457	-	924,457
Golf Fund	-	377,872	-	377,872
Horseshoe Bend Fund	2,317,604	461,629	-	2,779,233
Total Transfers Out	\$ 2,614,442	\$ 7,279,409	\$ 10,193	\$ 9,904,044

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Capital assets with a net value of \$14,171 were transferred from the Horseshoe Bend fund to the governmental capital asset account group in the year ending June 30, 2025. The amounts have been recorded as a contribution expense in the proprietary fund statement of revenues, expenses, and change in net position, and reclassified as a transfer out with an offsetting transfer in for the governmental activities on the government wide financial statements.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits

The City contributes to the Arizona State Retirements System and Public Safety Personnel Retirement System plans described below. The plans are component units of the State of Arizona. At June 30, 2025, the City reported the following aggregate amounts related to pensions and other post-employment benefits (OPEB) for all plans to which it contributes:

Statement of Net Position and				Governmental	Business-Type
			Combined		
Statement of Activities	ASRS	PSPRS	Total	Activities Total	Activities Total
Net OPEB asset	\$ 369,063	\$ 601,362	\$ 970,425	\$ 832,383	\$ 138,042
Net OPEB liabilities	1,573	-	1,573	1,573	-
Net pension liabilities	9,527,296	90,066	9,617,362	6,038,590	3,578,772
Total pension/OPEB liabilities	9,528,869	90,066	9,618,935	6,040,163	3,578,772
Deferred outflows of resources	1,861,326	879,627	2,740,953	2,041,777	699,177
Deferred inflows of resources	837,936	370,168	1,208,104	893,347	314,757
Pension/OPEB expense	1,097,057	164,857	1,261,914	920,436	341,594

The City reported \$920,436 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

Arizona State Retirement System (ASRS)

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:

	Initial Membership Date Before July 1, 2011	Initial Membership Date 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.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

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 survivor benefit is determined by the retirement benefit option chosen. 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, 2025, statute required active ASRS members to contribute at the actuarially determined rate of 12.27 percent (12.12 percent for retirement and 0.15 percent for long-term disability) of the members' annual covered payroll, and statute required the City to contribute at the actuarially determined rate of 12.27 percent (12.05 percent for retirement, 0.07 percent for health insurance premium benefit, and 0.15 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 10.19 percent (10.14 percent for retirement and 0.05 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-term disability plans for the year ended June 30, 2025, were \$1,176,108, \$6,832, and \$14,640 respectively.

Liability – At June 30, 2025, the City reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability.

	Net pension/OPEB
	<u>(asset) liability</u>
Pension	\$ 9,527,296
Health insurance premium benefit	(369,063)
Long-term disability	1,573

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

The net asset and net liabilities were measured as of June 30, 2024. The total liability used to calculate the net asset and net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024.

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, 2024. The City's proportions measured as of June 30, 2024, and the change from its proportions measured as of June 30, 2023, were:

	Proportion June 30, 2023	Proportion June 30, 2024	Increase (decrease) from June 30, 2023
Pension	0.060350%	0.059540%	-0.000810%
Health insurance premium benefit	0.061820%	0.061080%	-0.000740%
Long-term disability	0.060960%	0.060350%	-0.000610%

Expense – For the year ended June 30, 2025, the City recognized pension OPEB expense:

	<u>Pension/OPEB Expense</u>
Pension	\$ 1,143,838
Health insurance premium benefit	(54,557)
Long-term disability	7,776

Deferred outflows/inflows of resources – At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

	Pension		Health Insurance Premium Benefit		Long-Term Disability	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 531,805	\$ -	\$ 10,680	\$ 89,114	\$ 5,785	\$ 4,190
Changes of assumptions or other inputs	-	-	-	3,828	1,138	9,418
Net difference between projected and actual earnings on pension plan investments	-	608,422	-	25,370	-	1,718
Changes in proportion and differences between contributions and proportionate share of contributions	108,690	87,985	2,199	6,860	3,449	1,031
Contributions subsequent to the measurement date	1,176,108	-	6,832	-	14,640	-
Total	<u>\$ 1,816,603</u>	<u>\$ 696,407</u>	<u>\$ 19,711</u>	<u>\$ 125,172</u>	<u>\$ 25,012</u>	<u>\$ 16,357</u>

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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year Ended June 30,	Pension	Health Insurance Premium Benefit	Long-term disability
2025	\$ (214,622)	\$ (70,274)	\$ (2,075)
2026	424,375	(17,499)	276
2027	(154,012)	(16,666)	(1,972)
2028	(111,653)	(6,760)	(2,191)
2029	-	(1,094)	(764)
Thereafter	-	-	741

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

Actuarial Assumptions – The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2023
Actuarial roll forward date	June 30, 2024
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 pension and health insurance premium benefit
Recovery rates	2012 GLTD for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

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

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Equity - public	44%	4.48%
Equity - private	10%	6.11%
Fixed income - credit	23%	4.40%
Fixed income - interest rate sensitive	6%	(0.45)%
Real estate	17%	6.05%
Totals	100%	

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

Discount Rate – At June 30, 2024, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent, with no change from the discount rate used as of June 30, 2021. 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 plan's 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 proportionate share of the 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 percent, 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 (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Proportionate share of:			
Net pension (asset) / liability	\$ 14,588,239	\$ 9,527,296	\$ 5,309,443
Net insurance premium benefit liability (asset)	(268,306)	(369,063)	(454,726)
Net long-term disability liability	5,413	1,573	(2,204)

Plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

Public Safety Personnel Retirement System (PSPRS)

Plan description – City police and fire employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). 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).

The PSPRS issues a publicly available financial report that includes financial statements and required supplementary information for PSPRS. The reports are available on the PSPRS website at www.psprs.com.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

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 as follows:

	Initial Membership Date:	
	Before January 1, 2012	On or After January 1, 2012 and before July 1, 2017
Retirement and Disability		
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited of service, age 52.5
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years
Benefit percent		
Normal Retirement	50% less 4.0% 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	

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

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.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

Employees covered by benefit terms – At June 30, 2025, the following employees were covered by the agent plans' benefit terms:

PSPRS - Police

	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	10	10
Inactive employees entitled to but not yet receiving benefits	4	0
Active employees	7	7
Total	7	17

PSPRS - Fire

	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	4	4
Inactive employees entitled to but not yet receiving benefits	8	0
Active employees	6	6
Total	18	10

Contributions cost – State Statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for 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, 2025, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Active Member Pension	City - Pension	City-Health Insurance Premium
PSPRS Police	7.65%	10.48%	0.00%
PSPRS Police Tier 3 risk pool	8.63%	8.63%	0.23%
PSPRS Fire	7.65%	14.05%	0.28%
PSPRS Fire Tier 3 risk pool	8.63%	8.63%	0.23%

In addition, statute required the City to contribute at the actuarially determined rate of 0.80% for police and 1.31% for fire 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 and employees participating in the PSPRS Tier 3 Risk Pool.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

The City's contributions to the plans for the year ended June 30, 2025, were:

Pension	PSPRS Police	PSPRS Fire
Contributions made	\$ 75,499	\$ 89,379
PSPRS Tier 3 risk pool contributions	62,182	74,749
Health Insurance Premium Benefit		
Annual OPEB cost	\$ -	\$ 940
PSPRS Tier 3 risk pool	-	787

During fiscal year 2025, the City paid for PSPRS pension and OPEB contributions 100% from the general fund.

Liability – At June 30, 2025, the City reported the following assets and liabilities.

	Net pension (asset) liability	Net OPEB (asset) liability
PSPRS Police	\$ (57,384)	\$ (591,561)
PSPRS Fire	147,450	(9,801)
Total	\$ 90,066	\$ (601,362)

The net assets and net liabilities were measured as of June 30, 2024, 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:

Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry Age Normal
Investment rate of return	7.2%
Wage inflation	3.0 - 6.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pension/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

The long-term expected rate of return on PSPRS plan investments was determined to be 7.2 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:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. public equity	24%	3.62%
International public equity	16%	4.47%
Global private equity	27%	7.05%
Core bonds	6%	2.44%
Private credit	20%	6.24%
Diversifying strategies	5%	3.15%
Cash - Mellon	2%	0.89%
Total	100.00%	

Discount Rate – At June 30, 2024, the discount rate used to measure the PSPRS total pension/OPEB liability was 7.2 percent. The projection of cash flows used to determine this 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 actuarially determined contribution rates and the member rate. Based on these 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.

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CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

Changes in the net pension/OPEB liability

PSPRS Police	Pension			Health insurance premium benefit		
	Increase (decrease)			Increase (decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2024	\$ 8,946,550	\$ 8,890,328	\$ 56,222	\$ 82,589	\$ 615,282	\$ (532,693)
Adjustment to beginning of year	-	-	-	-	-	-
Changes for the year:						
Service cost	121,095	-	121,095	2,405	-	2,405
Interest on total pension liability	630,284	-	630,284	6,007	-	6,007
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience in the measurement of the pension liability	130,379	-	130,379	(5,300)	-	(5,300)
Changes of assumptions	-	-	-	-	-	-
Contributions - employer	-	73,745	(73,745)	-	-	-
Contributions - employee	-	48,241	(48,241)	-	-	-
Net investment income	-	879,855	(879,855)	-	62,386	(62,386)
Benefit payments, including refunds of employee contributions	(627,411)	(627,411)	-	(3,126)	(3,126)	-
Hall/Parker settlement	-	-	-	-	-	-
Plan administrative expenses	-	(6,477)	6,477	-	(406)	406
Tiers 1 & 2 Adjustment	-	-	-	-	-	-
Other changes*	-	-	-	-	-	-
Net changes	254,347	367,953	(113,606)	(14)	58,854	(58,868)
Balances at June 30, 2025	\$ 9,200,897	\$ 9,258,281	\$ (57,384)	\$ 82,575	\$ 674,136	\$ (591,561)

PSPRS Fire	Pension			Health insurance premium benefit		
	Increase (decrease)			Increase (decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2024	\$ 4,267,200	\$ 3,943,921	\$ 323,279	\$ 87,258	\$ 92,541	\$ (5,283)
Adjustment to beginning of year	-	-	-	-	-	-
Changes for the year:						
Service cost	122,181	-	122,181	1,727	-	1,727
Interest on total pension liability	311,617	-	311,617	6,276	-	6,276
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience in the measurement of the pension liability	126,260	-	126,260	(2,045)	-	(2,045)
Changes of assumptions	-	-	-	-	-	-
Contributions - employer	-	295,094	(295,094)	-	1,737	(1,737)
Contributions - employee	-	47,239	(47,239)	-	-	-
Net investment income	-	399,499	(399,499)	-	8,858	(8,858)
Benefit payments, including refunds of employee contributions	(122,732)	(122,732)	-	(3,642)	(3,642)	-
Hall/Parker settlement	-	-	-	-	-	-
Plan administrative expenses	-	(5,945)	5,945	-	(119)	119
Tiers 1 & 2 Adjustment	-	-	-	-	-	-
Other changes*	-	-	-	-	-	-
Net changes	437,326	613,155	(175,829)	2,316	6,834	(4,518)
Balances at June 30, 2025	\$ 4,704,526	\$ 4,557,076	\$ 147,450	\$ 89,574	\$ 99,375	\$ (9,801)

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

Sensitivity of the City's net pension/OPEB (asset) liability to changes in the discount rate – The following table presents the City's net pension/OPEB (assets) liabilities calculated using the discount rate of 7.20%, as well as what the City's net pension/OPEB (assets) liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
PSPRS Police			
Net pension (asset) / liability	\$ 1,083,934	\$ (57,384)	\$ (1,001,327)
Net OPEB (asset) / liability	(581,941)	(591,561)	(599,684)
PSPRS Fire			
Net pension (asset) / liability	\$ 886,565	\$ 147,450	\$ (447,751)
Net OPEB (asset) / liability	(112)	(9,801)	(18,002)

Plan fiduciary net position – Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial report.

Expense – For the year ended June 30, 2025, the City recognized the following pension and OPEB expense:

	Pension expense	OPEB expense
PSPRS Police	\$ 81,891	\$ (43,936)
PSPRS Fire	125,564	1,338

Deferred outflows/inflows of resources – At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

PSPRS - Police	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 112,722	\$ 30,402	\$ 10,226	\$ 15,425
Changes in assumptions	33,435	-	263	-
Net difference between projected and actual earnings on pension plan investments	-	115,893	-	8,431
Contributions subsequent to the measurement date	137,681	-	-	-
Total	\$ 283,838	\$ 146,295	\$ 10,489	\$ 23,856
PSPRS - Fire	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 343,546	\$ 136,697	\$ 20,225	\$ 18,168
Changes in assumptions	54,332	-	1,342	764
Net difference between projected and actual earnings on pension plan investments	-	43,699	-	689
Contributions subsequent to the measurement date	164,127	-	1,727	-
Total	\$ 562,005	\$ 180,396	\$ 23,294	\$ 19,621

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 8. Pensions and Other Postemployment Benefits, Continued

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 in the year ending June 30, 2026. 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,	Deferred Outflows (Inflows) of Resources			
	PSPRS - Police		PSPRS Fire	
	Pension	Health Insurance Premium Benefit	Pension	Insurance Premium Benefit
2026	\$ (79,355)	\$ (12,523)	\$ (6,816)	\$ (1,137)
2027	189,520	8,272	150,605	1,856
2028	(58,667)	(5,473)	95,262	(249)
2029	(51,636)	(3,643)	(21,569)	(219)
2030	-	-	-	233
Thereafter	-	-	-	1,462

Firefighters' Relief and Pension Fund

The City of Page, Arizona Volunteer Firefighters' Relief and Pension Fund is a defined contribution pension plan administered by the City and a board of trustees for the City's volunteer firefighters. A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive.

As established by the Plan document, all volunteer firefighters participate in the pension plan upon hiring for the volunteer service with the department. The volunteers are required to contribute a minimum of 7% of their earned wage to their pension account with the City matching the 7% contribution. The Plan has a vesting schedule beginning at five years of service vesting at 40% of the City's contributions and ending with 100% of the City's contributions at eight years of service.

No pension provision changes occurred during the year that affected the required contributions made by the City or its voluntary firefighters. The Firefighters' Relief and Pension Fund held no securities of the City or other related parties during the fiscal year or as of the close of the fiscal year.

The State of Arizona is required by statute to contribute a portion of the annual tax received on fire insurance premiums. During the fiscal year ended June 30, 2025, the State's contribution was \$32,374.

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 9. Risk Management

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. The City's risk management, property and liability insurance was obtained through the brokers, Arizona Municipal Risk Retention Pool (AMRRP), using Southwest Risk for the coverage. The limit for claims general liability is \$2,000,000 per occurrence on a claims made basis. The City's Worker's Compensation program is also through AMRRP for approximately 180 members. The City has had comparable insurance coverage for the past 50 years, and has had no claims exceeding this insurance coverage.

The City purchases commercial insurance for other risks of loss, including airport activities and employee health and accident. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past thirty fiscal years.

Note 10. Contingent Liabilities and Commitments

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of City management, based on the advice of the City Attorney with respect to such litigation, such matters will not have a material adverse effect on the City's financial position at June 30, 2025.

At year end, the City had the following major construction projects/commitments open:

Project	Estimated Cost	Construction in Progress
Coppermine Road Sidewalk Improv.	\$ 800,000	\$ 35,560
Block 17 Revitalization	10,000,000	352,764
Runway Safety Area	4,548,000	4,345,888
Central Garage Renovations	1,300,000	1,076,340
Splash Pad	1,550,000	176,827
Airport Terminal/Elevator Improvements	1,500,000	269,497
Detox Center	3,216,000	2,650,817
Disc Golf Course at Red Mesa Trail	353,000	43,481
North Fire / ARFF Station	4,500,000	4,564
Airport PGA Apron/Taxilane Pavement (AIP 49)	1,600,000	91,267
Airport Taxiway A (AIP-46)	400,000	95,980
Airport North Sewer / 17th Ave Extension	150,000	26,828
Coppermine / Haul Road RoundAbout	5,000,000	28,991
Animal Shelter	100,000	17,136
PERA Club Frontage Improvements	1,000,000	29,800
Vista Ave	900,000	29,503
Date Street	800,000	11,292
10th Street	1,600,000	8,378
Horseshoe Bend Phase 3	6,000,000	250,708
Sandhill Road Extension	3,000,000	35,900
Passanger Trolley for HSB #1	216,000	53,597
Passanger Trolley for HSB #2	216,000	53,597
	<u>\$ 48,749,000</u>	<u>\$ 9,688,715</u>

CITY OF PAGE, ARIZONA
Notes to the Financial Statements
June 30, 2025

Note 11. Landfill Post Closure Care Costs

The City leased a landfill site from the Bureau of Reclamation in prior years. State and Federal laws and regulators required the City to place a final cover on the landfill site when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The City closed the landfill in the year 2000 and thus, all closure costs have been paid in previous years. Post-closure care costs will continue to be paid in future years. The City does not report a portion of these post-closure care costs as an operation expense in each period based on landfill capacity used as of each balance sheet date, since only that portion of the liability that “would normally be liquidated with the expendable available resources” would be reported as an expenditure in the General Fund. The landfill post-closure care liability at year end is \$212,072 which represents the cumulative amount of post-closure costs to date based on the use of the estimated capacity of the landfill. One hundred percent of the landfill capacity has been used by June 30, 2025. The remaining estimated cost of post-closure care is \$212,079. This amount is based on an estimated annual post-closure cost estimate of \$39,291 multiplied by an annual inflation factor of 1.07479% and the number of years remaining, or 7. The figure is based on what it would cost to perform all post-closure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The City has utilized a local government guarantee rather than establishing a trust fund or other financial mechanism to demonstrate financial responsibility for post-closure costs.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of the Proportionate Share of the Net OPEB Liability
June 30, 2025

ASRS - Pension

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Proportion of the net pension liability (asset)	0.059540%	0.060350%	0.057940%	0.053640%	0.056130%	0.048760%	0.050710%	0.493800%	0.049140%	0.050540%
Proportionate share of the net pension liability (asset)	\$ 9,527,296	\$ 9,765,502	\$ 9,457,095	\$ 7,048,058	\$ 9,725,376	\$ 7,095,147	\$ 7,072,260	\$ 7,692,441	\$ 7,931,690	\$ 7,871,684
Covered payroll	\$ 8,322,580	\$ 7,481,843	\$ 6,908,231	\$ 6,192,706	\$ 6,255,586	\$ 5,306,531	\$ 5,142,759	\$ 4,917,806	\$ 4,927,345	\$ 4,832,709
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	114.48%	130.52%	136.90%	113.81%	155.47%	133.71%	137.52%	156.42%	160.97%	162.88%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%

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See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of the Proportionate Share of the Net OPEB Liability
June 30, 2025

ASRS - Health insurance premium benefit

	Reporting Fiscal Year (Measurement Date)								
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)
Proportion of the net pension liability (asset)	0.061080%	0.061820%	0.059380%	0.054650%	0.056870%	0.049180%	0.051180%	0.049660%	0.049658%
Proportionate share of the net pension liability (asset)	\$ (369,063)	\$ (333,783)	\$ (331,399)	\$ (266,259)	\$ (40,264)	\$ (13,591)	\$ (18,429)	\$ (27,035)	\$ 14,359
Covered payroll	\$ 8,322,580	\$ 7,481,843	\$ 6,908,231	\$ 6,192,706	\$ 6,255,586	\$ 5,306,531	\$ 5,142,759	\$ 4,917,806	\$ 4,927,345
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-4.43%	-4.46%	-4.80%	-4.30%	-0.64%	-0.26%	-0.36%	-0.55%	0.29%
Plan fiduciary net position as a percentage of the total pension liability	137.51%	134.37%	137.79%	130.24%	104.33%	101.62%	102.20%	103.57%	98.02%

ASRS - Long-term disability

	Reporting Fiscal Year (Measurement Date)								
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)
Proportion of the net pension liability (asset)	0.060350%	0.060960%	0.058490%	0.054210%	0.056510%	0.048980%	0.050780%	0.049440%	0.049441%
Proportionate share of the net pension liability (asset)	\$ 1,573	\$ 7,988	\$ 5,402	\$ 11,190	\$ 42,869	\$ 31,908	\$ 26,533	\$ 17,921	\$ 17,767
Covered payroll	\$ 8,322,580	\$ 7,481,843	\$ 6,908,231	\$ 6,192,706	\$ 6,255,586	\$ 5,306,531	\$ 5,142,759	\$ 4,917,806	\$ 4,927,345
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.02%	0.11%	0.08%	0.18%	0.69%	0.60%	0.52%	0.36%	0.36%
Plan fiduciary net position as a percentage of the total pension liability	98.77%	93.70%	95.40%	90.38%	68.01%	72.85%	77.83%	84.44%	85.17%

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedules above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2025

Public Safety Personnel Retirement System Police	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Total pension liability										
Service cost	\$ 121,095	\$ 136,668	\$ 157,463	\$ 173,126	\$ 187,393	\$ 231,776	\$ 214,516	\$ 255,576	\$ 175,947	\$ 178,540
Interest on total pension liability	630,284	621,180	607,898	592,164	560,762	540,991	520,436	495,618	482,260	502,665
Changes of benefit terms	-	-	-	-	-	-	-	103,919	(15,644)	-
Difference between expected and actual experience of the total net pension liability	130,379	(30,525)	(49,420)	(23,618)	154,810	(46,488)	(165,484)	(176,315)	32,693	(409,785)
Changes of assumptions	-	-	133,741	-	-	105,455	-	211,038	261,084	-
Benefit payments, including refunds of employee contributions	(627,411)	(543,210)	(514,291)	(506,667)	(410,404)	(422,346)	(410,062)	(479,215)	(543,491)	(516,607)
Net change in total pension liability	254,347	184,113	335,391	235,005	492,561	409,388	159,406	410,621	392,849	(245,187)
Total pension liability - beginning	8,946,550	8,762,437	8,427,046	8,192,041	7,699,480	7,290,092	7,130,686	6,720,065	6,327,216	6,572,403
Total pension liability - ending (a)	<u>\$ 9,200,897</u>	<u>\$ 8,946,550</u>	<u>\$ 8,762,437</u>	<u>\$ 8,427,046</u>	<u>\$ 8,192,041</u>	<u>\$ 7,699,480</u>	<u>\$ 7,290,092</u>	<u>\$ 7,130,686</u>	<u>\$ 6,720,065</u>	<u>\$ 6,327,216</u>
Plan fiduciary net position										
Contributions - employer	\$ 73,745	\$ 70,202	\$ 91,553	\$ 275,451	\$ 1,341,843	\$ 1,658,508	\$ 1,307,650	\$ 353,353	\$ 336,612	\$ 201,140
Contributions - employee	48,241	52,242	74,639	82,424	90,447	101,240	114,737	110,537	107,532	125,347
Net investment income	879,855	647,498	(367,156)	2,071,581	86,399	303,632	294,286	380,194	18,774	123,864
Benefit payments, including refunds of employee contributions	(627,411)	(543,210)	(514,291)	(506,667)	(410,404)	(422,346)	(410,062)	(479,215)	(543,491)	(516,607)
Hall/Parker settlement	-	-	-	-	-	-	(96,358)	-	-	-
Plan administrative expenses	(6,477)	(5,539)	(6,632)	(9,871)	(7,047)	(6,268)	(5,179)	-	-	-
Tiers 1 & 2 Adjustment	-	(17,410)	-	-	-	-	-	-	-	-
Other (net transfer)	-	(31,363)	-	-	-	(208)	4,307	(20,929)	6,527	(199,585)
Net change in plan fiduciary net position	367,953	172,420	(721,887)	1,912,918	1,101,238	1,634,558	1,209,381	343,940	(74,046)	(265,841)
Plan fiduciary net position - beg	8,890,328	8,717,908	9,439,795	7,526,877	6,425,639	4,791,081	3,581,700	3,237,760	3,311,806	3,577,647
Plan fiduciary net position - end (b)	<u>\$ 9,258,281</u>	<u>\$ 8,890,328</u>	<u>\$ 8,717,908</u>	<u>\$ 9,439,795</u>	<u>\$ 7,526,877</u>	<u>\$ 6,425,639</u>	<u>\$ 4,791,081</u>	<u>\$ 3,581,700</u>	<u>\$ 3,237,760</u>	<u>\$ 3,311,806</u>
Net pension liability - ending (a) - (b)	<u>\$ (57,384)</u>	<u>\$ 56,222</u>	<u>\$ 44,529</u>	<u>\$ (1,012,749)</u>	<u>\$ 665,164</u>	<u>\$ 1,273,841</u>	<u>\$ 2,499,011</u>	<u>\$ 3,548,986</u>	<u>\$ 3,482,305</u>	<u>\$ 3,015,410</u>
Plan fiduciary net position as a percentage of the total pension liability	100.62%	99.37%	99.49%	112.02%	91.88%	83.46%	65.72%	50.23%	48.18%	52.34%
Covered payroll	\$ 656,193	\$ 628,201	\$ 685,878	\$ 782,335	\$ 892,406	\$ 936,923	\$ 1,100,649	\$ 1,170,755	\$ 947,481	\$ 858,148
Net pension liability as a percentage of covered payroll	-8.74%	8.95%	6.49%	-129.45%	74.54%	135.96%	227.05%	303.14%	367.53%	351.39%

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2025

Public Safety Personnel Retirement System Fire	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Total pension liability										
Service cost	\$ 122,181	\$ 136,129	\$ 125,832	\$ 146,582	\$ 152,678	\$ 178,178	\$ 172,306	\$ 186,973	\$ 163,277	\$ 160,587
Interest on total pension liability	311,617	268,693	245,426	250,420	231,873	226,814	200,929	184,687	177,931	163,937
Changes of benefit terms	-	-	-	-	-	-	-	39,975	61,000	-
Difference between expected and actual experience of the total net pension liability	126,260	338,194	59,471	(249,409)	56,690	(272,319)	(21,150)	(102,499)	(159,489)	(24,495)
Changes of assumptions	-	-	59,340	-	-	88,892	-	93,531	104,754	-
Benefit payments, including refunds of employee contributions	(122,732)	(143,070)	(117,967)	(272,533)	(89,616)	(79,936)	(108,693)	(176,446)	(150,490)	(95,733)
Net change in total pension liability	437,326	599,946	372,102	(124,940)	351,625	141,629	243,392	226,221	196,983	204,296
Total pension liability - beginning	4,267,200	3,667,254	3,295,152	3,420,092	3,068,467	2,926,838	2,683,446	2,457,225	2,260,242	2,055,946
Total pension liability - ending (a)	\$ 4,704,526	\$ 4,267,200	\$ 3,667,254	\$ 3,295,152	\$ 3,420,092	\$ 3,068,467	\$ 2,926,838	\$ 2,683,446	\$ 2,457,225	\$ 2,260,242
Plan fiduciary net position										
Contributions - employer	\$ 295,094	\$ 69,047	\$ 102,191	\$ 156,258	\$ 232,076	\$ 345,573	\$ 327,142	\$ 129,943	\$ 121,210	\$ 107,714
Contributions - employee	47,239	46,556	63,512	64,957	68,288	66,450	84,197	101,145	102,410	99,301
Net investment income	399,499	283,604	(155,932)	870,215	37,611	138,804	149,674	215,948	10,162	58,052
Benefit payments, including refunds of employee contributions	(122,732)	(143,070)	(117,967)	(272,533)	(89,616)	(79,936)	(108,693)	(176,446)	(150,490)	(95,733)
Hall/Parker settlement	-	-	-	-	-	-	(65,480)	-	-	-
Plan administrative expenses	(5,945)	(4,649)	(2,811)	(4,043)	(3,066)	(3,388)	(2,978)	-	-	-
Tiers 1 & 2 Adjustment	-	(113,418)	-	-	-	-	-	-	-	-
Other (net transfer)	-	1,856	(21,453)	-	-	(938)	24	(23,091)	(20,575)	(2,962)
Net change in plan fiduciary net position	613,155	139,926	(132,460)	814,854	245,293	466,565	383,886	247,499	62,717	166,372
Plan fiduciary net position - beg	3,943,921	3,803,995	3,936,455	3,121,601	2,876,308	2,409,743	2,025,857	1,778,358	1,715,641	1,549,269
Plan fiduciary net position - end (b)	\$ 4,557,076	\$ 3,943,921	\$ 3,803,995	\$ 3,936,455	\$ 3,121,601	\$ 2,876,308	\$ 2,409,743	\$ 2,025,857	\$ 1,778,358	\$ 1,715,641
Net pension liability - ending (a) - (b)	\$ 147,450	\$ 323,279	\$ (136,741)	\$ (641,303)	\$ 298,491	\$ 192,159	\$ 517,095	\$ 657,589	\$ 678,867	\$ 544,601
Plan fiduciary net position as a percentage of the total pension liability	96.87%	92.42%	103.73%	119.46%	91.27%	93.74%	82.33%	75.49%	72.37%	75.91%
Covered payroll	\$ 651,045	\$ 576,301	\$ 613,791	\$ 575,890	\$ 673,289	\$ 724,034	\$ 819,724	\$ 881,946	\$ 907,097	\$ 861,668
Net pension liability as a percentage of covered payroll	22.65%	56.10%	-22.28%	-111.36%	44.33%	26.54%	63.08%	74.56%	74.84%	63.20%

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
June 30, 2025

PSPRS - Police
Health Insurance Premium Benefit

	Reporting Fiscal Year (Measurement Date)							
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total pension liability								
Service cost	\$ 2,405	\$ 2,794	\$ 3,615	\$ 4,051	\$ 4,364	\$ 3,852	\$ 3,962	\$ 4,566
Interest on total pension liability	6,007	6,475	6,887	4,512	4,037	4,073	4,021	4,129
Changes of benefit terms	-	-	-	-	-	-	-	352
Difference between expected and actual experience of the total net pension liability	(5,300)	(11,942)	(10,117)	29,140	1,791	(9,257)	(9,154)	(4,656)
Changes of assumptions	-	-	400	-	-	720	-	(4,793)
Benefit payments, including refunds of employee contributions	(3,126)	(3,760)	(4,986)	(4,466)	(786)	-	-	-
Net change in total pension liability	(14)	(6,433)	(4,201)	33,237	9,406	(612)	(1,171)	(402)
Total pension liability - beginning	82,589	89,022	93,223	59,986	50,580	51,192	52,363	52,765
Total pension liability - ending (a)	<u>\$ 82,575</u>	<u>\$ 82,589</u>	<u>\$ 89,022</u>	<u>\$ 93,223</u>	<u>\$ 59,986</u>	<u>\$ 50,580</u>	<u>\$ 51,192</u>	<u>\$ 52,363</u>
Plan fiduciary net position								
Contributions - employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (208)	\$ -
Contributions - employee	-	-	-	-	-	-	-	-
Net investment income	62,386	43,820	(23,848)	132,030	6,015	24,338	29,362	44,333
Benefit payments, including refunds of employee contributions	(3,126)	(3,760)	(4,986)	(4,466)	(786)	-	-	-
Plan administrative expenses	(406)	(398)	(425)	(543)	(489)	(420)	(447)	-
Other changes	-	-	-	-	-	209	-	(392)
Net change in plan fiduciary net position	58,854	39,662	(29,259)	127,021	4,740	24,127	28,707	43,941
Plan fiduciary net position - beg	615,282	575,620	604,879	477,858	473,118	448,991	420,284	376,343
Plan fiduciary net position - end (b)	<u>\$ 674,136</u>	<u>\$ 615,282</u>	<u>\$ 575,620</u>	<u>\$ 604,879</u>	<u>\$ 477,858</u>	<u>\$ 473,118</u>	<u>\$ 448,991</u>	<u>\$ 420,284</u>
Net pension liability - ending (a) - (b)	<u>\$ (591,561)</u>	<u>\$ (532,693)</u>	<u>\$ (486,598)</u>	<u>\$ (511,656)</u>	<u>\$ (417,872)</u>	<u>\$ (422,538)</u>	<u>\$ (397,799)</u>	<u>\$ (367,921)</u>
Plan fiduciary net position as a percentage of the total pension liability	816.39%	744.99%	646.60%	648.85%	796.62%	935.39%	877.07%	802.64%
Covered payroll	\$ 656,193	\$ 628,201	\$ 685,878	\$ 782,335	\$ 892,406	\$ 936,923	\$ 1,100,649	\$ 1,170,755
Net pension liability as a percentage of covered payroll	-90.15%	-84.80%	-70.95%	-65.40%	-46.83%	-45.10%	-36.14%	-31.43%

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
June 30, 2025

PSPRS - Fire Health Insurance Premium Benefit	Reporting Fiscal Year (Measurement Date)						
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)
Total pension liability							
Service cost	\$ 1,727	\$ 2,253	\$ 2,178	\$ 2,709	\$ 3,187	\$ 2,787	\$ 2,910
Interest on total pension liability	6,276	4,576	4,321	4,614	3,932	4,976	4,491
Changes of benefit terms	-	-	-	-	-	-	272
Difference between expected and actual experience of the total net pension liability	(2,045)	21,003	511	(6,582)	6,653	(21,552)	(5,723)
Changes of assumptions	-	-	1,255	-	-	1,017	(1,828)
Benefit payments, including refunds of employee contributions	(3,642)	(3,752)	(4,212)	(4,213)	(2,257)	(1,200)	(1,200)
Net change in total pension liability	<u>2,316</u>	<u>24,080</u>	<u>4,053</u>	<u>(3,472)</u>	<u>11,515</u>	<u>(13,972)</u>	<u>(1,078)</u>
Total pension liability - beginning	<u>87,258</u>	<u>63,178</u>	<u>59,125</u>	<u>62,597</u>	<u>51,082</u>	<u>65,054</u>	<u>59,024</u>
Total pension liability - ending (a)	<u>\$ 89,574</u>	<u>\$ 87,258</u>	<u>\$ 63,178</u>	<u>\$ 59,125</u>	<u>\$ 62,597</u>	<u>\$ 51,082</u>	<u>\$ 57,946</u>
Plan fiduciary net position							
Contributions - employer	\$ 1,737	\$ 671	\$ 1,246	\$ 1,532	\$ 2,329	\$ 2,204	\$ 2,735
Contributions - employee	-	-	-	-	-	-	-
Net investment income	8,858	6,461	(3,630)	20,569	946	3,864	6,863
Benefit payments, including refunds of employee contributions	(3,642)	(3,752)	(4,212)	(4,213)	(2,257)	(1,200)	(1,200)
Plan administrative expenses	(119)	(114)	(65)	(85)	(77)	(67)	(70)
Other changes	-	-	-	-	-	938	(61)
Net change in plan fiduciary net position	<u>6,834</u>	<u>3,266</u>	<u>(6,661)</u>	<u>17,803</u>	<u>941</u>	<u>5,739</u>	<u>8,337</u>
Plan fiduciary net position - beg	<u>92,541</u>	<u>89,275</u>	<u>95,936</u>	<u>78,133</u>	<u>77,192</u>	<u>71,453</u>	<u>57,716</u>
Plan fiduciary net position - end (b)	<u>\$ 99,375</u>	<u>\$ 92,541</u>	<u>\$ 89,275</u>	<u>\$ 95,936</u>	<u>\$ 78,133</u>	<u>\$ 77,192</u>	<u>\$ 66,053</u>
Net pension liability - ending (a) - (b)	<u>\$ (9,801)</u>	<u>\$ (5,283)</u>	<u>\$ (26,097)</u>	<u>\$ (36,811)</u>	<u>\$ (15,536)</u>	<u>\$ (26,110)</u>	<u>\$ (8,107)</u>
Plan fiduciary net position as a percentage of the total pension liability	110.94%	106.05%	141.31%	162.26%	124.82%	151.11%	113.99%
Covered payroll	\$ 651,045	\$ 576,301	\$ 613,791	\$ 575,890	\$ 673,289	\$ 724,034	\$ 881,946
Net pension liability as a percentage of covered payroll	-1.51%	-0.92%	-4.25%	-6.39%	-2.31%	-3.61%	-0.92%

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2025

ASRS - Pension

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,176,108	\$ 1,001,347	\$ 939,063	\$ 828,411	\$ 702,485	\$ 702,401	\$ 574,955	549,366	519,238	499,192
Contributions in relation to the contractually required contribution	(1,176,108)	(1,001,347)	(939,063)	(828,411)	(702,485)	(702,401)	(574,955)	(549,366)	(519,238)	(499,192)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 9,434,335	\$ 8,322,580	\$ 7,481,843	\$ 6,908,231	\$ 6,192,706	\$ 6,255,586	\$ 5,306,531	\$ 5,142,759	\$ 4,917,806	\$ 4,927,345
Contributions as a percentage of covered payroll	12.47%	12.03%	12.55%	11.99%	11.34%	11.23%	10.83%	10.68%	10.56%	10.13%

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2025

ASRS - Health insurance premium benefit

	Reporting Fiscal Year								
	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 6,832	\$ 9,238	\$ 14,485	\$ 23,373	\$ 23,686	\$ 23,285	\$ 21,967	\$ 22,218	\$ 26,735
Contributions in relation to the contractually required contribution	(6,832)	(9,238)	(14,485)	(23,373)	(23,686)	(23,285)	(21,967)	(22,218)	(26,735)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 9,434,335	\$ 8,322,580	\$ 7,481,843	\$ 6,908,231	\$ 6,192,706	\$ 6,255,586	\$ 5,306,531	\$ 5,142,759	\$ 4,917,806
Contributions as a percentage of covered payroll	0.07%	0.11%	0.19%	0.34%	0.38%	0.37%	0.41%	0.43%	0.54%

ASRS - Long-term disability

	Reporting Fiscal Year								
	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 14,640	\$ 12,598	\$ 13,106	\$ 10,829	\$ 10,932	\$ 8,140	\$ 8,057	\$ 8,079	\$ 6,724
Contributions in relation to the contractually required contribution	(14,640)	(12,598)	(13,106)	(10,829)	(10,932)	(8,140)	(8,057)	(8,079)	(6,724)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 9,434,335	\$ 8,322,580	\$ 7,481,843	\$ 6,908,231	\$ 6,192,706	\$ 6,255,586	\$ 5,306,531	\$ 5,142,759	\$ 4,927,345
Contributions as a percentage of covered payroll	0.16%	0.15%	0.18%	0.16%	0.18%	0.13%	0.15%	0.16%	0.14%

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedules above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2025

PSPRS - Police Pension

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 135,276	\$ 139,781	\$ 135,378	\$ 130,961	\$ 192,440	\$ 274,760	\$ 386,166	\$ 445,030	\$ 353,353	\$ 336,612
Contributions in relation to the actuarially determined contribution	(135,276)	(227,730)	(223,327)	(218,910)	(280,389)	(1,341,843)	(1,658,508)	(1,307,650)	(353,353)	(336,612)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (87,949)</u>	<u>\$ (87,949)</u>	<u>\$ (87,949)</u>	<u>\$ (87,949)</u>	<u>\$ (1,067,083)</u>	<u>\$ (1,272,342)</u>	<u>\$ (862,620)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,581,390	\$ 1,492,735	\$ 1,498,150	\$ 1,305,971	\$ 782,335	\$ 892,406	\$ 936,923	\$ 1,100,649	\$ 1,170,755	\$ 947,481
Contributions as a percentage of covered payroll	8.55%	9.36%	9.04%	10.03%	24.60%	30.79%	41.22%	40.43%	30.18%	35.53%

PSPRS - Police

Health Insurance Premium Benefit

Health Insurance Premium Benefit	Reporting Fiscal Year								
	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (208)	\$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	208	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,581,390	\$ 1,492,735	\$ 1,498,150	\$ 1,305,971	\$ 782,335	\$ 892,406	\$ 936,923	\$ 1,100,649	\$ 1,170,755
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.02%	0.00%

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

CITY OF PAGE, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2025

PSPRS - Fire Pension

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 164,127	\$ 156,361	\$ 125,722	\$ 146,145	\$ 143,091	\$ 178,245	\$ 173,287	\$ 167,968	\$ 129,943	\$ 121,210
Contributions in relation to the actuarially determined contribution	(164,127)	(268,412)	(159,205)	(205,249)	(202,195)	(419,025)	(386,287)	(327,142)	(129,943)	(121,210)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (112,051)</u>	<u>\$ (33,483)</u>	<u>\$ (59,104)</u>	<u>\$ (59,104)</u>	<u>\$ (240,780)</u>	<u>\$ (213,000)</u>	<u>\$ (159,174)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,561,859	\$ 1,473,293	\$ 1,322,576	\$ 613,791	\$ 575,890	\$ 673,289	\$ 724,034	\$ 819,724	\$ 881,946	\$ 907,097
Contributions as a percentage of covered payroll	10.51%	10.61%	9.51%	23.81%	24.85%	26.47%	23.93%	20.49%	14.73%	13.36%

PSPRS - Fire

Health Insurance Premium Benefit

Health Insurance Premium Benefit	Reporting Fiscal Year								
	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 1,727	\$ 2,253	\$ 2,178	\$ 2,709	\$ 3,187	\$ 2,329	\$ 2,204	\$ 2,052	\$ 2,735
Contributions in relation to the actuarially determined contribution	(1,727)	(2,253)	(2,178)	(2,709)	(3,187)	(2,329)	(2,204)	(2,052)	(2,735)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,561,859	\$ 1,473,293	\$ 1,322,576	\$ 613,791	\$ 575,890	\$ 673,289	\$ 724,034	\$ 819,724	\$ 881,946
Contributions as a percentage of covered payroll	0.11%	0.15%	0.16%	0.44%	0.55%	0.35%	0.30%	0.25%	0.31%

Note: In accordance with GASB 75, employers will need to disclose a 10-year history for the OPEB schedule above. Additional information will be displayed as it becomes available.

See accompanying notes to pension/OPEB plan schedules

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CITY OF PAGE, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedule
June 30, 2025

Note 1. Actuarially Determined Contribution Rates

Actuarially determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. 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 2021 actuarial valuation	18 years for underfunded liabilities; 20 years for overfunded
Asset valuation method	7-Year smoothed market; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2022 actuarial valuation, the investment rate of return decreased from 7.3% to 7.2%. 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 decreased from 7.85% to 7.5%. In the 2013 actuarial valuation, the investment rate of return 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%. In the 2014 actuarial valuation, the projected salary increases were decreased from 4.5%-8.5% to 4.0%-8.0%. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%-9.0% to 4.5%-8.5%.
Wage growth	In the 2022 actuarial valuation, wage growth was changed from 3.5% to a range of 3.0-6.25%. In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5%. 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)

CITY OF PAGE, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedule
June 30, 2025

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 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 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 to cover members who retired or will retire after the law's effective date.

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
FOR THE FOLLOWING MAJOR FUNDS:

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

The **Highway User Special Revenue Fund** accounts for revenue sources that are legally restricted for road construction and maintenance.

The **Grants Fund** is used to account for grants received by the City which are restricted for specific purposes.

The **Airport Fund** is used to account for activities related to the operation of the City's airport.

Basis of Budgeting:

The City budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

CITY OF PAGE, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes:				
City sales tax	\$ 16,745,000	\$ 16,745,000	\$ 19,126,667	\$ 2,381,667
Franchise taxes	355,000	355,000	290,825	(64,175)
Total Taxes	17,100,000	17,100,000	19,417,492	2,317,492
Licenses, Permits and Fees:				
Planning and zoning fees	30,000	30,000	2,900	(27,100)
Dog licenses	300	300	28	(272)
Business registration fees	10,000	10,000	10,550	550
Building permits	130,000	130,000	113,812	(16,188)
Other	66,500	66,500	79,911	13,411
Total Licenses, Permits and Fees	236,800	236,800	207,201	(29,599)
Intergovernmental:				
State revenue sharing	1,980,000	1,980,000	1,557,168	(422,832)
Auto lieu taxes	452,000	452,000	463,017	11,017
State sales taxes	1,120,000	1,120,000	1,121,649	1,649
County library district	337,000	337,000	336,846	(154)
Other	125,000	125,000	123,600	(1,400)
Total Intergovernmental	4,014,000	4,014,000	3,602,280	(411,720)
Charges for Services:				
Recreation	40,000	40,000	26,480	(13,520)
Rescue services	885,000	885,000	580,561	(304,439)
Library services	27,000	27,000	23,281	(3,719)
Public safety	32,500	32,500	61,668	29,168
Rents	120,000	120,000	57,916	(62,084)
Other	132,000	132,000	75,762	(56,238)
Total Charges for Services	1,236,500	1,236,500	825,668	(410,832)
Fines and Forfeitures:				
Fines & forfeitures	200,000	200,000	219,577	19,577
Total Fines and Forfeitures	200,000	200,000	219,577	19,577
Investment earnings (loss)	2,000,000	2,000,000	2,071,558	71,558
Other Revenues:				
Miscellaneous	155,000	155,000	176,070	21,070
Total Other Revenues	155,000	155,000	176,070	21,070
TOTAL REVENUES	24,942,300	24,942,300	26,519,846	1,577,546

(continued)

CITY OF PAGE, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Continued)
For the Year Ended June 30, 2025

EXPENDITURES:	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
General Government:				
City Council	103,287	103,287	88,198	15,089
City Administration	726,340	820,396	817,562	2,834
City Clerk	347,163	347,163	311,785	35,378
City Attorney	535,231	535,231	464,611	70,620
Finance	586,636	609,536	608,747	789
Human Resources	1,678,832	1,678,832	705,236	973,596
General Services	2,306,131	2,090,251	1,238,095	852,156
Information Technology	817,044	820,344	816,592	3,752
Total General Government	<u>7,100,664</u>	<u>7,005,040</u>	<u>5,050,826</u>	<u>1,954,214</u>
Public Safety:				
Administration	981,890	981,890	869,123	112,767
Patrol	2,528,110	2,511,915	2,236,026	275,889
Communications	719,856	719,856	686,466	33,390
Investigations	649,801	672,596	665,175	7,421
Fire	3,211,130	3,211,130	2,915,622	295,508
Magistrate	713,297	721,737	720,899	838
Building and Safety	152,839	152,839	145,047	7,792
Total Public Safety	<u>8,956,923</u>	<u>8,971,963</u>	<u>8,238,358</u>	<u>733,605</u>
Public Works				
Administration	652,810	652,810	637,605	15,205
Planning and Zoning	361,934	358,634	319,763	38,871
Central Garage	512,379	533,879	429,140	104,739
Buildings Maintenance	502,714	532,564	470,912	61,652
Total Public Works	<u>2,029,837</u>	<u>2,077,887</u>	<u>1,857,420</u>	<u>220,467</u>
Culture and Recreation:				
Library	948,414	948,414	781,772	166,642
Parks & Trails Maintenance	858,338	858,338	761,364	96,974
Recreation	262,867	308,432	307,785	647
Total Culture and Recreation	<u>2,069,619</u>	<u>2,115,184</u>	<u>1,850,921</u>	<u>264,263</u>

(continued)

CITY OF PAGE, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Continued)
For the Year Ended June 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Community Development				
Community Center	523,931	523,931	423,007	100,924
Community Development	949,242	936,211	861,897	74,314
Total Community Development	<u>1,473,173</u>	<u>1,460,142</u>	<u>1,284,904</u>	<u>175,238</u>
TOTAL EXPENDITURES	<u>21,630,216</u>	<u>21,630,216</u>	<u>18,282,429</u>	<u>3,347,787</u>
Excess of Revenues Over (Under)				
Expenditures	<u>3,312,084</u>	<u>3,312,084</u>	<u>8,237,417</u>	<u>4,925,333</u>
Other Financing Sources (Uses):				
Land and asset sales	2,355,000	2,355,000	1,025,064	(1,329,936)
Transfers in	3,278,470	3,278,470	2,614,442	(664,028)
Transfers out	<u>(9,996,500)</u>	<u>(9,996,500)</u>	<u>(5,301,820)</u>	<u>4,694,680</u>
Total Other Financing Sources (Uses)	<u>(4,363,030)</u>	<u>(4,363,030)</u>	<u>(1,662,314)</u>	<u>2,700,716</u>
Net change in fund balance	(1,050,946)	(1,050,946)	6,575,103	7,626,049
Fund balance, beginning of year	<u>40,174,893</u>	<u>40,174,893</u>	<u>40,174,893</u>	<u>-</u>
Fund balance, end of year	<u>\$ 39,123,947</u>	<u>\$ 39,123,947</u>	<u>\$ 46,749,996</u>	<u>\$ 7,626,049</u>

CITY OF PAGE, ARIZONA
HIGHWAY USER REVENUE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Revenues				
Intergovernmental Revenue:				
Highway user revenue	\$ 1,000,000	\$ 1,000,000	\$ 1,012,253	\$ 12,253
Investment earnings	45,000	45,000	69,815	24,815
Total revenues	<u>1,045,000</u>	<u>1,045,000</u>	<u>1,082,068</u>	<u>37,068</u>
Expenditures				
Streets and Highways				
Current:				
Salaries, wages and benefits	-	50	38	12
Service, supplies and other	<u>1,051,850</u>	<u>1,051,800</u>	<u>340,522</u>	<u>711,278</u>
Total expenditures	<u>1,051,850</u>	<u>1,051,850</u>	<u>340,560</u>	<u>711,290</u>
Excess of revenues				
over (under) expenditures	<u>(6,850)</u>	<u>(6,850)</u>	<u>741,508</u>	<u>748,358</u>
Other financing sources (uses)				
Transfers to other funds	<u>(1,365,000)</u>	<u>(1,365,000)</u>	<u>(924,457)</u>	<u>440,543</u>
Total other financing sources (uses)	<u>(1,365,000)</u>	<u>(1,365,000)</u>	<u>(924,457)</u>	<u>440,543</u>
Net change in fund balance	<u>(1,371,850)</u>	<u>(1,371,850)</u>	<u>(182,949)</u>	<u>1,188,901</u>
Fund balance, beginning of year	<u>726,440</u>	<u>726,440</u>	<u>726,440</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ (645,410)</u></u>	<u><u>\$ (645,410)</u></u>	<u><u>\$ 543,491</u></u>	<u><u>\$ 1,188,901</u></u>

CITY OF PAGE, ARIZONA
GRANTS FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental revenue	\$ 17,560,306	\$ 17,560,306	\$ 8,012,688	\$ (9,547,618)
Total revenues	17,560,306	17,560,306	8,012,688	(9,547,618)
Expenditures				
Public safety	288,649	288,649	99,245	189,404
Public works	3,690,000	3,604,000	3,044,358	559,642
Culture and recreation	9,000,000	8,993,000	33,424	8,959,576
Community support	4,534,306	4,677,306	4,676,239	1,067
Total expenditures	17,512,955	17,562,955	7,853,266	9,709,689
Excess of revenues over (under) expenditures	47,351	(2,649)	159,422	162,071
Other financing sources (uses)				
Transfers:				
Transfers out	(50,000)	(50,000)	-	50,000
Total other financing sources (uses)	(50,000)	(50,000)	-	50,000
Net change in fund balance	(2,649)	(52,649)	159,422	212,071
Fund balance, beginning of year	429,381	429,381	429,381	-
Fund balance, end of year	\$ 426,732	\$ 376,732	\$ 588,803	\$ 212,071

CITY OF PAGE, ARIZONA
AIRPORT FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	Budgeted Amounts Original & Final	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ -	\$ 743,461	\$ 743,461
Charges for services	83,000	126,151	43,151
Rents and royalties	380,000	444,638	64,638
Miscellaneous	169,000	187,367	18,367
Total revenues	632,000	1,501,617	869,617
Expenditures			
Public works	604,220	547,278	56,942
Total expenditures	604,220	547,278	56,942
Excess of revenues over (under) expenditures	27,780	954,339	926,559
Other Financing Sources (uses)			
Transfers out	(895,915)	(520,662)	375,253
Total other financing sources (uses)	(895,915)	(520,662)	375,253
Net change in fund balance	(868,135)	433,677	1,301,812
Fund balance, beginning of year	2,770,289	2,770,289	-
Fund balance, end of year	\$ 1,902,154	\$ 3,203,966	\$ 1,301,812

SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
FOR THE FOLLOWING MAJOR FUNDS:

The **Capital Projects Fund** accounts for the acquisition and construction of the government's major capital facilities, other than those financed by proprietary funds.

CITY OF PAGE, ARIZONA
CAPITAL PROJECTS FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues			
Intergovernmental revenue	<u>\$ 3,631,235</u>	<u>\$ 1,948,555</u>	<u>\$ (1,682,680)</u>
Total revenues	<u>3,631,235</u>	<u>1,948,555</u>	<u>(1,682,680)</u>
Expenditures			
Capital outlay	<u>14,954,650</u>	<u>5,912,885</u>	<u>9,041,765</u>
Total expenditures	<u>14,954,650</u>	<u>5,912,885</u>	<u>9,041,765</u>
Excess of revenues over (under) expenditures	<u>(11,323,415)</u>	<u>(3,964,330)</u>	<u>7,359,085</u>
Other Financing Sources (Uses)			
Transfer in	<u>11,893,582</u>	<u>7,279,409</u>	<u>(4,614,173)</u>
Total other financing sources (uses)	<u>11,893,582</u>	<u>7,279,409</u>	<u>(4,614,173)</u>
Net change in fund balances	570,167	3,315,079	2,744,912
Fund balance, beginning of year	<u>9,827,009</u>	<u>9,827,009</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 10,397,176</u></u>	<u><u>\$ 13,142,088</u></u>	<u><u>\$ 2,744,912</u></u>

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SUPPLEMENTARY INFORMATION
COMBINING STATEMENTS
AND BUDGETARY COMPARISON SCHEDULES
NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose.

- The **Substance Abuse Fund** is used to account for the activity of the City's substance abuse funds.
- The **Miscellaneous Donations Fund** is used to account for donations received by the City which are restricted for specific purposes.
- The **Judicial Collection Enhancement Fund** is used to account for activities associated with the Magistrate Court.
- The **Perpetual Care Fund** is used to account for resources held by the City for the perpetual care of the cemetery.
- The **Magistrate Court Improvement Fund** is used to account for resources held by the City for the Improvement of the Magistrate Court.
- The **GAP Fund** is used to account for resources obtained from the ACJC to improve the processing of criminal cases.
- The **Debt Service Fund** accounts for the accumulation of resources for, and the payment of current and future debt service requirements of governmental debt.

CITY OF PAGE, ARIZONA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Substance Abuse	Miscellaneous Donations	Judicial Collection Enhancement	Perpetual Care	Magistrate Court Improvements	GAP	Debt Service	Total Nonmajor Governmental Funds
Assets								
Cash and cash equivalents	\$ 40,556	\$ 34,732	\$ 13,787	\$ 292,974	\$ 24,753	\$ 4,813	\$ -	\$ 411,615
Receivables:								
Other	-	-	-	2,783	-	-	-	2,783
Due from other funds	-	-	314	-	-	-	-	314
Total assets	<u>\$ 40,556</u>	<u>\$ 34,732</u>	<u>\$ 14,101</u>	<u>\$ 295,757</u>	<u>\$ 24,753</u>	<u>\$ 4,813</u>	<u>\$ -</u>	<u>\$ 414,712</u>
Liabilities								
Accounts payable	\$ 179	\$ 580	\$ -	\$ 4,449	\$ -	\$ -	\$ -	\$ 5,208
Accrued liabilities	-	-	-	5,275	-	-	-	5,275
Total liabilities	<u>179</u>	<u>580</u>	<u>-</u>	<u>9,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,483</u>
Fund Balances								
Restricted for:								
Perpetual care	-	-	-	286,033	-	-	-	286,033
Public safety	40,377	-	-	-	24,753	4,813	-	69,943
Community support	-	34,152	-	-	-	-	-	34,152
Committed for:								
Judicial	-	-	14,101	-	-	-	-	14,101
Total fund balances	<u>40,377</u>	<u>34,152</u>	<u>14,101</u>	<u>286,033</u>	<u>24,753</u>	<u>4,813</u>	<u>-</u>	<u>404,229</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 40,556</u>	<u>\$ 34,732</u>	<u>\$ 14,101</u>	<u>\$ 295,757</u>	<u>\$ 24,753</u>	<u>\$ 4,813</u>	<u>\$ -</u>	<u>\$ 414,712</u>

CITY OF PAGE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue					Debt Service		Total Nonmajor Governmental Funds
	Substance Abuse	Miscellaneous Donations	Judicial Collection Enhancement	Perpetual Care	Magistrate Court Improvement	GAP	Debt Service	
Revenues								
Intergovernmental revenue	\$ 2,409	\$ -	\$ 3,578	\$ -	\$ -	\$ 2,001	\$ -	\$ 7,988
Charges for services	-	-	-	42,345	15,057	-	-	57,402
Investment earnings	-	-	7	-	-	-	-	7
Other revenues	-	28,443	-	54,094	-	-	-	82,537
Total revenues	2,409	28,443	3,585	96,439	15,057	2,001	-	147,934
Expenditures								
Current:								
Public safety	179	9,907	-	-	-	-	-	10,086
Culture and recreation	-	19,910	-	-	-	-	-	19,910
Community support	-	568	-	166,163	-	-	-	166,731
Total expenditures	179	30,385	-	166,163	-	-	-	196,727
Excess (deficiency) of revenues over (under) expenditures	2,230	(1,942)	3,585	(69,724)	15,057	2,001	-	(48,793)
Other Financing Sources (Uses)	-	-	-	-	-	-	-	-
Net change in fund balances	2,230	(1,942)	3,585	(69,724)	15,057	2,001	-	(48,793)
Fund balances, beginning of year	38,147	36,094	10,516	355,757	9,696	2,812	-	453,022
Fund balances, end of year	\$ 40,377	\$ 34,152	\$ 14,101	\$ 286,033	\$ 24,753	\$ 4,813	\$ -	\$ 404,229

CITY OF PAGE, ARIZONA
SUBSTANCE ABUSE
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues			
Substance abuse revenue	<u>\$ 2,500</u>	<u>\$ 2,409</u>	<u>\$ (91)</u>
Expenditures			
Public safety:			
Substance abuse expenditures	<u>31,000</u>	<u>179</u>	<u>30,821</u>
Excess of revenue over(under) expenditures	(28,500)	2,230	30,730
Fund balance, beginning of year	<u>38,147</u>	<u>38,147</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 9,647</u></u>	<u><u>\$ 40,377</u></u>	<u><u>\$ 30,730</u></u>

CITY OF PAGE, ARIZONA
MISCELLANEOUS DONATIONS
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues			
Other revenues	\$ 108,800	\$ 28,443	\$ (80,357)
Total revenues	<u>108,800</u>	<u>28,443</u>	<u>(80,357)</u>
Expenditures			
Public safety	15,100	9,907	5,193
Culture and recreation	31,800	19,910	11,890
Community support	<u>68,950</u>	<u>568</u>	<u>68,382</u>
Total expenditures	<u>115,850</u>	<u>30,385</u>	<u>85,465</u>
Excess of revenues over (under) expenditures	(7,050)	(1,942)	5,108
Other financing sources (uses)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(7,050)	(1,942)	5,108
Fund balance, beginning of year	<u>36,094</u>	<u>36,094</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 29,044</u></u>	<u><u>\$ 34,152</u></u>	<u><u>\$ 5,108</u></u>

CITY OF PAGE, ARIZONA
JUDICIAL COLLECTION ENHANCEMENT
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Budget
Revenues				
Intergovernmental revenue	\$ 2,500	\$ -	\$ 3,578	\$ 3,578
Investment earnings	50	-	7	7
Total revenues	2,550	-	3,585	3,585
Expenditures				
Public safety:				
Magistrate	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	2,550	-	3,585	3,585
Fund balance, beginning of year	10,516	10,516	10,516	-
Fund balance, end of year	\$ 13,066	\$ 10,516	\$ 14,101	\$ 3,585

CITY OF PAGE, ARIZONA
PERPETUAL CARE
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues			
Charges for services	\$ 30,000	\$ 42,345	\$ 12,345
Other revenues	<u>40,000</u>	<u>54,094</u>	<u>14,094</u>
Total revenues	<u>70,000</u>	<u>96,439</u>	<u>26,439</u>
Expenditures			
Current:			
Community support	24,820	19,857	4,963
Benefits	46,372	45,657	715
Salaries and Wages	<u>100,895</u>	<u>100,649</u>	<u>246</u>
Total expenditures	<u>172,087</u>	<u>166,163</u>	<u>5,924</u>
Excess of revenues over (under) expenditures	<u>(102,087)</u>	<u>(69,724)</u>	<u>32,363</u>
Other financing sources (uses)			
Transfers out	<u>14,000</u>	<u>-</u>	<u>(14,000)</u>
Total other financing sources (uses)	<u>14,000</u>	<u>-</u>	<u>(14,000)</u>
Net change in fund balances	(88,087)	(69,724)	18,363
Fund balance, beginning of year	<u>355,757</u>	<u>355,757</u>	<u>-</u>
Fund balance, end of year	<u>\$ 267,670</u>	<u>\$ 286,033</u>	<u>\$ 32,363</u>

CITY OF PAGE, ARIZONA
MAGISTRATE COURT IMPROVEMENT
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues			
Charges for Services	\$ 5,000	\$ 15,057	\$ 10,057
Total revenues	<u>5,000</u>	<u>15,057</u>	<u>10,057</u>
Expenditures			
General government	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>15,057</u>	<u>15,057</u>
Other financing sources (uses)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	15,057	15,057
Fund balance, beginning of year	<u>9,696</u>	<u>9,696</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 9,696</u></u>	<u><u>\$ 24,753</u></u>	<u><u>\$ 15,057</u></u>

CITY OF PAGE, ARIZONA
GAP
SPECIAL REVENUE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>
Revenues			
Intergovernmental Revenues	\$ 2,000	\$ 2,001	\$ 1
Total revenues	<u>2,000</u>	<u>2,001</u>	<u>1</u>
Expenditures			
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>2,000</u>	<u>2,001</u>	<u>1</u>
Other financing sources (uses)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,000	2,001	1
Fund balance, beginning of year	<u>2,812</u>	<u>2,812</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 4,812</u></u>	<u><u>\$ 4,813</u></u>	<u><u>\$ 1</u></u>

CITY OF PAGE, ARIZONA
DEBT SERVICE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Budget
Revenues				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures				
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	2,045,000	-	(2,045,000)
Transfers out	-	(300,000)	-	300,000
Total other financing sources (uses)	-	1,745,000	-	(1,745,000)
Net change in fund balances	-	1,745,000	-	(1,745,000)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ 1,745,000	\$ -	\$ (1,745,000)

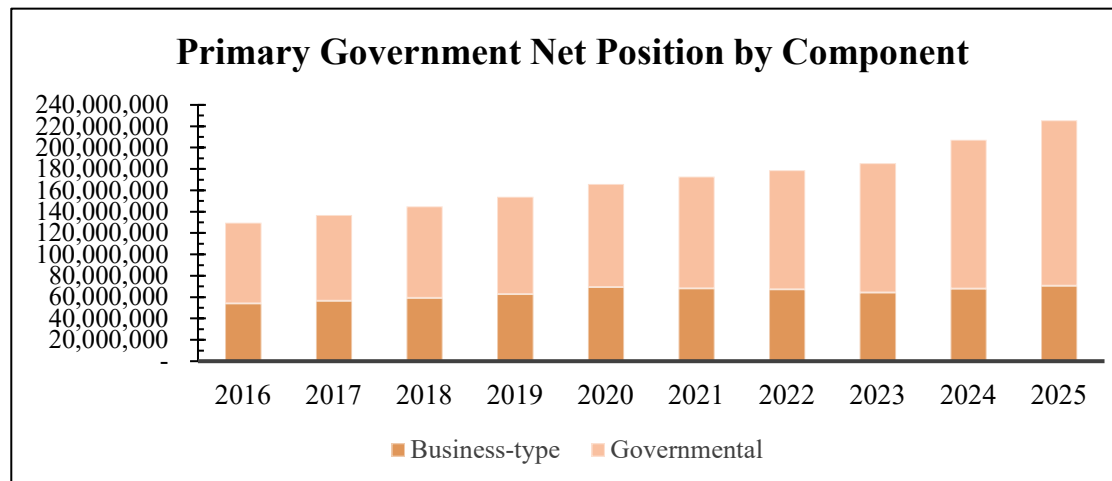
STATISTICAL SECTION

This part of the Government's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends.....	104
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity.....	112
<i>These schedules contain information to help the reader assess the government's property taxes and the most significant local revenue source, the sales tax.</i>	
Debt Capacity.....	114
<i>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.</i>	
Demographic and Economic Information.....	120
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information.....	122
<i>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.</i>	

	Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment capital assets	\$ 66,219,507	\$ 66,200,813	\$ 68,395,001	\$ 69,659,085	\$ 69,889,750	\$ 71,621,631	\$ 76,771,123	\$ 80,901,011	\$ 90,123,409	\$ 95,150,561
Restricted	5,517,158	10,106,948	11,338,638	9,682,423	11,944,783	13,299,224	10,103,029	9,619,411	12,163,937	2,354,805
Unrestricted	3,607,697	3,936,599	5,831,771	11,684,949	14,692,191	19,553,927	24,491,197	30,608,198	37,079,536	57,310,527
Total governmental activities net position	75,344,362	80,244,360	85,565,410	91,026,457	96,526,724	104,474,782	111,365,349	121,128,620	139,366,882	154,815,893
Business-type activities:										
Net investment capital assets	32,210,341	32,807,741	32,628,302	35,838,822	34,947,403	38,764,682	38,305,688	37,643,355	38,283,231	38,022,401
Restricted	-	-	-	-	-	-	-	124,639	125,169	138,042
Unrestricted	22,086,197	23,938,589	26,699,050	27,041,775	34,595,396	29,514,239	29,201,794	26,575,044	29,507,261	32,499,219
Total business-type activities net position	54,296,538	56,746,330	59,327,352	62,880,597	69,542,799	68,278,921	67,507,482	64,343,038	67,915,661	70,659,662
Primary government										
Net investment capital assets	98,429,848	99,008,554	101,023,303	105,497,907	104,837,153	110,386,313	115,076,811	118,544,366	128,406,640	133,548,126
Restricted	5,517,158	10,106,948	11,338,638	9,682,423	11,944,783	13,299,224	10,103,029	9,744,050	12,289,106	2,492,847
Unrestricted	25,693,894	27,875,188	32,530,821	38,726,724	49,287,587	49,068,166	53,692,991	57,183,242	66,586,797	89,434,582
Total primary government net position	\$ 129,640,900	\$ 136,990,690	\$ 144,892,762	\$ 153,907,054	\$ 166,069,523	\$ 172,753,703	\$ 178,872,831	\$ 185,471,658	\$ 207,282,543	\$ 225,475,555

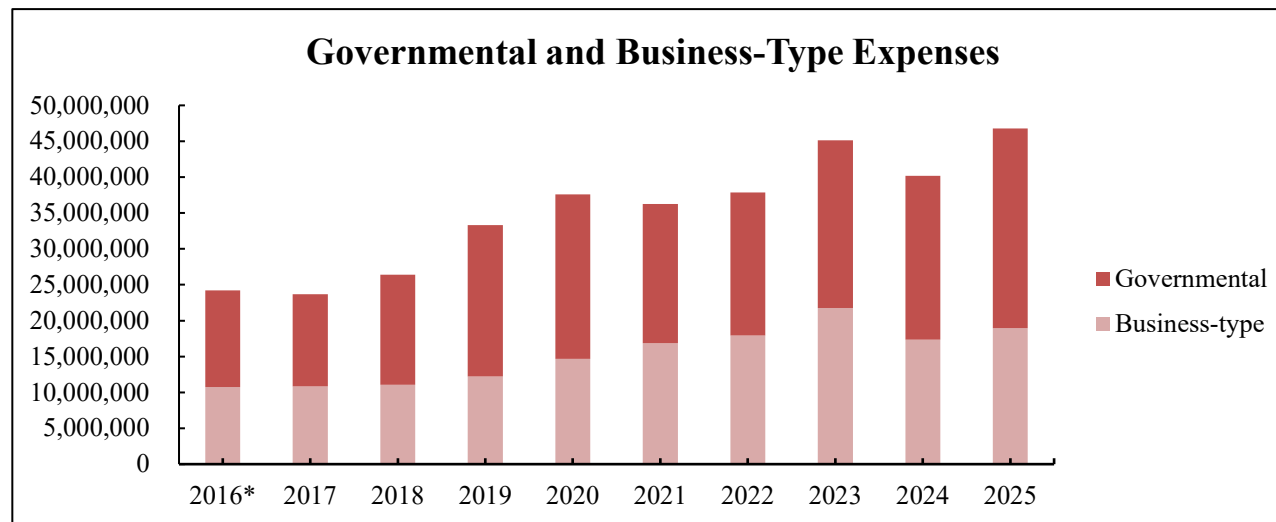
Source: Statement of Net Position



	Fiscal Year Ended June 30									
Expenses	2016*	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
General government	\$ 2,384,107	\$ 2,517,770	\$ 3,282,422	\$ 4,644,028	\$ 3,831,163	\$ 3,253,282	\$ 3,164,721	\$ 4,084,224	\$ 1,558,021	\$ 2,843,878
Public safety	5,277,461	5,300,648	6,048,643	3,998,934	5,346,184	6,023,874	5,824,832	6,458,600	8,466,324	9,138,586
Judicial	8,348	13,245	8,457	16,142	9,936	7,886	9,649	7,114	3,377	-
Public works	3,312,763	2,642,246	3,362,138	5,497,750	3,648,509	4,175,997	4,264,878	3,945,218	5,170,411	7,914,628
Culture and recreation	1,259,145	1,368,639	1,601,945	1,544,092	4,774,238	1,024,384	1,333,513	1,717,817	1,991,563	1,908,984
Community Support	774,053	567,743	618,843	4,970,310	4,905,730	4,583,515	5,309,658	7,156,603	5,631,300	6,032,305
Interest on long-term debt	467,237	448,474	427,529	407,326	383,336	297,258	14,779	4,961	-	-
Total governmental activities	13,483,114	12,858,765	15,349,977	21,078,582	22,899,096	19,366,196	19,922,030	23,374,537	22,820,996	27,838,381
Business-type activities:										
Water	1,422,969	1,621,247	1,639,605	1,727,545	1,588,783	1,743,042	1,853,181	1,789,388	1,970,793	2,118,152
Sewer	1,322,480	1,438,193	1,396,058	1,520,319	1,616,752	1,563,422	1,620,118	1,666,189	1,901,861	2,049,227
Electric	7,351,933	7,100,576	7,320,987	8,013,267	6,922,860	10,160,062	10,929,498	14,623,431	9,604,328	10,562,132
Sanitation	642,385	665,396	689,077	717,310	749,644	772,221	812,728	898,646	992,641	1,031,483
Horseshoe Bend	-	-	-	263,265	2,400,164	1,212,255	1,268,940	1,177,987	1,175,796	1,126,919
Golf	-	-	-	-	1,398,663	1,429,749	1,439,084	1,592,497	1,717,834	2,060,481
Total business-type activities	10,739,767	10,825,412	11,045,727	12,241,706	14,676,866	16,880,751	17,923,549	21,748,138	17,363,253	18,948,394
Total Primary Governmental Expenses	\$ 24,222,881	\$ 23,684,177	\$ 26,395,704	\$ 33,320,288	\$ 37,575,962	\$ 36,246,947	\$ 37,845,579	\$ 45,122,675	\$ 40,184,249	\$ 46,786,775

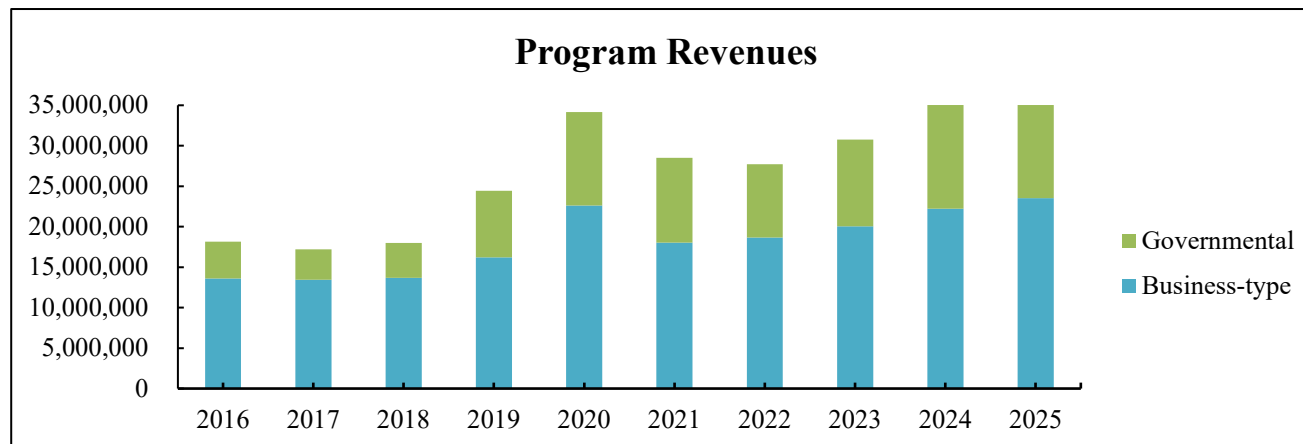
Source: Statement of Activities

2016 Restated: Electric and Sanitation numbers in incorrect row.



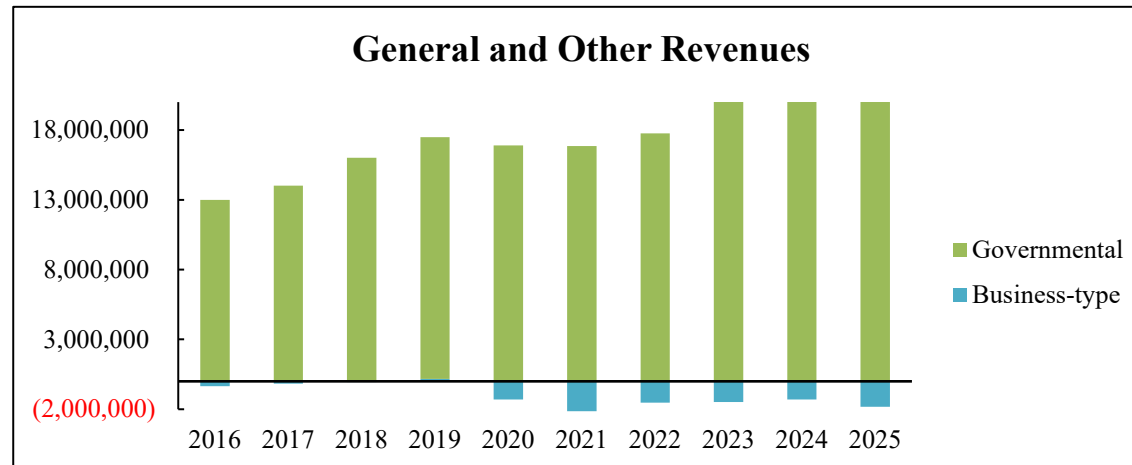
	Fiscal Year Ended June 30									
Program Revenues	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Charges for services										
General government	\$ 119,155	\$ 140,530	\$ 108,321	\$ 96,461	\$ 86,163	\$ 88,033	\$ 108,245	\$ 157,248	\$ 182,102	\$ 97,582
Public safety	1,230,660	1,197,174	1,234,686	1,170,052	1,069,039	1,071,775	938,410	922,454	880,385	961,250
Judicial	0	0	0	0	0	0	0	0	0	0
Public works	750,676	716,320	614,337	679,565	804,126	731,628	831,508	841,688	791,034	945,251
Culture and recreation	99,874	94,299	102,395	87,525	52,048	20,495	59,239	77,717	59,781	59,356
Community support	32,555	20,251	12,438	13,119	14,916	13,763	3,639	11,625	11,607	10,352
Operating grants and contributions	1,433,449	1,350,225	1,356,363	5,641,026	5,928,375	6,766,527	6,671,846	8,256,833	6,585,655	9,935,549
Capital grants and contributions	872,703	232,075	898,224	530,262	3,554,737	1,774,556	440,459	411,148	5,706,041	2,316,872
Total governmental activities	4,539,072	3,750,874	4,326,764	8,218,010	11,509,404	10,466,777	9,053,346	10,678,713	14,216,605	14,326,212
Business-type activities:										
Charges for services										
Water	1,870,895	1,902,113	2,028,813	1,906,558	2,087,440	2,082,946	1,947,131	1,845,664	1,961,210	2,034,407
Sewer	1,583,968	1,845,445	1,950,676	1,923,262	1,891,245	1,837,331	1,909,382	1,866,191	1,922,345	1,971,024
Electric	9,287,791	8,798,034	8,765,309	9,245,198	9,488,096	9,204,592	9,233,328	9,672,489	11,450,074	12,671,228
Sanitation	872,859	902,969	932,174	964,834	951,109	878,003	915,384	1,012,653	1,105,425	1,147,117
Horseshoe Bend	-	-	-	1,646,549	4,024,228	2,984,258	3,553,877	4,463,103	4,484,916	4,267,176
Golf	-	-	-	-	596,210	1,035,038	1,113,809	1,151,595	1,251,012	1,434,739
Capital grants and contributions	-	-	-	528,738	3,597,898	3,565	-	54,324	51,651	(14,171)
Total business-type activities	13,615,513	13,448,561	13,676,972	16,215,139	22,636,226	18,025,733	18,672,911	20,066,019	22,226,633	23,511,520
Total Program Revenues	\$ 18,154,585	\$ 17,199,435	\$ 18,003,736	\$ 24,433,149	\$ 34,145,630	\$ 28,492,510	\$ 27,726,257	\$ 30,744,732	\$ 36,443,238	\$ 37,837,732

Source: Statement of Activities



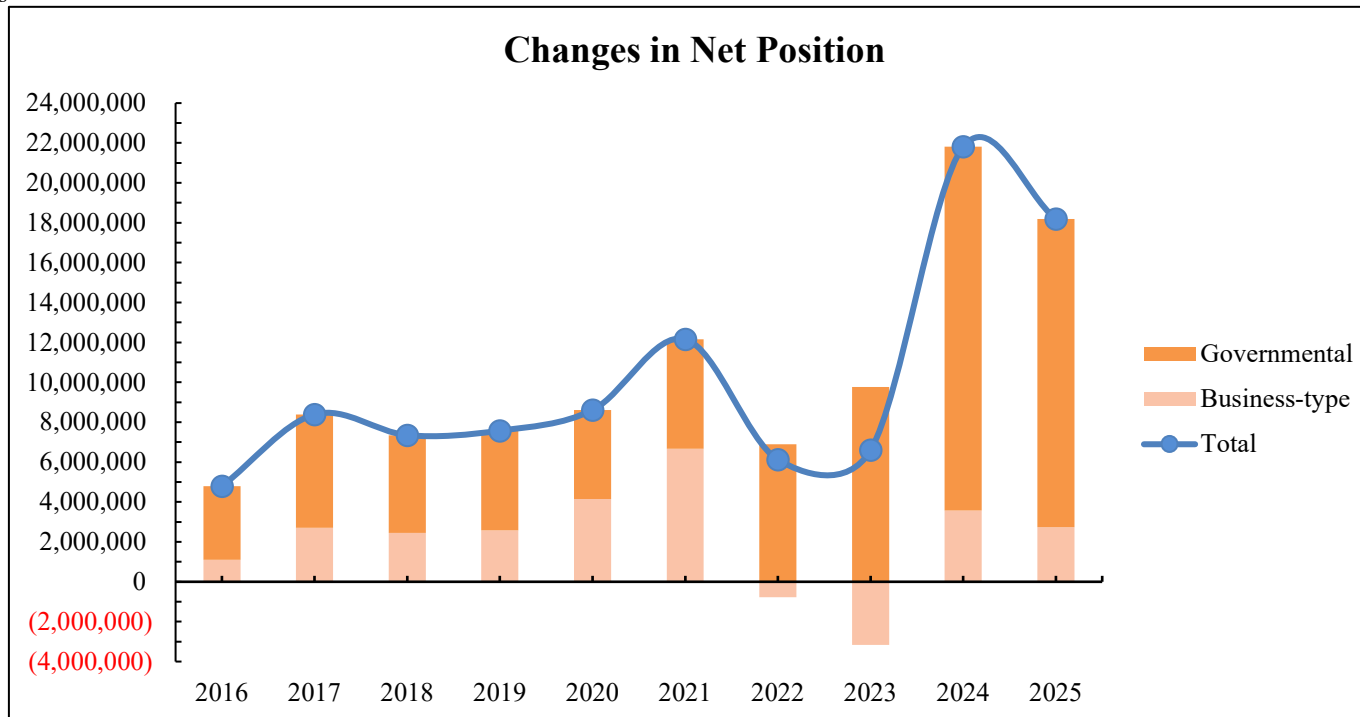
	Fiscal Year Ended June 30									
General and Other Revenues	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Taxes:										
City Sales taxes	\$ 10,286,279	\$ 11,336,994	\$ 13,194,212	\$ 14,166,152	\$ 12,100,877	\$ 11,187,498	\$ 13,609,436	\$ 15,118,831	\$ 16,584,777	\$ 19,126,667
State Sales taxes	685,284	686,412	729,558	759,827	781,163	893,189	1,049,592	1,090,180	1,109,355	1,121,649
Property taxes	-	-	-	-	-	-	-	-	-	-
Franchise taxes	244,342	237,920	233,788	250,360	233,405	227,848	209,977	245,078	298,747	290,825
Auto lieu tax	319,311	329,229	351,107	358,939	352,987	421,154	414,004	414,889	427,498	463,017
Unrestricted state shared revenue	872,538	916,348	941,208	914,667	978,393	1,075,999	981,403	1,399,049	1,949,543	1,557,168
Land Sales	-	-	-	-	-	-	-	-	1,700,370	927,771
Investment earnings (losses)	61,888	136,796	287,136	509,076	771,305	559,284	(146,481)	775,611	1,859,528	2,141,379
Miscellaneous	157,195	132,094	141,340	221,452	141,458	61,921	90,417	1,045,297	164,266	171,619
Gain/(loss) on disposal of asset	-	-	-	-	-	-	-	102,948	160,909	-
Transfers	364,922	232,096	140,108	141,147	1,530,371	2,420,584	1,550,903	2,267,212	2,587,659	3,161,083
Total Governmental Activities	12,991,759	14,007,889	16,018,457	17,321,620	16,889,959	16,847,477	17,759,251	22,459,095	26,842,652	28,961,178
Business-type activities										
Investment earnings/(losses)	26,831	58,739	150,517	276,715	233,213	9,219	32,616	746,966	1,211,202	1,318,282
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Gain/(loss) on disposal of asset	-	-	(61,163)	40,284	-	2,505	1,800	37,921	(41,311)	23,676
Transfers	(364,922)	(232,096)	(140,108)	(141,147)	(1,530,371)	(2,420,584)	(1,550,903)	(2,267,212)	(2,460,648)	(3,161,083)
Total business-type activities	(338,091)	(173,357)	(50,754)	175,852	(1,297,158)	(2,408,860)	(1,516,487)	(1,482,325)	(1,290,757)	(1,819,125)
Total General and Other Revenues	\$ 12,653,668	\$ 13,834,532	\$ 15,967,703	\$ 17,497,472	\$ 15,592,801	\$ 14,438,617	\$ 16,242,764	\$ 20,976,770	\$ 25,551,895	\$ 27,142,053

Source: Statement of Activities



	Fiscal Year Ended June 30									
Summary	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Expenses	\$ (13,084,257)	\$ (12,858,765)	\$ (12,858,765)	\$ (15,349,977)	\$ (21,078,582)	\$ (22,899,906)	\$ (19,922,030)	\$ (23,374,537)	\$ (22,820,996)	\$ (27,838,381)
Program Revenue	4,459,052	4,539,072	3,750,874	4,326,764	8,218,010	11,509,404	9,053,346	10,678,713	14,216,605	14,326,212
Net (Expense) Revenue	(8,625,205)	(8,319,693)	(9,107,891)	(11,023,213)	(12,860,572)	(11,389,692)	(10,868,684)	(12,695,824)	(8,604,391)	(13,512,169)
General Revenues and Other	12,306,721	14,007,889	14,007,889	16,018,457	17,321,620	16,889,959	17,759,251	22,459,095	26,842,652	28,961,178
Total governmental activities	3,681,516	5,688,196	4,899,998	4,995,244	4,461,048	5,500,267	6,890,567	9,763,271	18,238,261	15,449,009
Business-type Activities										
Expenses	11,259,994	10,739,767	10,825,412	11,045,727	12,241,706	14,676,866	17,923,549	21,748,138	17,363,253	18,948,394
Program Revenue	12,702,213	13,615,513	13,448,561	13,676,972	16,215,139	22,636,226	18,672,911	20,066,019	22,226,633	23,511,520
General Revenues and Other	(336,881)	(173,357)	(173,357)	(50,754)	175,852	(1,297,158)	(1,516,487)	(1,482,325)	(1,290,757)	(1,819,125)
Total business-type activities	1,105,338	2,702,389	2,449,792	2,580,491	4,149,285	6,662,202	(767,125)	(3,164,444)	3,572,623	2,744,001
Total Primary Government	\$ 4,786,854	\$ 8,390,585	\$ 7,349,790	\$ 7,575,735	\$ 8,610,333	\$ 12,162,469	\$ 6,123,442	\$ 6,598,827	\$ 21,810,884	\$ 18,193,010

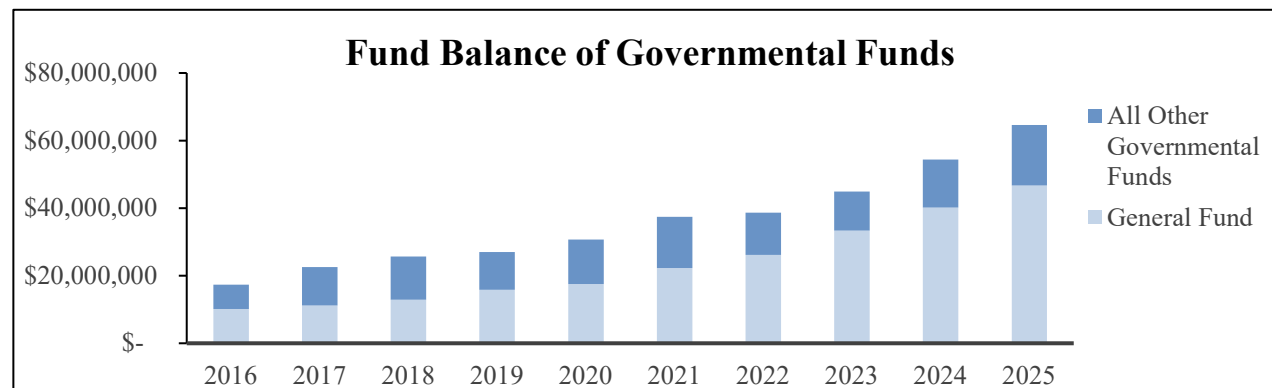
Source: Statement of Activities



City of Page, Arizona
Fund Balances of Governmental Funds
Last Ten Fiscal Years

Statistical Section
Financial Trends
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	73,698	-	-	-	260	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	10,066,148	11,148,425	12,869,809	15,810,863	17,577,602	22,288,564	26,150,137	33,358,152	40,174,893	46,749,996
Total General Fund	\$ 10,139,846	\$ 11,148,425	\$ 12,869,809	\$ 15,810,863	\$ 17,577,862	\$ 22,288,564	\$ 26,150,137	\$ 33,358,152	\$ 40,174,893	\$ 46,749,996
All Other Governmental Funds:										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	5,517,158	10,106,948	11,338,638	509,529	590,873	666,653	\$ 1,149,026	\$ 1,701,305	\$ 1,598,327	\$ 1,522,422
Committed	1,653,804	1,282,845	1,454,239	1,552,535	1,183,735	1,797,112	2,453,301	2,731,068	2,780,805	3,218,067
Assigned	-	-	-	9,172,894	11,353,910	12,632,571	8,954,003	7,111,843	9,827,009	13,142,088
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 7,170,962	\$ 11,389,793	\$ 12,792,877	\$ 11,234,958	\$ 13,128,518	\$ 15,096,336	\$ 12,556,330	\$ 11,544,216	\$ 14,206,141	\$ 17,882,577
Total Government Funds	\$ 17,310,808	\$ 22,538,218	\$ 25,662,686	\$ 27,045,821	\$ 30,706,380	\$ 37,384,900	\$ 38,706,467	\$ 44,902,368	\$ 54,381,034	\$ 64,632,573



Source - Balance Sheet

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

Financial Trends

(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Taxes	\$ 10,530,621	\$ 11,574,914	\$ 13,428,000	\$ 14,416,512	\$ 12,334,282	\$ 11,415,346	\$ 13,819,413	\$ 15,363,909	\$ 16,883,524	\$ 19,417,492
Licenses and permits	294,055	294,515	169,436	244,088	307,155	179,633	241,793	229,110	201,612	207,201
Intergovernmental	4,284,524	3,482,449	4,189,230	8,178,358	11,559,466	10,553,660	9,575,246	11,510,754	15,696,408	15,327,225
Charges for services	1,154,090	1,145,367	1,202,810	1,106,542	968,678	1,018,625	953,463	1,045,630	1,037,325	1,009,221
Fines and forfeitures	286,430	252,557	222,594	246,499	236,453	198,693	190,332	186,021	180,937	219,577
Rents and royalties	382,473	368,224	363,312	336,270	386,317	372,809	408,132	409,172	364,087	444,638
Investment income	56,656	136,766	287,106	509,056	771,289	559,284	(146,482)	775,611	1,859,528	2,141,380
Miscellaneous	177,059	267,475	342,646	307,728	304,057	263,292	200,031	1,247,441	386,896	445,974
Total revenues	17,310,208	17,815,271	20,205,134	25,398,509	26,868,992	25,101,858	25,241,928	30,767,648	36,610,317	39,212,708
Expenditures:										
Current -										
General government	\$ 2,484,086	\$ 2,493,096	\$ 3,722,547	\$ 4,349,976	\$ 3,986,115	\$ 3,059,489	\$ 3,153,949	\$ 3,893,066	\$ 4,548,801	\$ 5,050,826
Public safety	4,709,304	4,981,725	5,461,311	5,380,344	5,505,020	5,454,344	5,829,001	6,851,432	7,608,930	8,347,689
Judicial	8,062	13,216	8,447	16,280	10,889	7,650	9,594	6,936	3,311	-
Public works	1,320,767	1,354,570	2,090,641	4,364,007	2,566,547	2,790,643	2,862,852	2,352,576	3,638,560	5,789,616
Culture and recreation	900,986	1,035,250	1,276,693	1,227,325	813,605	857,489	1,180,274	1,871,065	1,671,224	1,904,255
Community support	506,816	509,616	560,471	4,961,023	5,138,799	4,260,757	5,228,657	6,854,937	5,589,287	6,127,874
Capital outlay	1,708,821	1,107,036	2,707,997	2,481,663	5,654,824	3,268,956	1,868,866	4,680,088	8,393,466	5,912,885
Debt service -										
Principal	939,171	959,329	984,997	1,011,399	1,045,302	1,241,071	5,343,395	426,847	-	-
Interest and fiscal charges	447,180	428,565	407,670	385,184	359,736	327,422	14,779	4,961	-	-
Refunding bond issuance costs									-	-
Total Expenditures	\$ 13,025,193	\$ 12,882,403	\$ 17,220,774	\$ 24,177,201	\$ 25,080,837	\$ 21,267,821	\$ 25,491,367	\$ 26,941,908	\$ 31,453,579	\$ 33,133,145
Revenues over Expenditures	\$ 4,285,015	\$ 4,932,868	\$ 2,984,360	\$ 1,221,308	\$ 1,788,155	\$ 3,834,037	\$ (249,439)	\$ 3,825,740	\$ 5,156,738	\$ 6,079,563
Other Funding Sources										
Issuance of long-term debt	-	-	-	-	-	-	-	-	-	-
Premium on long-term debt issuance	-	-	-	-	-	-	-	-	-	-
Payment to refunded bond	-	-	-	-	-	-	-	-	-	-
Proceeds from leases	-	-	-	-	-	-	-	-	-	-
Land sales	144,300	293,004	-	53,456	1,295	540,516	20,104	102,948	1,861,279	1,025,064
Transfers in	4,176,746	6,428,900	4,597,346	6,570,523	7,658,860	6,111,025	5,587,769	6,807,307	8,408,824	9,893,851
Transfers out	(3,811,824)	(6,196,804)	(4,457,238)	(6,429,376)	(6,128,489)	(3,690,441)	(4,036,867)	(4,540,094)	(5,948,176)	(6,746,939)
Debt proceeds	-	62,446	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	20,681	342,033	423,899	-	-	-	-
Total other financing sources	364,922	294,542	140,108	161,828	1,872,404	2,844,483	1,550,902	2,267,213	2,460,648	4,171,976
Net Change in Fund Balance	\$ 4,649,937	\$ 5,227,410	\$ 3,124,468	\$ 1,383,136	\$ 3,660,559	\$ 6,678,520	\$ 1,301,463	\$ 6,092,953	\$ 7,617,386	\$ 9,478,665

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds-Continued
Last Ten Fiscal Years

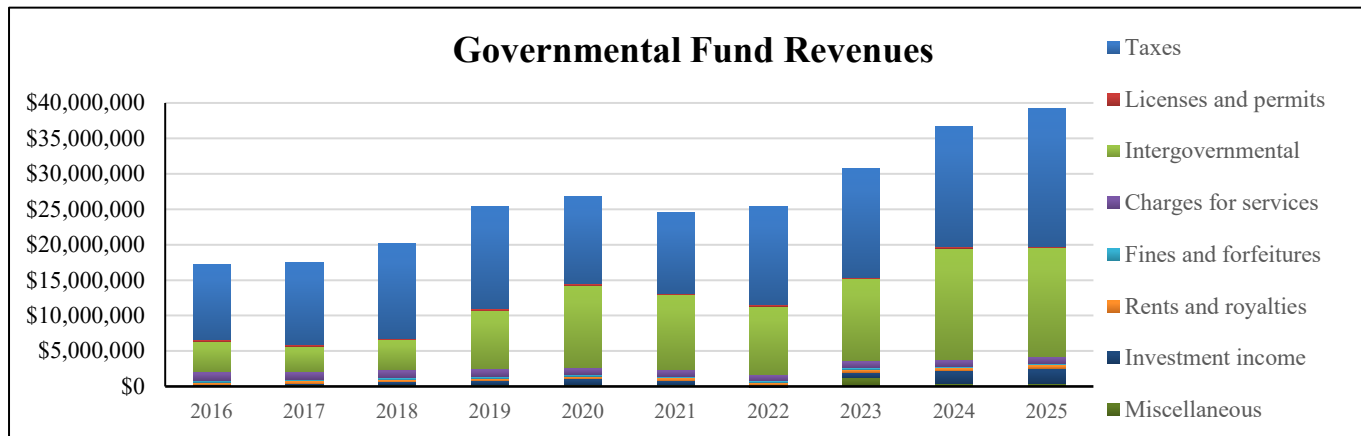
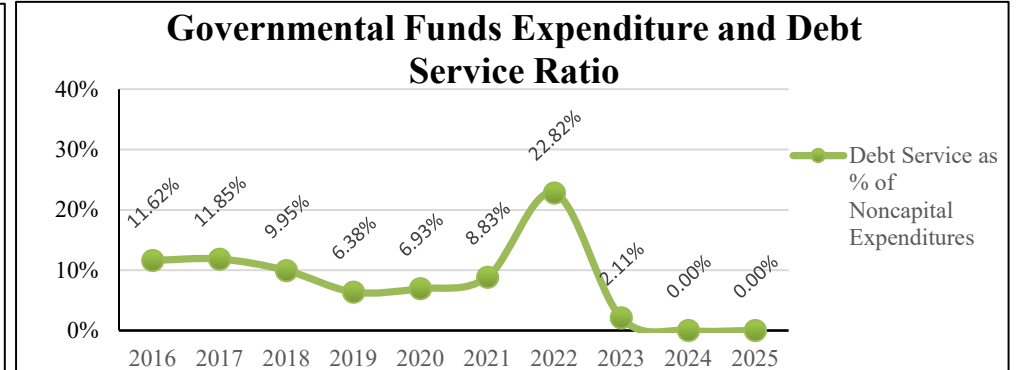
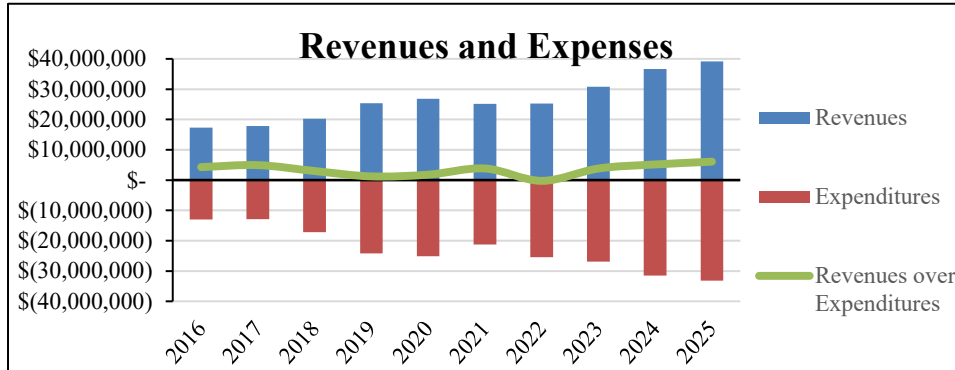
Financial Trends
(Accrual basis of accounting)

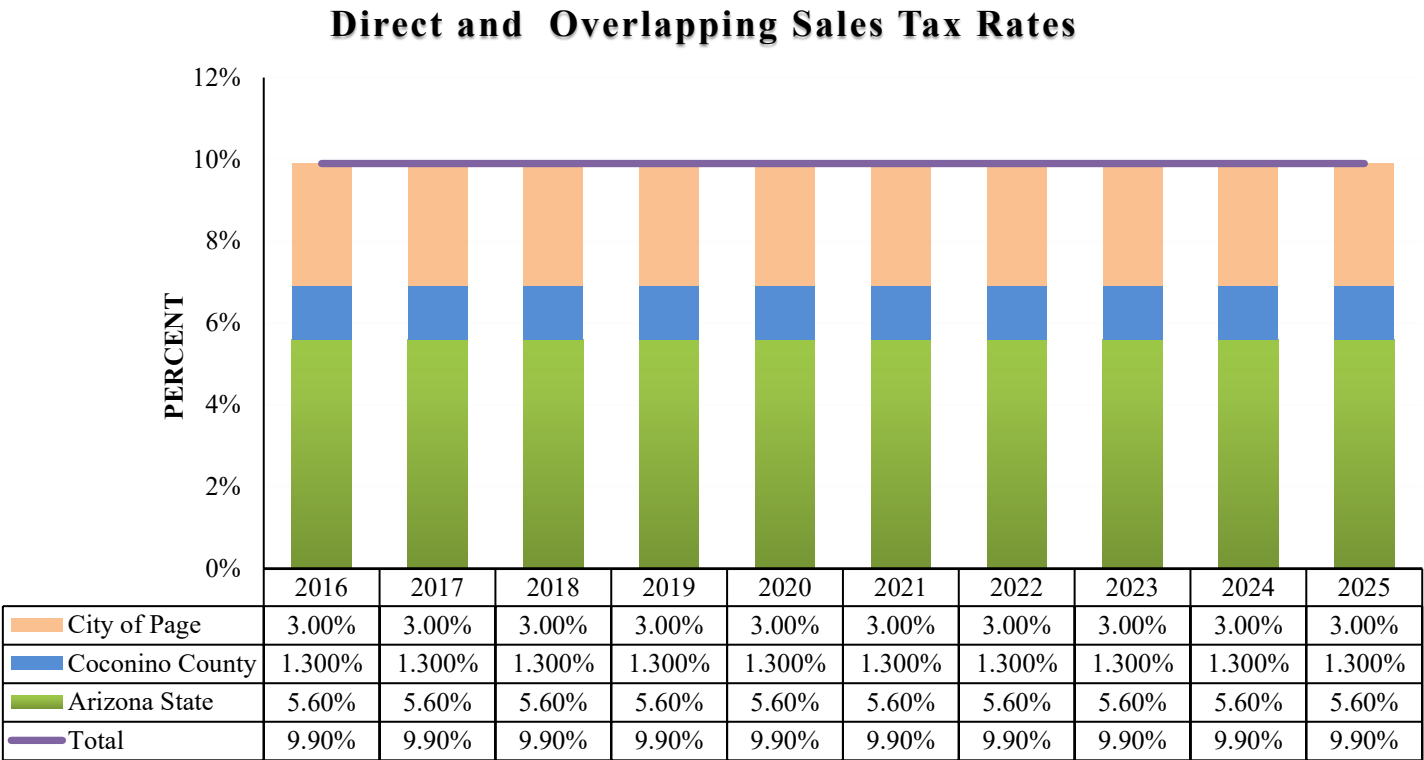
	Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Capital Outlay (1)	1,095,959	1,171,699	3,224,914	2,293,400	4,800,668	3,514,423	2,014,449	6,481,682	12,186,576	8,865,977
Debt Ratio										
Total Debt Service	\$ 1,386,351	\$ 1,387,894	\$ 1,392,667	\$ 1,396,583	\$ 1,405,038	\$ 1,568,493	\$ 5,358,174	\$ 431,808	\$ -	\$ -
Total Noncapital Expenditure (2)	11,929,234	11,710,704	13,995,860	21,883,801	20,280,169	17,753,398	23,476,918	20,460,226	19,267,003	24,267,168
Debt Service as a percentage of noncapital expenditures	11.62%	11.85%	9.95%	6.38%	6.93%	8.83%	22.82%	2.11%	0.00%	0.00%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds

Note (1): Capital outlay amount from Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds.

Note (2): Noncapital Expenditure is total expenditures less capital outlay.



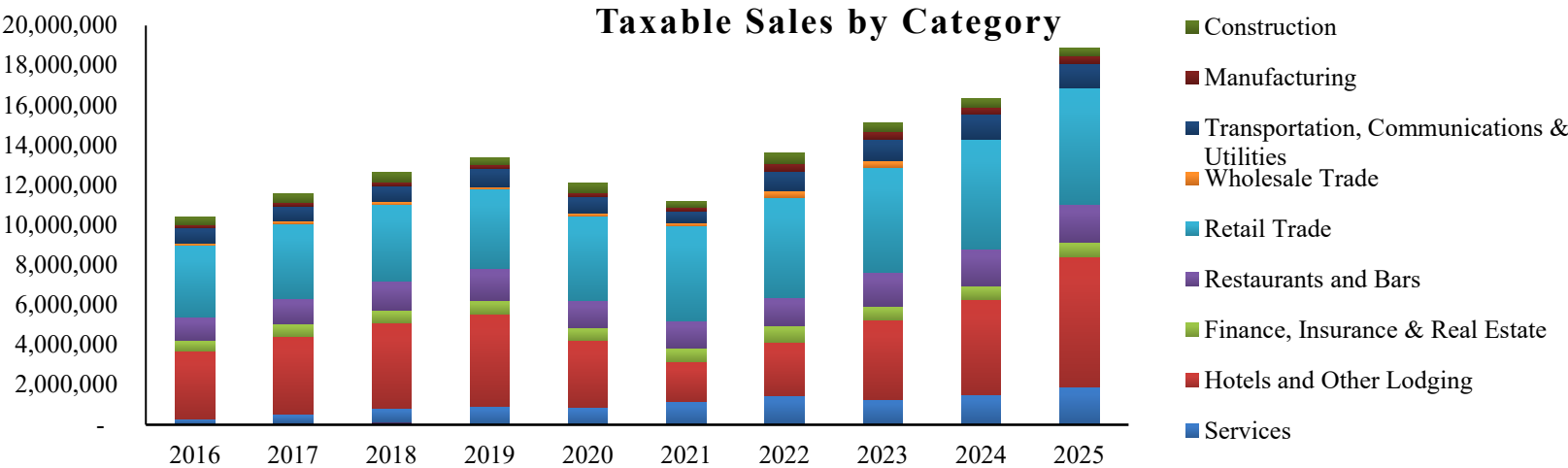


Source: Arizona Department of Revenue Transaction Privilege and Tax Rate Table

City of Page, Arizona
Taxable Sales by Category
Last Ten Fiscal Years

Statistical Section
Revenue Capacity
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Categories										
Construction	\$ 409,185	\$ 429,858	\$ 487,537	\$ 344,929	\$ 475,299	\$ 284,191	\$ 522,186	\$ 433,822	\$ 427,340	\$ 366,683
Manufacturing	145,331	172,444	187,977	179,667	209,963	202,290	393,670	388,699	360,632	392,126
Transportation, Communications & Utilities	779,169	757,718	815,827	905,392	811,780	561,716	986,509	1,091,608	1,245,701	1,244,474
Wholesale Trade	106,697	126,063	143,049	120,021	152,700	176,380	316,137	311,638	252,279	259,973
Retail Trade	3,571,896	3,740,548	3,834,007	3,984,088	4,241,485	4,755,410	5,007,765	5,238,525	5,518,766	5,810,188
Restaurants and Bars	1,177,615	1,288,074	1,453,554	1,603,891	1,356,159	1,382,077	1,423,517	1,709,597	1,821,485	1,888,462
Finance, Insurance & Real Estate	537,463	632,185	624,175	668,962	638,480	672,965	815,115	699,015	676,240	748,932
Hotels and Other Lodging	3,379,315	3,902,505	4,289,017	4,616,283	3,320,223	1,995,275	2,701,161	3,969,453	4,761,059	6,527,929
Services	258,716	404,210	671,542	914,912	872,146	1,143,656	1,398,228	1,233,247	1,487,623	1,868,945
All Others Not Specified	50,509	111,894	152,545	20,305	22,644	13,538	45,147	43,227	33,653	18,954
	10,415,895	11,565,499	12,659,231	13,358,451	12,100,877	11,187,498	13,609,436	15,118,831	16,584,777	19,126,668
Total	\$10,415,895	\$11,565,499	\$12,659,231	\$13,358,451	\$12,100,877	\$11,187,498	\$13,609,436	\$15,118,831	\$16,584,777	\$19,126,668



Source: The source of this information is the City's financial records-Standard Industry (NAICS) Summary for Page, Arizona July 2024 - June 2025 from Monthly Tax Report. Modified in FY2025 to reflect month tax was reported versus month received.

City of Page, Arizona

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Statistical Section

Debt Capacity

(Accrual basis of accounting)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental Activities										
General Obligation Bonds (1)	943,520	759,190	574,193	387,794	197,492	-	-	-	-	-
Leases	148,078	128,968	41,683	49,049	365,107	630,679	432,344	-	-	-
Notes Payable	-	-	-	-	-	-	-	-	-	-
Revenue Obligation Bonds (1)	9,764,837	8,940,810	8,091,783	7,217,756	6,313,729	5,374,702	-	-	-	-
Total Governmental Activities	10,856,435	9,828,968	8,707,659	7,654,599	6,876,328	6,005,381	432,344	-	-	-
Business Activities										
Bonds	-	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	106,597	104,946	145,224	101,209	58,477	10,327
Total Business Activities	-	-	-	-	106,597	104,946	145,224	101,209	58,477	10,327
Total Primary Government	<u>10,856,435</u>	<u>9,828,968</u>	<u>8,707,659</u>	<u>7,654,599</u>	<u>6,982,925</u>	<u>6,110,327</u>	<u>577,568</u>	<u>101,209</u>	<u>58,477</u>	<u>10,327</u>
% of Assessed Value (2)	15.62%	13.70%	10.71%	9.41%	8.12%	6.63%	0.63%	0.10%	0.05%	0.01%
% of Personal Income (3)	5.92%	4.90%	5.60%	4.92%	4.39%	3.61%	7850.59%	0.07%	0.04%	0.01%
Per Capita (4)	\$ 1,442	\$ 1,293	\$ 1,151	\$ 1,012	\$ 927	\$ 811	\$ 286	\$ 50	\$ 8	\$ 1

Source: Notes to the Financial Statements Long-Term Debt

Note (1): Presented net of original issuance discounts and premiums

Note (2): Percentage is Total Primary Government divided by Net Assessed Value provided by Coconino County disclosed in Legal Debt Margin Information page.

Note (3): Personal income is disclosed in Demographic and Economic Information page

Note (4): Population disclosed in Demographic and Economic Information page

City of Page, Arizona**Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years****Statistical Section****Debt Capacity
(Accrual basis of accounting)**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental Activities										
General Obligation Bonds (1)	943,520	759,190	574,193	387,794	197,492	-	-	-	-	-
Less: Amounts Available in Debt Service Fund (5)	<u>(94,339)</u>	<u>(75,939)</u>	<u>(58,130)</u>	<u>(50,046)</u>	<u>(32,557)</u>	<u>(3,089)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$1,005,738</u>	<u>\$ 849,181</u>	<u>\$ 683,251</u>	<u>\$ 516,063</u>	<u>\$ 337,748</u>	<u>\$ 164,935</u>	<u>\$ (3,089)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
% of Assessed Value (2)	1.50%	1.26%	0.95%	0.68%	0.42%	0.19%	0.00%	0.00%	0.00%	0.00%
% of Personal Income (3)	0.34%	0.28%	0.34%	0.33%	0.22%	0.10%	0.00%	0.00%	0.00%	\$ -
Per Capita (4)	\$ 133	\$ 113	\$ 90	\$ 68	\$ 45	\$ 22	\$ -	\$ -	\$ -	\$ -

Source: Notes to the Financial Statements Long-Term Liabilities

Note (1): Presented net of original issuance discounts and premiums (Airport Lease Purchase, Series 2004 Bond).

Note (2): Percentage is Total Primary Government divided by Net Assessed Value provided by Coconino County disclosed in Legal Debt Margin Information page.

Note (3): Percentage is Total Primary Government divided by Personal Income disclosed in Demographic and Economic Information page

Note (4): Amount is Total Primary Government divided by population disclosed in Demographic and Economic Information page

Note (5): Amount from Balance Sheet Government Funds - Restricted cash and cash equivalents in Debt Service Fund .

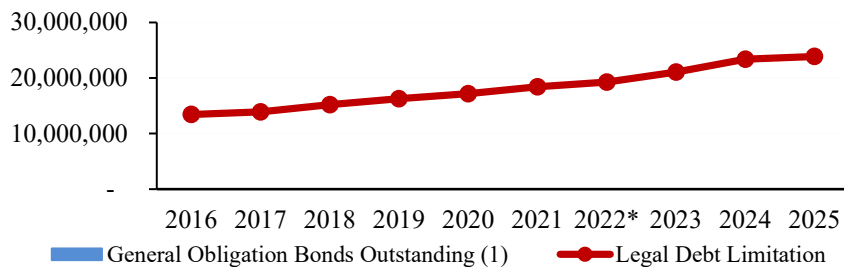
The City of Page is autonomous from any county, town, or other political subdivisions of the State of Arizona. There is no overlapping general obligation debt or taxing powers.

City of Page, Arizona
Legal Debt Margin Information
Last Ten Fiscal Years

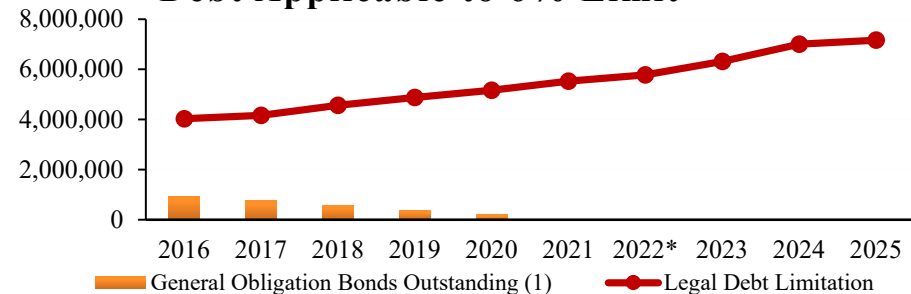
Statistical Section
Debt Capacity
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022*	2023	2024	2025
Assessed Value of Real Property (2)* reinstated	\$ 69,491,903	\$ 71,737,815	\$ 76,071,757	\$ 81,314,653	\$ 86,048,461	\$ 92,189,515	\$ 99,506,455	\$ 105,291,111	\$ 116,833,028	\$ 119,375,945
20% Limitation										
Legal Debt Limitation	\$ 13,434,918	\$ 13,898,381	\$ 15,214,351	\$ 16,262,931	\$ 17,209,692	\$ 18,437,903	\$ 19,250,996	\$ 21,058,222	\$ 23,366,606	\$ 23,875,189
General Obligation Bonds Outstanding (1)	-	-	-	-	-	-	-	-	-	-
Debt Margin Available	\$ 13,434,918	\$ 13,898,381	\$ 15,214,351	\$ 16,262,931	\$ 17,209,692	\$ 18,437,903	\$ 19,250,996	\$ 21,058,222	\$ 23,366,606	\$ 23,875,189
Total Net Debt applicable to the 20 %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6 % Limitation										
Legal Debt Limitation	4,030,475	4,169,514	4,564,305	4,878,879	5,162,908	5,531,371	5,775,299	6,317,467	7,009,982	7,162,557
General Obligation Bonds Outstanding (1)	943,520	759,190	574,193	387,794	197,492	-	-	-	-	-
Debt Margin Available	\$ 3,086,955	\$ 3,410,324	\$ 3,410,324	\$ 4,491,085	\$ 4,965,416	\$ 5,531,371	\$ 5,775,299	\$ 6,317,467	\$ 7,009,982	\$ 7,162,557
Total Net Debt applicable to the 20 % * reinstated	1.36%	1.06%	0.75%	0.48%	0.23%	0.00%	0.00%	0.00%	0.00%	0.00%

Debt Applicable to 20% Limit



Debt Applicable to 6% Limit



Source: Notes to the Financial Statements Long-Term Liabilities

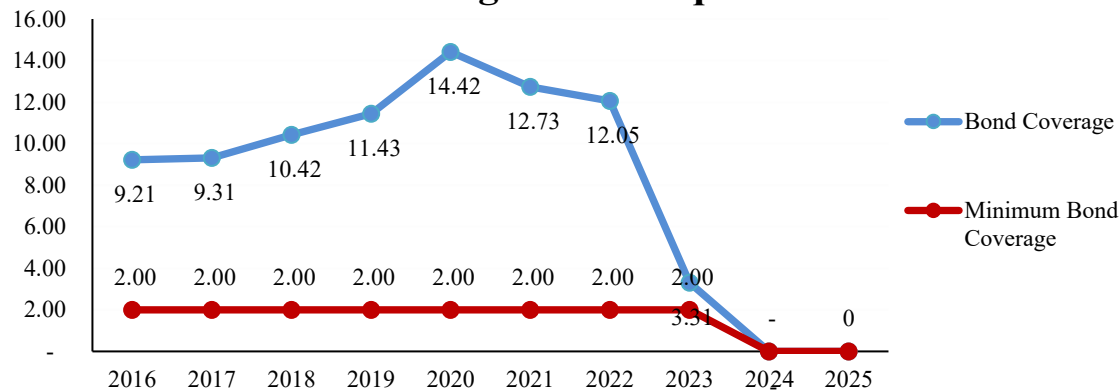
Note (1): Prior to fiscal year 2007, under Arizona law, cities could issue general obligation bonds for purposes of water, sewer, artificial light, open space preserves, parks, playgrounds, and recreational facilities, up to an amount not exceeding 20% of a City's Secondary Net Assessed Valuation. In fiscal year 2007, Arizona voters approved an amendment to the Arizona Constitution to allow cities to include debt for the acquisition and development of public safety, law enforcement, fire and emergency facilities, and streets and transportation facilities in the 20% debt limit. General Obligation Bonds for all other purposes may be issued up to an amount not exceeding 6% of Secondary Net Assessed Valuation.

*Reinstated - prior years Assessed Value of Real Property one year behind.

Note (2): Assessed value of real property based on Secondary Net Assessed Valuation

Fiscal Year	Excise Tax, Revenues and State Shared Revenues (2 & 2a) As restated	Debt Service Requirements							Minimum
		Series 2011 Bond			Series 1999A Bond		Total Debt Service	Coverage Ratio (3)	
		Debt Service Obligation Being Refunded	Debt Service Principal	Debt Service Interest	Debt Service Principal	Debt Service Interest			
2016	12,419,490	-	600,000	473,938			1,073,938	9.21	2.00
2017	13,598,619	-	730,000	458,938			1,188,938	9.31	2.00
2018	15,705,839	-	755,000	437,038			1,192,038	10.42	2.00
2019	17,170,607	-	775,000	414,388			1,189,388	11.43	2.00
2020	15,163,641	-	800,000	391,138			1,191,138	14.42	2.00
2021	14,364,956	-	855,000	336,200			1,191,200	12.73	2.00
2022	17,060,668	-	890,000	302,000			1,192,000	12.05	2.00
2023	21,246,543	-	5,150,000	-			5,150,000	3.31	2.00
2024	25,277,919	\$ -	\$ -	\$ -			\$ -	NA	NA
2025	25,914,285	\$ -	\$ -	\$ -			\$ -	NA	NA

Bond Coverage and Requirements



Source: Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund and bond debt service schedule.

Note (1): In Fiscal Year 2012, Series 1999A Bond was restructured.

Note (2): General Fund Revenue less Golf, Rescue, Transfers, Grants, Donations, Land Sales, Interest Income, and Attorney Fees Reimbursement.

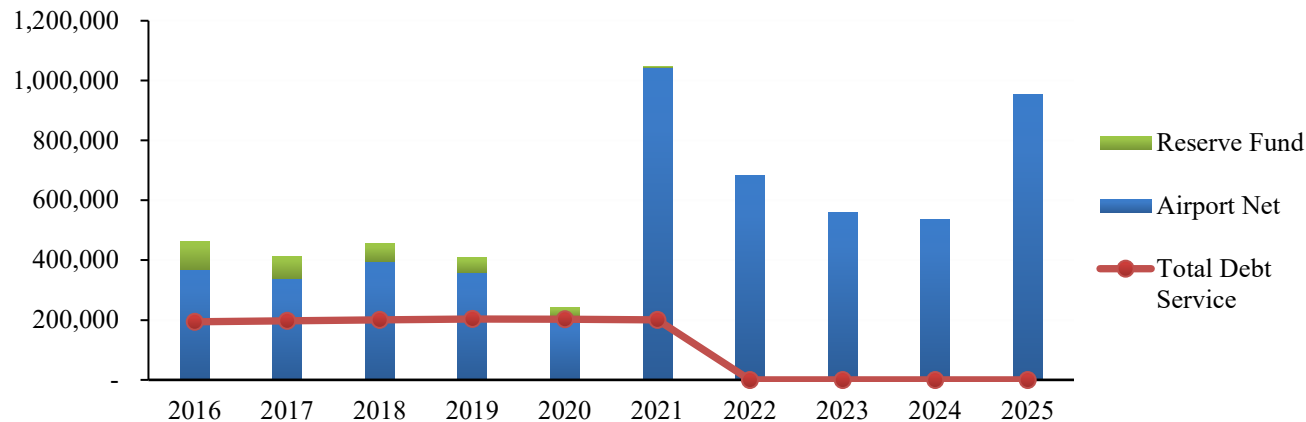
Note (2a): Starting in 2022 Source: Schedule of Revenues, Expenditures and Changes in Fund Balance less Rescue & Attorney Fee Reimbursement.

Note (3): 1999A Bond Series - Revenues at least 1.25 times Total Debt Service / 2011 Bond Series - Revenues at least 2.00 Total Debt Service

Schedule of Debt Service Requirements and Coverage-Continued
Last Ten Fiscal Years

Fiscal Year	Airport Net Position (Revenue less Expenses)	Debt Service Requirements					
		Series 2004 Airport Bond				Coverage Ratio from Net	Reserve Fund for Debt Service
		Debt Service Principal	Interest Rate (1)	Debt Service Interest	Total Debt Service		
2016	369,299	184,171	1.072%	10,143	194,314	1.90	94,398
2017	337,931	184,330	1.703%	12,814	197,144	1.71	75,939
2018	397,115	184,997	2.435%	15,049	200,046	1.99	58,130
2019	358,852	186,399	3.868%	16,963	203,362	1.76	50,046
2020	210,585	190,302	3.050%	12,390	202,692	1.04	32,557
2021	1,044,523	197,492	0.764%	3,017	200,509	5.21	3,089
2022	684,553	-	0.000%	-	-	-	-
2023	558,326	\$ -	0.000%	\$ -	\$ -	-	\$ -
2024	537,483	\$ -	0.000%	\$ -	\$ -	-	\$ -
2025	954,339	\$ -	0.000%	\$ -	\$ -	-	\$ -

Airport Bond Coverage and Requirements



Source: Bond debt service schedule; City's financial records - Airport Reserve Fund Balance; Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds.

Note (1): Interest Rate changes annually at restart of each fiscal year on July 1.

Note (2): Bond requires amount of Total Debt Service to be available from net revenues and Airport Fund Balances.

Note (3): Bond requires Reserve to be at least 10% of unpaid Principal Component

Note (4): Shortage of coverage from Net Revenues funded by other Airport Funds

City of Page, Arizona

Demographic and Economic Statistics

Last Ten Fiscal Years

Statistical Section

Demographic and Economic

(Accrual basis of accounting)

General	Calendar	Population (1)	**Personal Income	Per Capita Income (1)	School Enrollment (3)	Unemployment Rate (2)		
	Year					Arizona	Coconino County	City of Page
Acres 24,532.6	2015	7,517	\$ 182,948,746	\$ 24,338	2,594	6.1%	6.5%	7.9%
Median Income \$79,521*	2016	7,565	185,380,325	24,505	2,621	5.4%	6.0%	7.4%
Below Poverty Level 12.3%*	2017	7,568	156,604,624	20,693	2,754	4.9%	5.5%	6.8%
Housing Units 2,992*	2018	7,547	155,623,859	21,246	2,689	4.8%	5.5%	6.9%
	2019	7,529	159,001,367	22,595	2,559	4.7%	5.5%	7.0%
	2020	7,440	162,675,600	21,865	2,606	7.9%	9.7%	9.6%
	2021	7,375	157,654,630	21,377 +	2,300	4.1%	4.8%	5.7%
U.S. Census Bureau American	2022	7,357	153,809,909	20,907 +	2,459	4.3%	4.8%	5.6%
Fact Finder	2023	7,320	149,669,565	20,447 +	2,462	3.4%	3.8%	7.6%
*Estimates 2024	2024	7,440	\$148,776,454	\$ 19,997 +	2,444	4.1%	4.5%	3.4%

+Per Capita Income estimate based on historical data. **Population multiplied by Per Capita Income

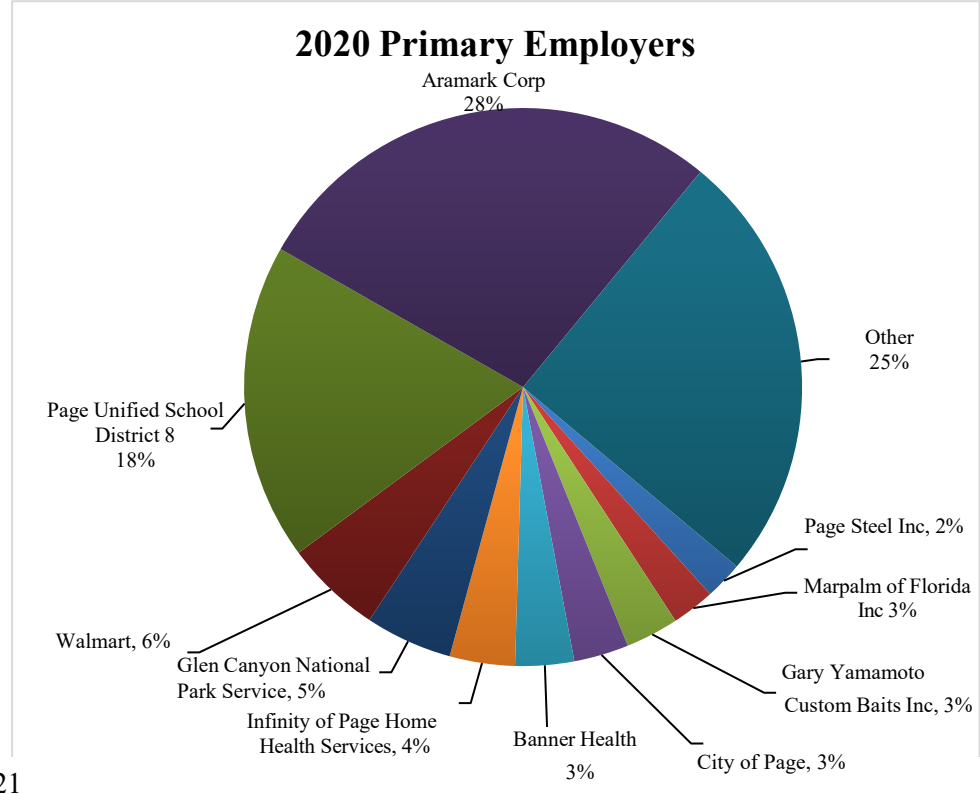
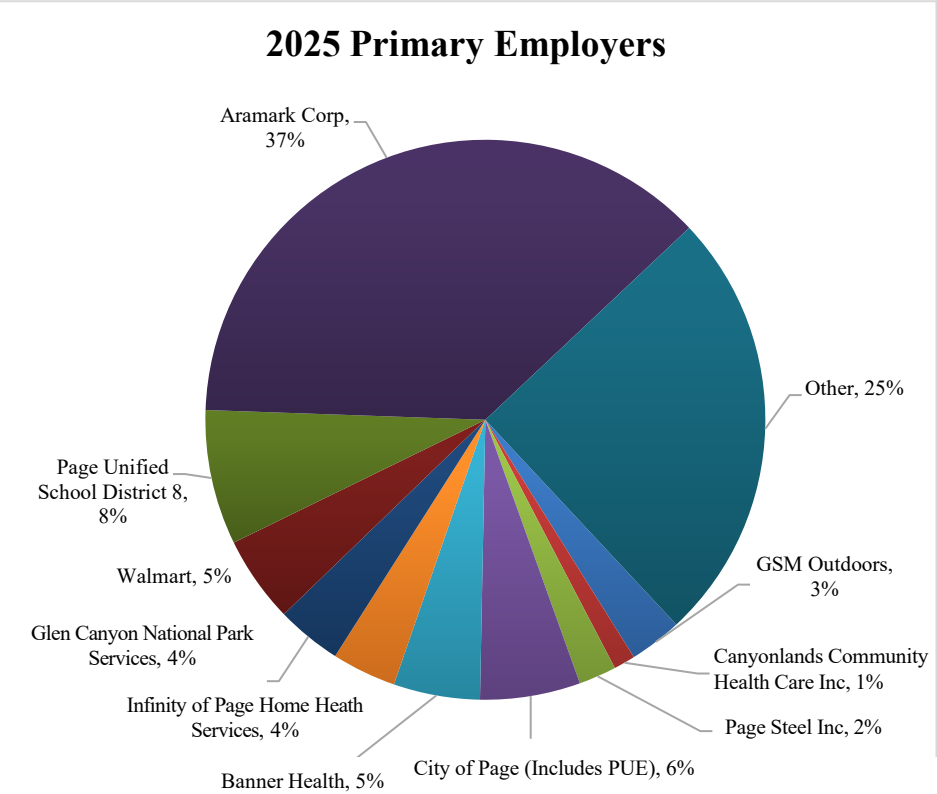
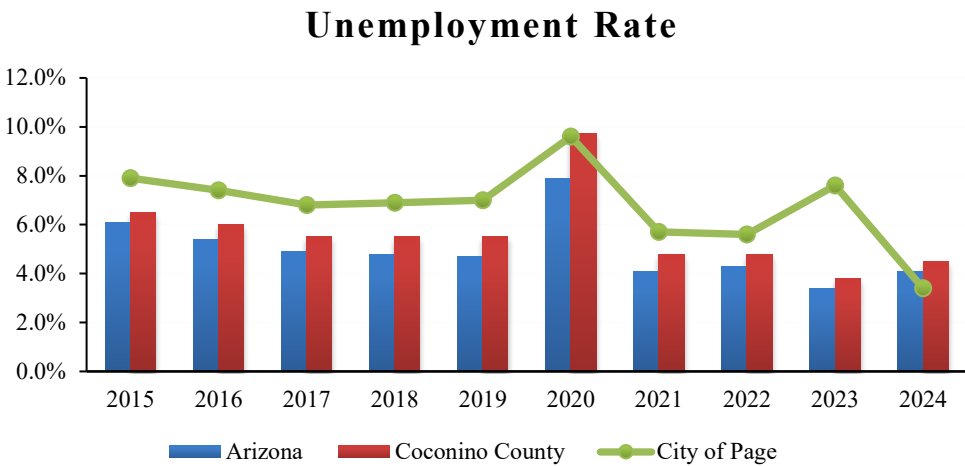
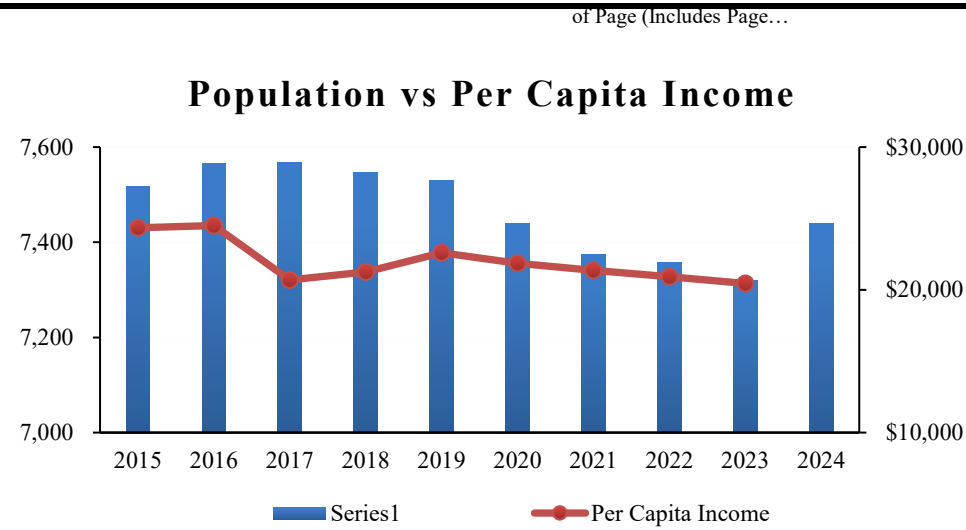
Current Year and Five Years Ago

2025			2020		
Employer	Employees	% of Total Employment	Employer	Employees	% of Total Employment
GSM Outdoors	122	3.0%	Page Steel Inc	87	2.0%
Canyonlands Community Health Care Inc	50	1.0%	Marpalm of Florida Inc	99	2.0%
Page Steel Inc	87	2.0%	Gary Yamamoto Custom Baits Inc	122	3.0%
City of Page (Includes Page Utility Enterprises)	232	6.0%	City of Page	126	3.0%
Banner Health	200	5.0%	Banner Health	135	3.0%
Infinity of Page Home Health Services LLC	149	4.0%	Infinity of Page Home Health Services Llc	150	4.0%
Glen Canyon National Park Service	151	4.0%	National Park Service	200	5.0%
Walmart	200	5.0%	Walmart	222	6.0%
Page Unified School District 8	312	8.0%	Page Unified School District 8	728	18.0%
Aramark Corp	1,500	37.0%	Aramark Corp	1,100	27.0%
Total	3,003	74.9%	Total	2,969	74.9%
Other	1,005	25.1%	Other	997	25.1%
Labor Force		4,149	Labor Force		4,266
Total employment		4,008	Total employment		3,966
Unemployment		141	Unemployment		300
Unemployment Rate to Labor Force		3.4%	Unemployment Rate to Labor Force		7.0%

Note (1): Local data from U.S. Census Bureau.

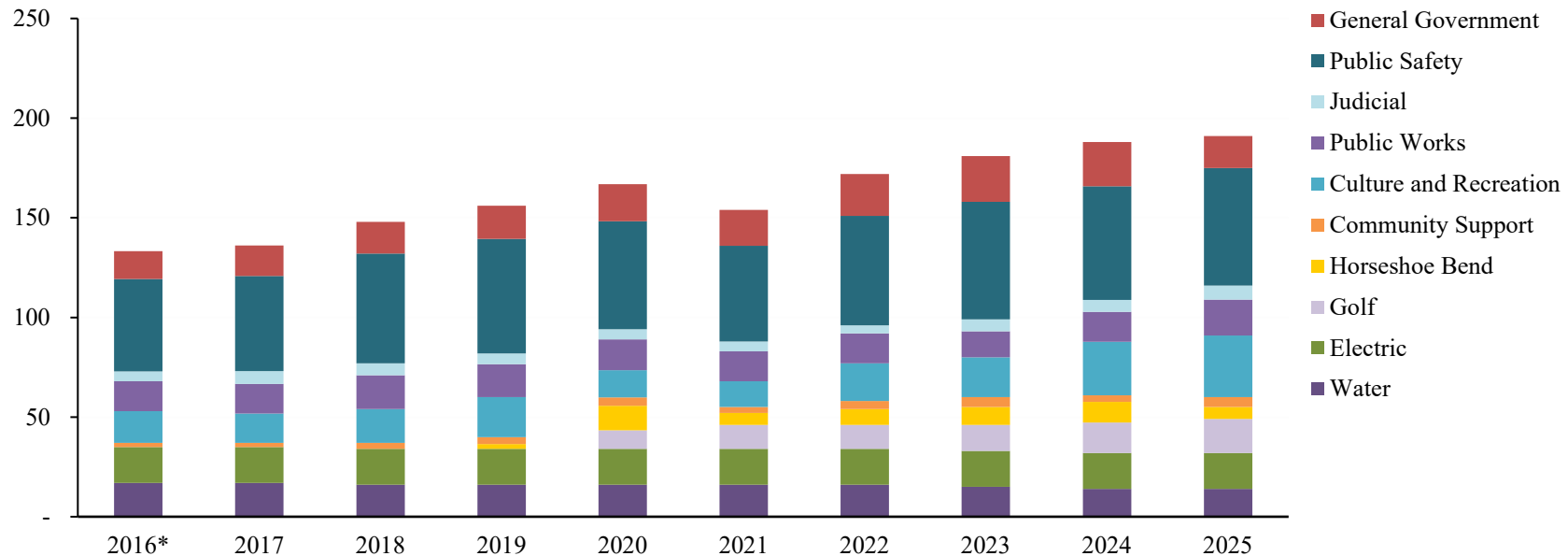
Note (2):Source - Arizona Department of Administration, Office of Employment Statistics. Not seasonally adjusted.

Note (3): Source - Arizona Department of Education. Updated in FY17 to include Resident and Non-Resident students.



Full-time Equivalent Employees as of June 30										
Function	2016*	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	14	15	16	17	19	18	21	23	22	16
Public Safety	46	48	55	58	54	48	55	59	57	59
Judicial	5	6	6	5	5	5	4	6	6	7
Public Works	15	15	17	17	16	15	15	13	15	18
Culture and Recreation	16	15	17	20	14	13	19	20	27	31
Community Support	2	2	3	4	4	3	4	5	3	5
Horseshoe Bend	-	-	-	2	12	6	8	9	10	6
Golf	-	-	-	-	9	12	12	13	15	17
Electric	18	18	18	18	18	18	18	18	18	18
Water	17	17	16	16	16	16	16	15	14	14
Total	133	136	147	154	167	154	172	181	188	191

Full-Time-Equivalent City Government Employees by Function/Program



Source: The source of this information is the City's facilities records.

City of Page, Arizona
Operating Indicators by Functions
Last Ten Fiscal Years

Statistical Section
Operating Information
(Accrual basis of accounting)

	Fiscal Years Ended June 30									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Planning and Building Safety										
Building permits issued (new single family homes)	8	12	11	15	15	16	8	11	8	17
Highway and Streets										
Street resurfacing (miles)	0.0	0.2	3.2	17.6	2.6	3.3	1.7	0.3	2.3	2.6
Streets striped (miles)	0.0	20.4	12.9	10.0	5.2	3.3	0.1	1.5	1.4	1.7
Culture and Recreation										
Summer recreation camps	0	5	4	0	0	0	0	0	0	5

Source: The source of this information is the City's facilities records.

City of Page, Arizona
Capital Assets Statistics by Function
Last Ten Fiscal Years

Statistical Section
Operating Information
(Accrual basis of accounting)

Function	Fiscal Year Ended June 30									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Highways and Streets										
Streets (miles)	47.2	47.2	47.2	47.2	47.2	47.2	47.2	47.4	48.1	48.4
Streetlights	817	817	817	817	817	817	817	822	825	825
Traffic Signals	53	53	53	53	53	53	53	53	53	53
Culture and recreation										
Parks acreage*	17.73	17.73	17.73	17.73	17.73	501.59	501.59	645.59	645.59	645.59
Parks	6	6	6	6	6	9	9	10	10	10
Community centers	1	1	1	1	1	1	1	1	1	1
Sewer										
Sanitary sewers (miles)	49	49.26	49.26	49.26	49.26	49.26	49.26	49.78	50.10	50.39
Storm sewers (miles)	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	9.5	9.5
Maximum daily design capacity (gallons)*	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Average daily treatment (gallons)	889,000	882,000	918,194	918,194	918,194	768,945	818,500	820,240	860,760	877,674
Water										
Water lines (miles)	59.94	60.19	60.19	60.19	60.19	60.19	61.19	62.29	62.67	63.10
Raw water lines (miles)	3	3	3	3	3	3	3	3	3	3
Maximum daily design capacity (gallons)*	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000
Average daily treatment (gallons)	1,940,000	1,890,000	1,872,540	1,872,540	1,872,540	1,918,961	1,833,000	1,677,450	1,878,950	1,899,000

Source: The source of this information is the City's facilities records.

Note: N/A indicates that the information is not available

OTHER COMMUNICATIONS FROM INDEPENDENT AUDITORS

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**Independent Auditors' 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***

The Honorable Mayor and
City Council
Page, Arizona

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Page, Arizona as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Page, Arizona's basic financial statements, and have issued our report thereon dated December 8, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Page, Arizona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Page, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of the City Page, 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Page, Arizona's financial statements are free of 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.

HintonBurdick PLLC

Mesa, Arizona
December 8, 2025



Independent Auditors' Report on State Legal Compliance

The Honorable Mayor and
City Council
Page, Arizona

We have audited the basic financial statements of the City of Page, Arizona for the year ended June 30, 2025, and have issued our report thereon dated December 8, 2025. Our audit also included test work on the City of Page's compliance with selected requirements identified in the State of Arizona Revised Statutes and the Arizona State Constitution including, but not limited to, Title 28, Chapter 18, Article 2.

The management of the City of Page is responsible for the City's compliance with all requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit; accordingly, we make the following statements:

The City of Page has established separate funds to account for Highway User Revenue funds and Local Transportation Assistance funds. Highway user revenue fund monies received by the City of Page pursuant to Title 28, Chapter 18, Article 2 and other dedicated state transportation revenues received during the current fiscal year appear to have been used solely for authorized purposes. The funds are administered in accordance with Generally Accepted Accounting Principles. Sources of revenues available and fund balances are reflected in the individual fund financial statements.

Our opinion regarding the City's compliance with annual expenditure limitations has been issued separately with the City's Annual Expenditure Limitation Report.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, The City of Page, Arizona complied, in all material respects, with the requirements identified above for the year ended June 30, 2025.

The purpose of this report is solely to describe the scope of our testing of the applicable compliance requirements identified in the Arizona Revised Statutes as noted above and the results of that testing based on the state requirements. Accordingly, this report is not suitable for any other purpose.

HintonBurdick, PLLC

Mesa, Arizona
December 8, 2025

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CITY OF PAGE, ARIZONA
SINGLE AUDIT ACT REPORT
FISCAL YEAR ENDED JUNE 30, 2025

CITY OF PAGE, ARIZONA

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**Independent Auditors' 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***

The Honorable Mayor and
City Council
Page, Arizona

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Page, Arizona as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Page, Arizona's basic financial statements, and have issued our report thereon dated December 8, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Page, Arizona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Page, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Page, 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Page, Arizona's financial statements are free of 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.

HintonBurdick PLLC

Mesa, Arizona
December 8, 2025



HINTONBURDICK
CPAs & ADVISORS

**Independent Auditors' Report on Compliance for
Each Major Program and on Internal Control Over
Compliance Required by the Uniform Guidance**

Honorable Mayor & City Council
City of Page
Page, Arizona

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Page, Arizona's (the City) 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 the City's major federal programs for the year ended June 30, 2025. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City 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, 2025.

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; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City 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 the City'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 the City's federal programs.

Auditors' 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 the City'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 the City'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 the City'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 the City'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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City'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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Page, Arizona, as of and for the year ended June 30, 2025, and have issued our report thereon dated December 8, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the 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 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 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. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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.

HintonBurdick, PLLC

Mesa, Arizona

December 8, 2025

CITY OF PAGE, ARIZONA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? ☐ yes ☒ no
- Significant deficiency (ies) identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Awards

Internal Control over major programs:

- Material weakness (es) identified? ☐ yes ☒ no
- Significant deficiency (ies) identified that are not considered to be material weaknesses? ☐ yes ☒ none reported

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 2 CFR 200.516(a)?

☐ yes ☒ no

Identification of major programs.

CFDA Number(s)

Name of Federal Program or Cluster

20.901

Payments for Essential Air Services Program

14.228

Community Development Block Grants

Dollar threshold used to distinguish between type
A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

☒ yes ☐ no

CITY OF PAGE, ARIZONA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

Section II - Financial Statement Findings

Current Year Findings and Recommendations:

Material Weaknesses:

None noted

Significant Deficiencies:

None noted

Prior Year Findings and Recommendations, Reworded (if necessary) and Reissued:

Material Weaknesses

None noted

Significant Deficiencies:

None noted

Section III - Federal Award Findings and Questioned Costs

No significant matters were noted.

CITY OF PAGE, ARIZONA
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Grantor Agency	Federal Assistance Listing (AL) Number	Pass Through Grantor's Number	Additional Award Identification	Expenditures
U.S. Department of Housing & Urban Development				
(Passed through Arizona Department of Housing)				
Community Development Block Grants	14.228	108-23	COVID-19	\$ 314,770
Community Development Block Grants	14.228	128-22		1,804,408
Total U.S. Department of Housing & Urban Development				2,119,178
U.S. Department of Justice				
Drug Court Discretionary Grant Program	16.585			\$ 72,023
Bulletproof Vest Partnership	16.607			5,020
Bulletproof Vest Partnership	16.607			3,202
Total U.S. Department of Justice				80,245
U.S. Department of Transportation:				
(Passed through Arizona Department of Transportation)				
Airport Improvement Program	20.106	3-04-0025-041-2023	COVID-19	\$ 10,536
Airport Improvement Program	20.106	3-04-0025-042-2023		160,278
Airport Improvement Program	20.106	3-04-0025-37-2021		143,714
Airport Improvement Program	20.106	3-04-0025-038-2022		511,398
Airport Improvement Program	20.106	AIP-03-04-0025-044-2024		829,144
Airport Improvement Program	20.106	AIP-03-04-0025-045-2024		574,052
Airport Improvement Program	20.106	AIP-03-04-0025-046-2024		78,728
Airport Improvement Program	20.106	Not Available		4,156
Airport Improvement Program	20.106	Not Available		86,296
Highway Planning and Construction Cluster				
Federal Highway Administration	20.205	E4M3M01C		7,574
Federal Highway Administration	20.205	E4M3K01C		517
Federal Highway Administration	20.205	E5MMT01C		40,701
Federal Highway Administration	20.205	E5MMU01C		28,179
Federal Highway Administration	20.205	E5M9A01D		3,865
Federal Highway Administration	20.205	Not Available		204
Federal Highway Administration	20.205	Not Available		4,236
Total Highway Planning and Construction Cluster				85,277
Payments for Essential Air Services	20.901	DOT-OST-1997-2694		4,527,048
Total U.S. Department of Transportation				7,010,626
National Endowment for the Humanities:				
(Passed through Arizona State Library, Archive & Public Record)				
Grants to States	45.310	2023-0340-WiFi-09		\$ 3,686
Grants to States	45.310	2023-0340-WiFi-07		300
Grants to States	45.310	2023-0260-XR-05		1,912
Grants to States	45.310	2023-0260-12		2,642
Total National Endowment for the Humanities				8,540
U.S. Department of Health and Human Services:				
(Passed through Northern Arizona Council of Governments)				
Aging Cluster				
Special program for the Aging - Title III, Part C-				
Nutritional Services	93.045	202412341NTR		61,980
Total Aging Cluster				61,980
Total U.S. Department of Health and Human Services				61,980
Total expenditures of federal awards				\$ 9,280,569

CITY OF PAGE, ARIZONA
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Reporting Entity:

The accompanying schedule of expenditures of federal awards presents the activity or expenditure of all federal awards programs of the City of Page, Arizona for the year ended June 30, 2025. The City's reporting entity is defined in Note 1 of the basic financial statements. All expenditure of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

Basis of Accounting:

This accompanying schedule of expenditures of federal awards has been prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance 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*.

Subrecipients:

There are no subrecipients.

Indirect Cost Rate:

The City did not elect to use the 10% de Minimis indirect cost rate for fiscal year 2025. There were no indirect cost allocations made to any of the federal grants as listed in the accompanying schedule of expenditures of federal awards.

Federal Loans Outstanding:

There are no outstanding balances for federal loan or loan guarantee programs at June 30, 2025.



To the Honorable Mayor and City Council
City of Page, Arizona

We have audited the financial statements of the City of Page, Arizona as of and for the year ended June 30, 2025, and have issued our report thereon dated December 8, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 1, 2025, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence. Safeguards have been applied to eliminate identified threats to independence or reduce them to an acceptable.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. There were no new significant accounting policies implemented or changed related to the application of

accounting and financial reporting requirements. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are as follows:

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, management's estimates have been determined on the same basis as they are reported by the Arizona State Retirement System (ASRS) and the Public Safety Personnel Retirement System (PSPRS). The City's net pension/OPEB liability was measured as of June 30, 2024, and the total pension/OPEB liability used to calculate the net pension/OPEB liability for ASRS was determined using update procedures to roll forward the total pension/OPEB liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024 and for PSPRS was determined using an actuarial valuation as of June 30, 2024. The key factors and assumptions used to develop the valuation and the accrual appear reasonable in relation to the financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimate of depreciation expense is based on the assigned depreciation lives. We evaluated the key factors and assumptions used to develop the depreciation lives in determining that it is reasonable in relation to the financial statements taken as a whole

Management's estimate of the compensated absences accrual is based on current pay rates and accrued vacation and sick pay hours. We evaluated the key factors and assumptions used to develop the compensated absences accrual in determining that it is reasonable in relation to the financial statements taken as a whole.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also 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. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified significant misstatements and a list of the adjustments noted during the audit has been provided to management. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Management has a list of the misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

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

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. There are no unusual circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management, which are included in a separate letter dated December 8, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as City's auditors.



This report is intended solely for the information and use of the governing body and management of the City of Page, Arizona and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

HintonBurdick, PLLC

December 8, 2025



City of Page, Arizona Fiscal Year 2025 Audit Presentation

Presented by
HintonBurdick CPAs and Advisors

Audit Reports

- **Independent Auditors Report (pg 1-3)**
 - Unmodified or “clean opinion”
- **Report on Compliance and on Internal Control over Financial Reporting (pg 127-128)**
 - No material weaknesses or significant deficiencies noted. (Not many of over 100+ local governments that we audit have no deficiencies)
- **State Compliance Report (pg 129)**
 - Unmodified or “clean opinion”
- **Federal Single Audit Report on Compliance (separate document)**

Government Wide Financial Highlights

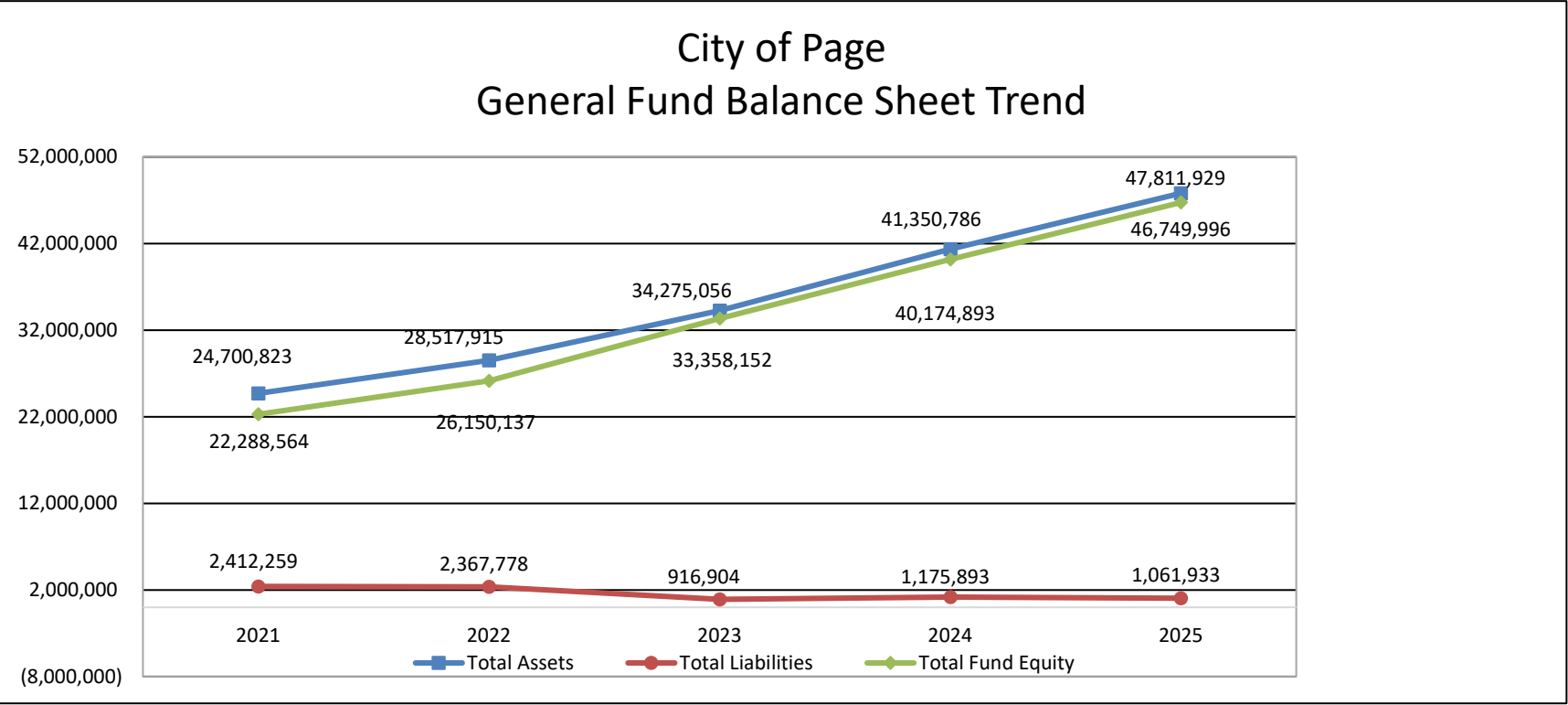
- Total net assets (equity) were \$225.5 million at June 30, 2025 (pg 19) with an increase of \$18.2 million from the prior year.
 - Governmental-type activities net assets increased by \$15.5 million
 - Business-type activities net assets increased by \$2.7 million
- Over time, increases or decreases in net position are an indicator of whether the financial health of the City is improving or deteriorating

Government Wide Financial Highlights

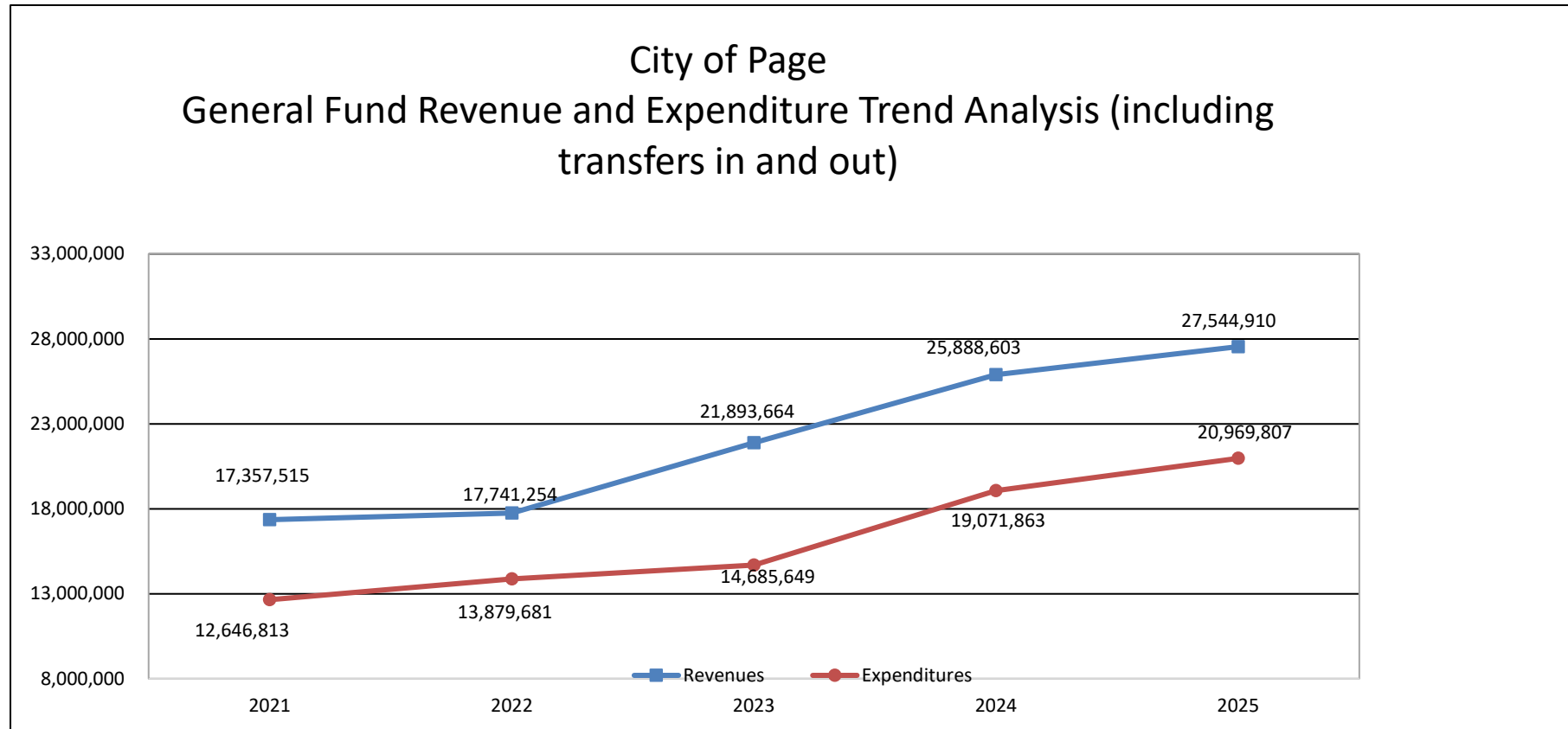
- Total Governmental long-term liabilities are \$7.3 million at June 30, 2025 (pg. 50)
- The \$7.3 million includes \$6 million for the net pension/OPEB liability
- Total Governmental long-term liabilities decreased by \$155k resulting primarily from changes in pension/OPEB liabilities.

Government Wide Financial Highlights

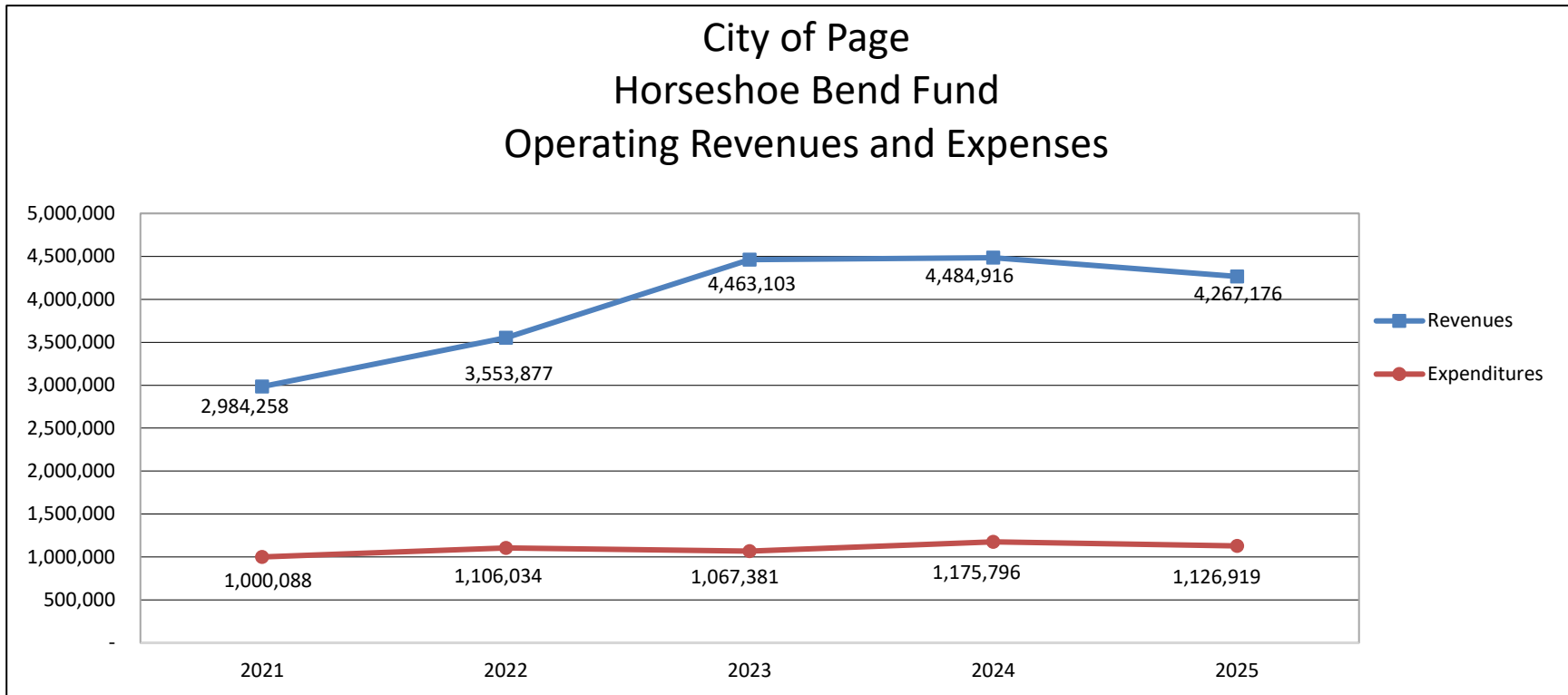
- Total Business-type long-term liabilities are \$4.3 million at June 30, 2025 (pg. 50)
- The \$4.3 million total includes \$3.6 million for the net pension/OPEB liability
- Business-type long-term liabilities decreased by \$129 thousand overall, mainly due to decrease in net pension/OPEB liabilities of \$173 thousand.



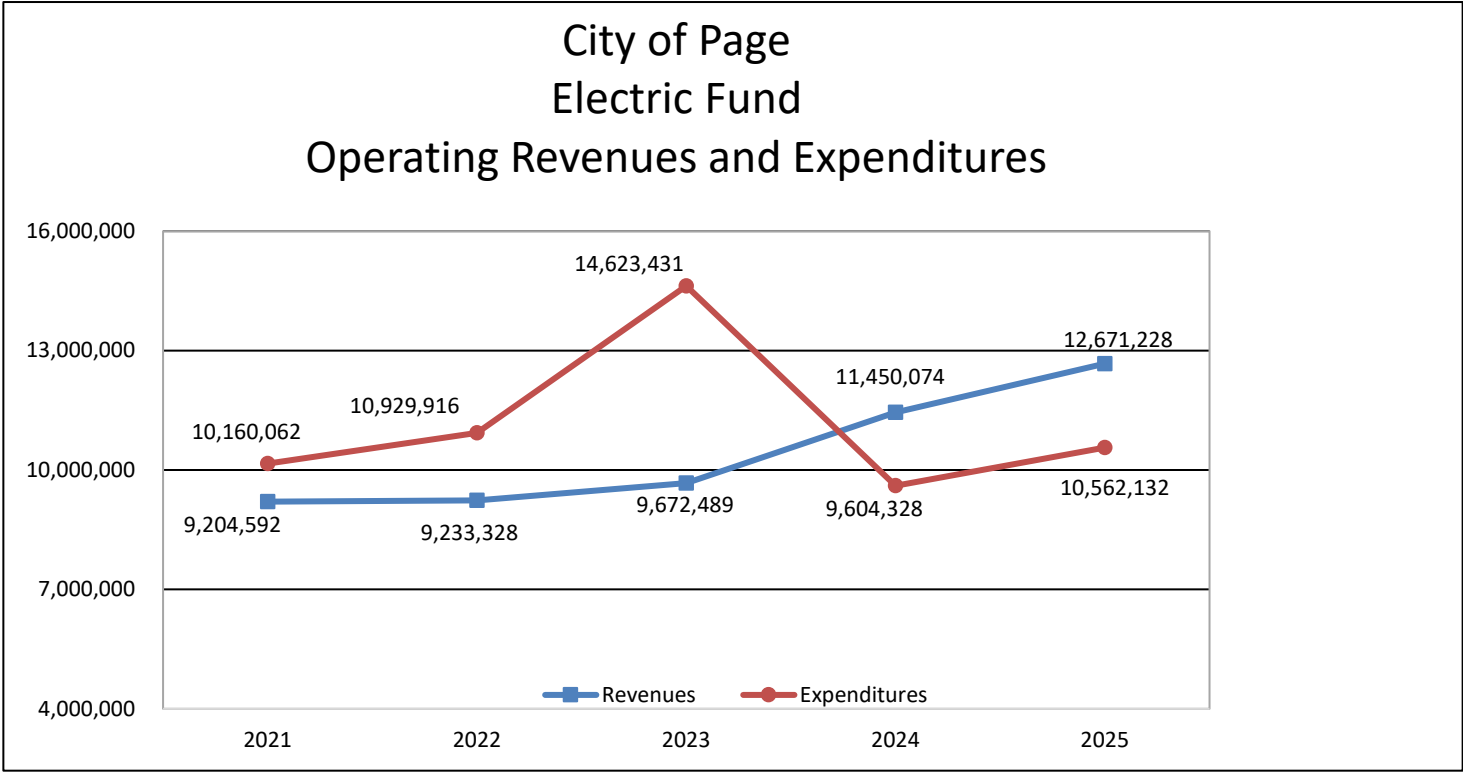
The General Fund shows consistent improvement and a healthy financial position on the modified accrual basis which does not reflect long-term debt or capital assets.



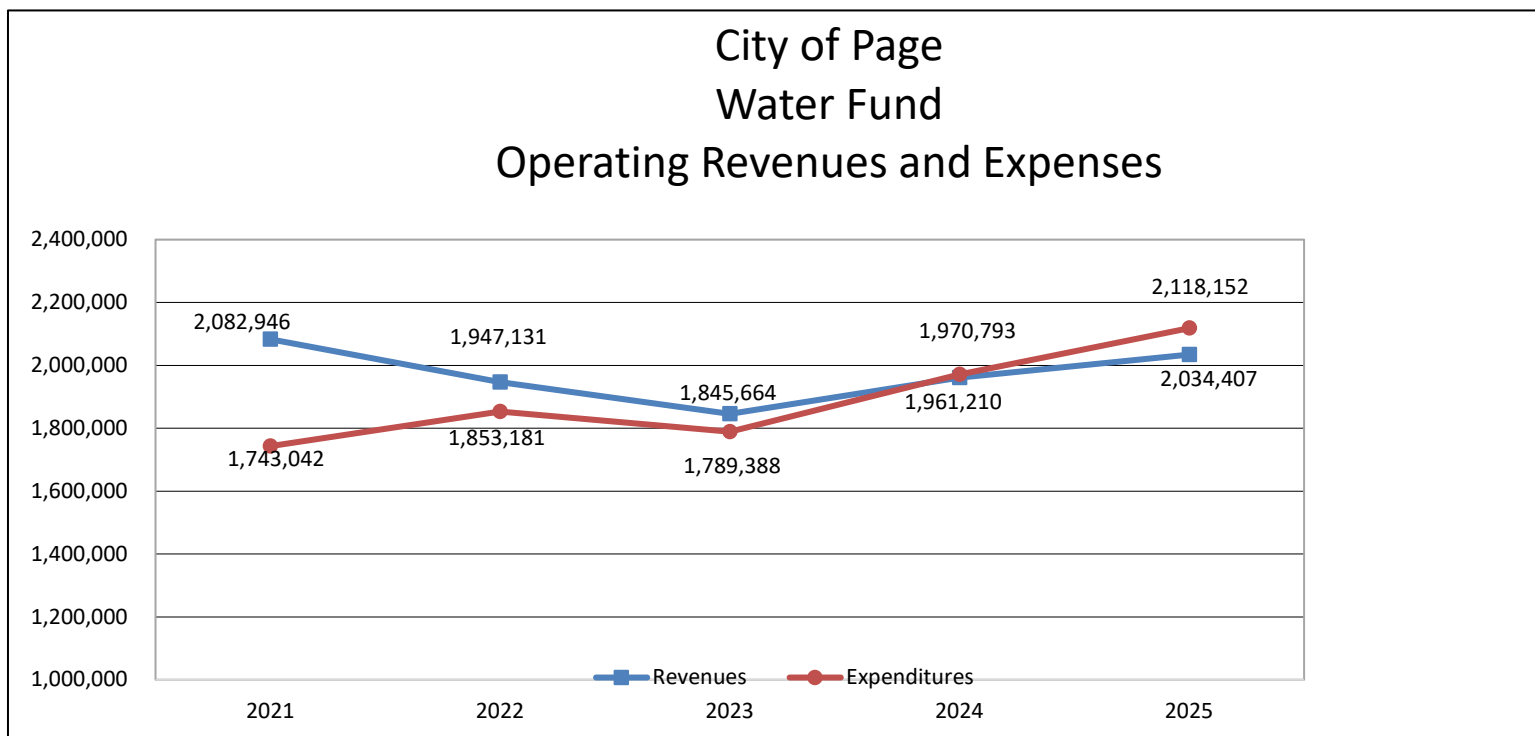
The General Fund is expected to break even over time. The past five years have reported revenues and transfers over expenditures. Tax revenues increased by approximately \$2.2 million in FY25 which is reflected in the overall increase in the General Fund.



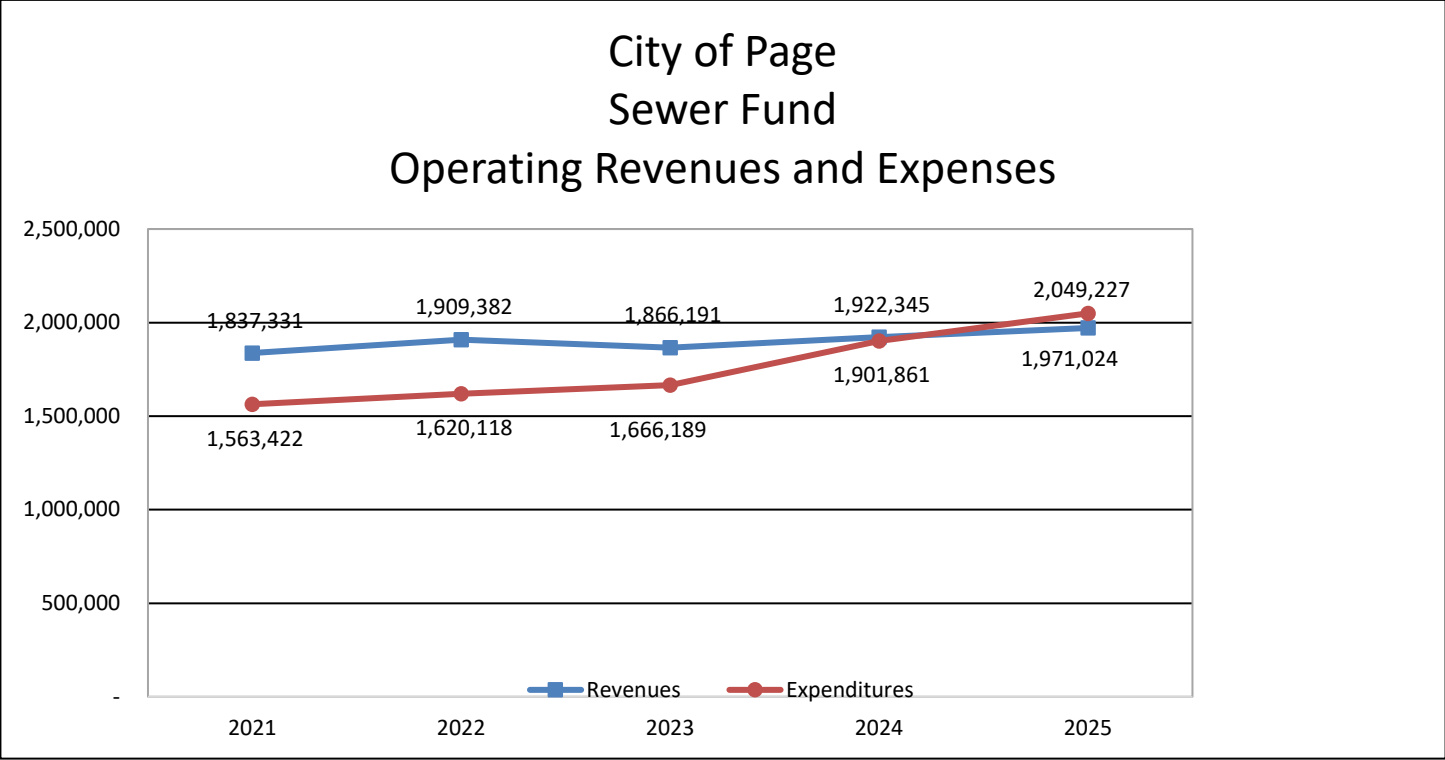
The Horseshoe Bend fund was established and began operations in FY19. The fund accounts for parking fees and other revenues associated with the operation, construction and maintenance of capital facilities at Horseshoe Bend. The fund reported a significant increase in revenues shortly after opening but saw a drastic decline in revenue after March 2020 due to restrictions placed on out of country travel and closure of borders as a result of the COVID-19 pandemic. Activity has slowly increased over the years, but has had a decrease in FY25 compared to FY24 and FY23.



The Electric Enterprise Fund is reported on the full accrual basis and should show operating revenues in excess of expenditures in order to provide for depreciation and future capital requirements. Net operating income reported show a loss in FY21, FY22, and FY23. FY24 and FY25 show a net income. This is mainly due to a large decrease in the cost of power and increased service fees. Net operating income is \$2,109,096 in FY25



The Water Fund is reported on the full accrual basis and should show operating revenues in excess of expenditures in order to provide for depreciation and future capital requirements. The Water Fund has reported net operating revenues over three of the last five fiscal years. Net operating loss is \$83,745 in FY25.



The Sewer Enterprise Fund is reported on the full accrual basis and should show operating revenues in excess of expenditures in order to provide for depreciation and future capital requirements. The Sewer Fund has reported net operating revenues over four of the last five fiscal years. Net operating loss is \$78,203 in FY25.

Questions?

McKay Hall, CPA, CISA, CITP, CFE
Audit Partner

Office: (888) 566-1277 ext. 272

E-mail: mhall@hintonburdick.com

Or

Viktoryia Yahorava
Audit Supervisor

Office: (888) 566-1277 ext. 265

E-mail: vyahorava@hintonburdick.com



Thank You!

Thank you for the opportunity to work with the City

Thanks to all those who assisted us with this year's audit



HINTON BURDICK
CPAs & ADVISORS ▶

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Attorney**Meeting Date:** January 14, 2026**Presented by:**

Josh Smith, City Attorney

Brief Title: Short Term Rental Licensing**Agenda Section:** New Business**Action:** Other**Agenda Sub-category:** Agenda Item**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

Provide staff direction regarding potential short term rental licensing.

Background:

In 2023 the City Council gave some direction to staff regarding a short term rental licensing program but the program never got formally adopted or implemented. I have attached the last draft of regulations that was prepared based upon council feedback in 2023. Council recently directed staff to bring this item back to council for discussion and consideration. Staff is seeking direction on how to proceed.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact: Unknown but fees should cover most expenses

Notes:**Attachments:**

1. Short term rental license working draft-1.1

ARTICLE 113 SHORT-TERM RENTAL REGULATIONS

Sec. 113.01. Purpose.

This article is necessary to protect the health, safety and welfare of the public.

Sec. 113.02. Vacation rental license required; invalid license; penalties.

- (a) Effective _____, no person shall operate a vacation rental or short-term rental in the city without first having obtained a current vacation rental license from the city and paying the applicable fees. A separate current vacation rental license is required for each house or dwelling unit where a vacation rental or short-term rental is operated.
- (b) No person shall operate a vacation rental or short-term rental in the city with an expired, suspended or revoked vacation rental license.
- (c) Representations or advertisements including online listings that reference the property, house or dwelling unit location within the city is prima facie evidence that a vacation rental or short-term rental is operating in the city.
- (d) A violation of this section is a civil offense and shall be punished by a fine of not less than one thousand dollars (\$1,000.00) per violation. The court shall not suspend any part of any fine required by this section.

Sec. 113.03. License fees.

- (a) Every application, including any renewal application, for a short-term rental license under this chapter shall be accompanied by payment of a nonrefundable fee prescribed in the city's then-current consolidated fee schedule.
- (b) If the applicant failed to apply for a vacation rental license upon receiving written notice from the city of the requirement to do so, the applicant shall pay an additional one-thousand-dollar (\$1,000.00) penalty for every thirty (30) day period the applicant failed to apply. Any penalty shall be non-refundable. For purposes of this section, written notice includes, but is not limited to, a notice sent by electronic means, United States mail or hand delivered to the physical location of the vacation rental or short-term rental or the address on file with the county assessor for the property. Written notice is deemed served on the date it is sent by electronic means, hand delivered or, if mailed, on the date it is deposited in the United States mail.
- (c) The amount of any license fee and any penalty imposed by the provisions of this article shall be deemed a debt to the city. An action may be commenced in the name of the city in any court of competent jurisdiction for the amount of any delinquent license fee and penalties.

Sec. 113.04. Term of license; transfer.

- (a) A vacation rental license issued under this article shall be valid for a period of one (1) year from the date of issuance unless suspended or revoked.
- (b) No license shall be transferable either as to location or as to person.

Sec. 113.05. Application for license.

- (a) An applicant for a vacation rental license including for a renewal application shall file an application on a form prescribed by the city manager or designee and contain the following information:

- (1) The physical address of the house or dwelling unit to be used as a vacation rental or short-term rental.
- (2) The name, address, email and telephone number of the owner of the vacation rental or short-term rental. If the owner is a fictitious person, the name, address, email and phone number of the owner's statutory agent.
- (3) The name, address, email and telephone number of the owner's designee, if any. The owner shall certify that the owner's designee is authorized to act upon the owner's behalf.
- (4) The name, address, email and twenty-four (24) hour telephone number of the individual who will serve as the emergency point of contact for the vacation rental or short-term rental. An individual pursuant to this subsection must be a real person and cannot be a fictitious person.
- (5) Agreement by the owner and each designee to comply with all applicable laws, regulations, and ordinances.
- (6) The owner and each owner's designee shall attest that they are not registered sex offenders, have not been convicted of any felony act that resulted in death or serious physical injury, and have not been convicted of any felony use of a deadly weapon within the past five (5) years.
- (7) Proof of a valid transaction privilege tax license.
- (8) If the applicant is an individual, proof of lawful presence in the United States in accordance with A.R.S. §§ 1-502 and 41-1080 unless exempted by A.R.S. § 41-1080(B).

Sec. 113.06. License issuance; denial.

- (a) The city shall issue a vacation rental license within seven (7) business days after receipt of a complete application unless grounds for denial exist as follows:
 - (1) Failure to provide the information required by this article;
 - (2) Failure to pay the required license fee(s) including any penalties;
 - (3) At the time of application, the owner has a revoked or suspended license for the same vacation rental or short-term rental or any of the following applies: (a) one violation at the short-term rental that resulted in or constituted any of the offenses described in _____; or (b) three violations of this chapter at a short-term rental within the city within a 12-month period, not including an aesthetic, solid waste disposal or vehicle parking violation that is not also a serious threat to public health and safety;
 - (4) The applicant has provided false information;
 - (5) The owner or designee of the owner: (i) is a registered sex offender; (ii) has been convicted of any felony act that resulted in death or serious physical injury; (iii) or has been convicted of any felony use of a deadly weapon within five (5) years of submitting the application; and
 - (6) Any grounds for revocation or suspension of a vacation rental license exist for the specific license application.
- (b) The city manager or designee shall give notice of any denial of an application, and the right of appeal from the denial, as provided for in this article.

Sec. 113.07. License revocation.

The city manager or designee shall immediately revoke a license if any grounds for denial exist for a vacation rental license that already has been issued.

Sec. 113.08. Reapplication after denial or revocation.

No person who has had a vacation rental license denied or revoked pursuant to this article may apply for another vacation rental license for one (1) year at that same property after the decision affecting the applicant's license has become final. At the time of sustaining a denial, the hearing officer may reduce in whole or in part the one (1) year period described above in this section, if the denial was based on a good faith failure to provide complete information pursuant to section _____(a)(1) or failure to pay the required license fee(s) and any penalties provided that the applicant has paid all required fees and penalties by the time of the denial hearing.

Sec. 113.09. License suspension; term of suspension.

- (a) The city manager or designee shall initiate suspension proceedings against a vacation rental license for any of the following:
 - (1) Three verified violations within a twelve (12) month period, not including any such violation based on an aesthetic, solid waste disposal or vehicle parking violation that is not also a serious threat to public health and safety.
 - (2) One verified violation that results in or constitutes any of the following:
 - (a) A felony offense committed at or in the vicinity of a vacation rental or short-term rental by the owner of the vacation rental or short-term rental or by the owner's designee;
 - (b) A serious physical injury or wrongful death at or related to a vacation rental or short-term rental resulting from the knowing, intentional or reckless conduct of the owner of the vacation rental or short-term rental or the owner's designee;
 - (c) An owner of the vacation rental or short-term rental or the owner's designee knowingly or intentionally housing a sex offender, allowing offenses related to adult-oriented businesses, sexual offenses, or prostitution, or operating or maintaining a sober living home; or
 - (d) An owner of the vacation rental or short-term rental or the owner's designee knowingly or intentionally allowing the use of a vacation rental or short-term rental for a special event that would otherwise require a permit or license pursuant to this code or a state law or rule or for a retail, restaurant, banquet space or other similar use.
- (b) The city manager or designee shall give notice of any suspension, and the right of appeal from the suspension, as provided for in this article.
- (c) Any final suspension shall be for a period of one (1) year except that a hearing officer may reduce the suspension period to a period of six (6) months upon a finding that the owner of the vacation rental or short-term rental has taken substantial and significant steps to prevent the reoccurrence of the actions that led to the suspension.

Sec. 113.10. Information updates.

All applicants and persons holding licenses issued pursuant to this article shall give written notice to the city manager or designee of any material changes in information submitted in connection with an application or application for renewal of a license. Any information required for an application pursuant to section _____ is deemed to be material for purposes of this section. This information shall be provided to the city manager or designee by the licensee or the effected person, as applicable, within ten (10) business days of any such change.

Sec. 113.11. Appeals.

- (a) Any person aggrieved by any decision with respect to the denial of or a refusal to issue a short-term rental license or the suspension of a short-term rental license may appeal the decision by filing a written notice of appeal requesting a hearing with the city manager no later than 15 days from the date of the decision letter. The notice of appeal shall be on a form approved by the city.
 - (b) This section is not applicable to any penalty including fines imposed by a court or for actions brought pursuant to _____.
 - (c) An appeal under this section does not operate as a stay of the license suspension.
 - (d) If the owner or owner's designee timely requests a hearing, the city shall schedule a hearing date before a civil hearing officer within 30 days of receipt of the request and give written notice to the owner or owner's designee of the scheduled date.
 - 1. The hearing shall be held during regular city business hours.
 - 2. All proceedings before the hearing officer shall be informal and without a jury, except that testimony shall be given under oath or affirmation. The rules of evidence do not apply, except for statutory provisions relating to privileged communications, and the hearing officer may permit any evidence deemed relevant to the issues at hand to be admitted. No prehearing discovery shall be permitted, except under extraordinary circumstances as determined by the hearing officer. The city is required to prove violations of this chapter by a preponderance of the evidence.
 - 3. The hearing officer is authorized to make such orders as may be necessary or appropriate to fairly and efficiently determine the truth and decide the case at hand.
 - 4. The hearing may be continued one time by the hearing officer upon the written request of either party for good cause.
 - 5. The owner and the city shall each be given an opportunity to present their respective cases. The city shall present its case first and each presentation may include:
 - a. Sworn testimony;
 - b. Submission of evidence;
 - c. Presentation of witnesses;
 - d. Cross-examination;
 - e. Opening and closing statements.
- The owner and city shall each be limited to two hours for testimony, presentation, cross-examination and statements unless the hearing officer, for good cause shown, extends the time.
- 6. The hearing officer shall render a written decision within 15 days of the close of the hearing.

7. If the owner or owner's designee fails to appear at the scheduled hearing, the hearing officer shall enter an order in favor of the city.
 8. The hearing officer's order shall be mailed to the owner or owner's designee by certified, return receipt requested mail.
 9. The hearing shall be recorded by an electronic recording device.
- (e) Any final suspension shall be for a period of one year, except that a hearing officer may reduce the suspension period to a period of six months upon a finding that the owner has made reasonable attempts to prevent nuisance activities and violations from occurring at the short-term rental.
 - (f) This section is not applicable for judicial actions brought pursuant to section ----- or penalties including fines imposed by a court.

Sec. 113.12. City use of license information.

Unless otherwise provided for by law, the city may use any information obtained from licensing applications including contact information pursuant to this article for any lawful purpose including, but not limited to, communicating or providing information regarding compliance with laws, public health and safety regulations, general city updates and reminders to keep required information updated with the city.

Sec. 113.13. Compliance with laws.

- (a) A vacation rental or short-term rental must at all times comply with all federal, state, and local laws, rules and regulations including but not limited to public health, safety, sanitation, solid waste, hazardous waste, tax privilege licensing, traffic control, pollution control, noise, property maintenance, and nuisance abatement.
- (b) To protect the health, safety, and general welfare of all short-term rental occupants, short-term rentals must meet the minimum standards for habitable structures set forth in this Code or any other city law, rule or regulation. The city may require inspection if it has probable cause to believe that the short-term rental is not compliant with the city's fire, building, or zoning requirements.
- (c) No person including an owner or operator shall operate a vacation rental or short-term rental in violation of this section.

Sec. 113.14. Non-residential usage by vacation rentals or short-term rentals prohibited.

- (a) No vacation rental or short-term rental may be used for any non-residential use or purpose including but not limited to any of the following:
 1. Any commercial, industrial, manufacturing, or other non-residential purpose; or
 2. Operating a retail business, restaurant, event center, banquet center or similar use; or
 3. Housing sex offenders; or
 4. Operating or maintaining a structured sober living home; or
 5. Selling liquor, controlled substances or pornography; or
 6. Operating any adult-oriented business including nude and topless dancing; or
 7. Any use that constitutes a substantial disturbance of the quiet enjoyment, and peace, health, safety or general welfare of private or public property through a nuisance party or unruly gathering, including, but not limited to, excessive noise or traffic, obstruction of public streets

by crowds or vehicles, the service of alcohol to minors, fights, disturbances of the peace, litter, spirituous liquor served to, or in the possession of, or consumed by any minor, or where illegal drugs are in the possession of, or consumed by, any person.

- (b) The owner of a vacation rental or short-term rental or the owner's designee shall not knowingly or intentionally allow the use of a vacation rental or short-term rental for a special event that would otherwise require a permit or license pursuant to any City of Page regulation or a state law or rule.
- (c) No person including, but not limited to, an owner, owner's designee, tenant, guest, business, vendor or operator shall operate a vacation rental or short-term rental in violation of this section.
- (d) Representations or advertisements including online listings that advertise one of the prohibited activities pursuant to this section that reference a vacation rental or short-term rental property, house or dwelling unit location within the city is prima facie evidence that a vacation rental or short-term rental is operating in violation of this section.

Sec. 113.15. Failure to respond to an emergency; penalties.

- (a) In the event of an emergency, any person designated as an emergency contact pursuant to section _____ upon the request of public safety personnel shall respond in-person within one (1) hour to the physical location of the vacation rental or short-term rental for which they are a designated emergency contact.
- (b) For the purpose of this section "in the event of an emergency" means any time police, fire or other public safety personnel respond to a vacation rental or short-term rental for a call for service including responding to a nuisance party or unlawful gathering.
- (c) It shall be a civil offense for any person designated as an emergency contact upon request by public safety personnel pursuant to subsection (a) of this section to either fail to respond to the physical location of the vacation rental or short-term rental for which they are a designated emergency contact or fail to arrive within one (1) hour to the physical location of the vacation rental or short-term rental for which they are a designated emergency contact. Failure to respond shall be punished by a minimum fine of five hundred dollars (\$500.00) and failure to arrive within one (1) hour shall be punished by a minimum fine of two hundred fifty dollars (\$250.00).
- (d) It shall be a civil offense for the owner of a vacation rental or short-term rental to intentionally, knowingly or recklessly have the owner's emergency contact fail to comply with the requirements of subsection (a). A violation of this subsection shall be punished by a minimum fine of five hundred dollars (\$500.00). Evidence such as failure of an owner to keep contact information current may be considered when determining whether the owner acted intentionally, knowingly or recklessly.

Sec. 113.16. Insurance required; failure to maintain insurance; penalty.

- (a) Unless provided by an online lodging market place that provides primary liability insurance coverage of at least five hundred thousand dollars (\$500,000) for the vacation rental or short-term rental, every owner of a vacation rental or short-term rental shall maintain liability insurance to cover each vacation rental or short-term rental in the aggregate of at least five hundred thousand dollars (\$500,000).
- (b) Within thirty (30) days of obtaining a vacation rental license issued pursuant to this article, the owner or owner's designee shall provide evidence to the city of liability insurance to cover the vacation rental or short-term rental in the aggregate of at least five hundred thousand dollars (\$500,000) or evidence that each vacation rental or short-term rental transaction will be provided through

an online lodging market place that provides equal or greater primary liability insurance coverage for the vacation rental or short-term rental.

- (c) The owner or owner's designee of vacation rental or short-term rental shall provide proof of compliance with subsection a above upon demand by the city.
- (d) It shall be unlawful for the owner or operator of a vacation rental or short-term rental to fail to comply the requirements of this section.
- (e) A violation of this section is a civil offense and shall be punished by a minimum fine of five hundred dollars (\$500.00). Upon a showing that the owner or operator has obtained the required insurance, the court may reduce the fine pursuant to this section to one hundred dollars (\$100.00).

Sec. 113.17. Advertising license number required; penalty.

- (a) It shall be unlawful for the owner, operator or owner's designee of a vacation rental or short-term rental to fail to display or list a city vacation rental license number on each advertisement for a vacation rental or short-term rental located within the city.
- (b) A violation of this section is a civil offense and shall be punished by a minimum fine of five hundred dollars (\$500.00). Upon a showing that the owner, operator or owner's designee has come into compliance with this section, the court may reduce the fine pursuant to this section to one hundred dollars (\$100.00).

Sec. 113.18. Additional health and public safety regulations.

- (a) The health and public safety regulations in this section are for the primary purpose of protecting the health and safety of the public as vacation rentals and short-term rentals create unique public health and safety issues.
- (b) No person owning or operating a vacation rental or short-term rental shall leave trash or garbage within public view, except in proper collection containers for the purpose of collection in accordance with Chapter 50 of the City of Page Code of Ordinances.
- (c) Any person owning or operating a vacation rental or short-term rental shall ensure that every vacation rental or short-term rental has working smoke alarms, which may require the installation and maintenance of several detection units and maintained annually as required under National Fire Protection Association (NFPA) 72.
- (d) The owner or owner's designee of a vacation rental or short-term rental shall provide and prominently display a map of the floor plan of the property showing the following information: safe routes of egress in the event of a fire or other emergency; the location of fire detection and suppression equipment; and any additional information relevant to such emergency preparedness measures. Such maps shall include the full property address, emergency information (911), and owner/emergency contact information.
- (e) The owner or owner's designee of a vacation rental or short-term rental shall have the property cleaned between stays.
- (f) The owner of a vacation rental or short-term rental that includes a swimming pool or other applicable aquatic structure that is accessible to the renters, shall comply with all applicable regulations and requirements. Owners of vacation rentals or short-term rentals shall have six months from the effective date of this article to come into compliance with this subsection.
- (g) The following notice must be completed in 14-point or larger bold font, on a laminated or otherwise similarly shielded paper, and prominently displayed on the inside of the front door and the primary

door to the backyard or a conspicuous location near each such door. The notice shall include information regarding the location of any fire or life safety equipment such as fire extinguishers, and shall include the City of Page waste disposal regulations found in Chapter 50 of the City of Page Code of Ordinances.

NOTICE

USE OF THIS PROPERTY FOR ANY OF THE FOLLOWING PURPOSES IS PROHIBITED;
VIOLATORS MAY BE SUBJECT TO SUBSTANTIAL PENALTIES:

1. Any commercial, industrial, manufacturing, or other non-residential purpose; or
2. Operating a retail business, restaurant, event center, banquet center or similar use; or
3. Housing sex offenders; or
4. Operating or maintaining a structured sober living home; or
5. Selling liquor, controlled substances or pornography; or
6. Operating any adult-oriented business including nude and topless dancing; or
7. Any uses prohibited under A.R.S. § 9-500.39, or federal, state or local law; or
8. Any use that disturbs neighboring properties' peace and enjoyment including, but not limited to, excessive noise, impeding traffic, obstruction of public streets by crowds or vehicles, use or possession of illegal drugs, drinking in public areas, the service of alcohol to minors or consumption of alcohol by minors, fighting, disturbing the peace, and/or littering.
9. None of the following may occur where such acts may reasonably be viewed by the public whether at ground level or from a reasonable vantage point of a nearby property, such as a deck or balcony:
 - a. Urination or defecation;
 - b. Nudity; or
 - c. Sexual acts.

UNLESS THE CITY EXPRESSLY PERMITS SUCH A USE IN WRITING, USE OF THIS PROPERTY FOR ANY OF THE FOLLOWING PURPOSES IS PROHIBITED; VIOLATORS MAY BE SUBJECT TO SUBSTANTIAL PENALTIES:

Use for any nonresidential use, including:

1. For a special event that would otherwise require a permit or license pursuant to city ordinance, or a state law or rule; or
2. Operating a retail business, restaurant, event center, banquet space, or similar use.

Your local contact person's name is _____ and can be reached by phone 24 hours a day, seven days a week, at ____ - ____ - ____.

City of Page Vacation Rental License # _____.

Arizona TPT License # _____.

Sec. 113.19. Verified violation penalties.

- (a) In addition to any other penalty pursuant to this code, and notwithstanding any other law, the following civil penalties shall be imposed by the city upon the owner of a vacation rental or short-

term rental related to the same vacation rental or short-term rental property within the same twelve-month (12) period:

- (1) Up to \$500.00 or up to an amount equal to one night's rent for the vacation rental or short-term rental as advertised, whichever is greater, for a first verified violation.
 - (2) Up to \$1,000.00 or up to an amount equal to two nights' rent for the vacation rental or short-term rental as advertised, whichever is greater, for the second verified violation.
 - (3) Up to \$3,500.00 or up to an amount equal to three nights' rent for the vacation rental or short-term rental as advertised, whichever is greater, for a third verified violation and any subsequent violation.
- (b) If multiple violations arise out of the same response to an incident at a vacation rental or short-term rental, those violations are considered one violation for the purpose of assessing the civil penalties provided in this section.
- (c) Unless an appeal is filed in a timely manner pursuant to section _____, a civil penalty assessed pursuant to this section shall be due within thirty (30) days of the initial notice sent to the owner by the city. For purposes of this section, written notice includes, but is not limited to, a notice sent by electronic means, United States mail or hand delivered.

Sec. 113.20. Neighbor notification.

- (a) Prior to offering a vacation rental or short-term rental for rent for the first time, the owner or owner's designee is required to notify all single-family residential properties adjacent to, directly and diagonally across the street from the property, or in a multi-family residential building, to all units on the same building floor. After providing such notification, the owner or owner's designee shall attest compliance on a form prescribed by the city manager or designee and contain the following information:
- (1) The vacation rental license number required by this article;
 - (2) The address of each property notified;
 - (3) How the notification was provided; and
 - (4) The name and contact information of the person attesting to compliance.
- (b) The notification required by subsection (a) above is also required anytime the contact information for the vacation rental or short-term rental changes. Notification pursuant to this subsection shall occur within fifteen (15) business days.
- (c) The notice required by this section shall be in writing and include the following information: the vacation rental license number issued pursuant to this article, the physical address of the vacation rental or short-term rental, and the name, address, and twenty-four (24) hour telephone number of the emergency point of contact. For purposes of this section, written notice includes notice sent by electronic means, United States mail or hand delivered.
- (d) Vacation rentals or short-term rentals that are lawfully operating prior to the effective date of this section must comply with this section within thirty (30) days of obtaining a vacation rental license required by this article.
- (e) It shall be unlawful to operate a vacation rental or short-term rental without complying with the notification requirements in this section.
- (f) A violation of this section is a civil offense and shall be punished by a minimum fine of five hundred dollars (\$500.00). Upon a showing that the owner or owner's designee has come into

compliance with this section, the court may reduce the fine pursuant to this section to one hundred dollars (\$100.00).

- (g) For purposes of this section, adjacent shall mean the condition of being near to or close to but not necessarily having a common dividing line, i.e., two (2) properties which are separated only by a street or alley shall be considered as adjacent to one another.

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Council**Meeting Date:** January 14, 2026**Presented by:**

Debi Roundtree, Councilmember

Brief Title: Data Center Information Questionnaires**Agenda Section:** Potential Future Agenda Items**Agenda Sub-category:** Agenda Item**Action:** Other**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

TBD

Background:

Councilmember would like to discuss questionnaires on Data Center information at a future meeting.

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

None

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Department:** City Clerk**Meeting Date:** January 14, 2026**Presented by:**

Frank Marbury, City Manager

Brief Title: EXECUTIVE SESSION

Pursuant to A.R.S. § 38-431.03 (A)(7) The City Council may vote to go into Executive Session for the purpose of discussions regarding negotiations for the purchase, sale, or lease of real property.

Ordinance 747-26 Land Sale to Premium Builders, LLC for Property Adjacent to Newburn Rd**Agenda Section:** Executive Sessions**Action:** Other**Agenda Sub-category:** Executive Session**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

TBD

Background:

N/A

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

None

REQUEST FOR COUNCIL ACTION

Request for Council Action:**Meeting Type:** Regular Meeting**Meeting Date:** January 14, 2026**Department:** City Clerk**Presented by:****Brief Title:** EXECUTIVE SESSION

Pursuant to A.R.S. § 38-431.03 (A)(7) The City Council may vote to go into Executive Session for the purpose of discussions regarding negotiations for the purchase, sale, or lease of real property.

Land Purchase Agreement Amendment - Kane Scott**Agenda Section:** Executive Sessions**Agenda Sub-category:** Executive Session**Action:** Other**PowerPoint Needed?:** No

Request for Council Action

Recommended Action:

TBD

Background:

N/A

Alternatives Considered:

N/A

Advisory Board/Commission Action:

N/A

Fiscal Impact:**Fiscal Year:****Amount Requested:****Line Item(s):**

Budget Impact:

Notes:**Attachments:**

None