

AUDIT, FINANCE & ENTERPRISE COMMITTEE MINUTES

January 22, 2026

The Audit, Finance & Enterprise Committee of the City of Mesa met in the Study Session room at City Hall, 20 East Main Street, on January 22, 2026, at 9:00 a.m.

COMMITTEE PRESENT	COMMITTEE ABSENT	STAFF PRESENT
Alicia Goforth, Chairperson Rich Adams Scott Somers	None	Jothi Beljan Mike Kennington Holly Moseley

Chairperson Goforth conducted a roll call.

1. Items from citizens present.

There were no items from citizens present.

2-a. Hear a presentation, discuss, and provide a recommendation on the proposed fees and charges for the Parks, Recreation and Community Facilities department.

Interim Parks, Recreation and Community Facilities Department Director Andrea Alicoate introduced Parks, Recreation and Community Facilities Senior Fiscal Analyst Allison Walker, Deputy Director Roger Singleton, and Interim Deputy Director Haylie Smith and displayed a PowerPoint presentation. **(See Attachment 1)**

Ms. Alicoate presented the proposed fee and charge adjustments and noted that the adjustments are needed to sustain the robust parks programming amid increasing market conditions. She pointed out that the request is being proposed outside of the normal budget cycle so the changes can be established in advance of summer program registrations. (See Page 2 of Attachment 1)

Responding to a question from Chairperson Goforth, Deputy City Manager/Chief Financial Officer Michael Kennington clarified that no further changes to Parks fees will be necessary as part of the upcoming budget discussion.

Ms. Alicoate explained that the ranges provided allow flexibility to adjust fees as needed and noted that fees are generally set at the low or mid-range to allow room for future adjustments as

market conditions change. She stated that staff reviewed fees and offerings in neighboring communities to ensure the proposed adjustments are comparable to similar services.

In response to a question from Chairperson Goforth, Ms. Alicoate reported all incremental fee adjustments are reviewed against external and neighboring communities and pointed out that cost-recovery comparisons can be challenging due to differences in the services and amenities offered.

Ms. Alicoate commented that the Parks and Recreation Advisory Board reviewed the proposed changes and expressed support for forwarding the recommendations to the City Council for consideration. She said the fiscal impact of all recommendations is approximately \$116,000, and that some of the proposed changes provide flexibility or are language updates intended to improve transparency. (See Page 2 of Attachment 1)

Ms. Alicoate explained that several of the proposed changes have no fiscal impact and are intended to improve transparency, such as informing the public of fee adjustments at Dobson Ranch Golf Course, Hohokam Stadium, and Mesa Tennis and Pickleball Center. She noted that these changes primarily involve language updates to make the fee information more user-friendly and to provide administrative clarity, helping staff more efficiently collect data and distribute funds. (See Pages 3, 12 and 13 of Attachment 1)

Responding to a question from Chairperson Goforth, Ms. Walker stated that the discount for youth groups had been set at 20 percent and that the proposed update standardizes this discount across all programs and clarifies eligibility citywide.

Ms. Alicoate explained the proposed administrative fee and cancellation fee for the Convention Center and Amphitheater will assist in recovering costs and staff-related expenses. She noted that, in response to customer requests, the City of Mesa (COM) has implemented contract fees to allow customers to bring in their own vendors. (See Page 4 of Attachment 1)

Committeemember Adams expressed his support for adding a cancellation fee and cited consistency among the industry.

Responding to a question from Chairperson Goforth, Mr. Singleton explained that the proposal would add a buyout option allowing customers to use their own catering and audio-visual equipment, an option that did not exist previously. He recalled that the change was intended to promote consistency, stay competitive, and still maintain the overall goals.

Ms. Alicoate commented that the proposed aquatics fee adjustments are intended to make programs more user-friendly by offering passes that bundle lessons under a single fee, while also streamlining administrative processes and aligning staffing levels. She stated that the proposed changes will clarify that the \$5 lap swim drop-in fee applies only to lap swim and not to public swim and increases the seasonal lane rental fee to help offset rising pool heating and utility costs. She highlighted the importance of maintaining the City's contractual relationship with school partners by ensuring fees meet established cost-recovery goals. (See Page 5 and 14 of Attachment 1)

Ms. Alicoate reviewed the proposed changes to the sports complex field use, which include updated field names to improve clarity, and fee increases to account for higher usage levels and the need for additional supervision. She pointed out the change to the adult team registration

fees for City-sponsored tournaments and noted that the adjustment applies only to adult teams and is intended to achieve 100 percent cost recovery. She confirmed that the estimated revenue impact would be \$21,910. (See Page 6 of Attachment 1)

Ms. Alicoate emphasized that the youth sports cost-recovery goal was intentionally set lower to maintain affordability and accessibility for all participants. She said the proposed fees are designed to support participation by established youth leagues while maintaining nominal cost recovery, and that they more accurately reflect current service demands and field-type descriptions. She advised that cost recovery is intended to offset staff time required to prepare and maintain the fields, pointing out that Mesa offers a high level of field quality compared to other cities and will prioritize maintaining that standard. (See Page 7 of Attachment 1)

Ms. Alicoate provided an overview of the proposed changes to park ramada use fees and noted that pricing adjustments will be monitored to ensure they do not result in disparate impacts as changes are implemented. She mentioned the proposed increase to ramada cleaning fees is driven primarily by back-to-back bookings occurring on the same day, such as Mother's Day and Easter. She stated that these high-use days require additional staffing in between bookings to remove trash and debris and restore the ramadas to an acceptable condition for subsequent users. She discussed the elimination of the drop-in court fees at Brady and Kleinman Parks due to differences in facility uses. (See Page 8 of Attachment 1)

Ms. Alicoate reviewed the proposed fee increases for recreation centers and gymnasiums, including adjustments to out-of-school time programs at Jefferson, Webster, and Eagles Centers, to better align with cost-recovery goals. She emphasized awareness that these facilities serve high-need areas and noted that scholarships are available to support families with demonstrated need. She also discussed restructuring class fees to better reflect how costs are paid, with special-interest classes proposed to achieve 100 percent cost recovery, largely at the request of instructors seeking full upfront compensation. She stated that the combined fiscal impact across all areas exceeds \$25,000 and is expected to support the long-term sustainability of programs and offerings. (See Page 9 of Attachment 1)

Ms. Alicoate said the item will be on the March 23, 2026, Council agenda, and if approved, the proposed fee adjustments would become effective April 1, allowing the changes to be in place for the upcoming summer program registrations. (See Page 10 of Attachment 1)

Responding to a question from Committeemember Somers about public outreach, Ms. Alicoate confirmed that the community outreach efforts were comprehensive and included coordination with local school districts. She added that additional public meetings are scheduled prior to the 60-day posting requirement.

Committeemember Adams expressed support of the proposed changes.

Chairperson Goforth thanked staff for the presentation.

2-b. Hear a presentation and discuss the following audits:

1. Remote Access Follow-up Review (Department of Innovation and Technology)
2. Street Maintenance Program Follow-up Review (Transportation)
3. Intergovernmental Agreements Cost Recovery Follow-up Review (Citywide)
4. Hiring and Recruitment Practices (Human Resources)

5. Victims of Crime Act (VOCA) Program (City Attorney)

City Auditor Joseph Lisitano displayed a PowerPoint presentation. **(See Attachment 2)**

Mr. Lisitano explained that the audits conducted were the result of recommendations stemming from the July 2025 audit. He noted that staff reviewed the recommended policies and procedures related to virtual private network (VPN) access and remote system access, and that the department addressed the procedures with no changes proposed. (See Pages 3 and 4 of Attachment 2)

In response to a question from Committeemember Adams, Mr. Lisitano clarified that this audit did not assess specific staff activities related to firewall security; his focus was on policies and procedures rather than operational practices. He added that the department does utilize vendors to help ensure there are no security threats.

Chief Information Officer Scott Conn confirmed that the City hires an independent third-party firm annually to conduct penetration testing and implement any identified corrections immediately.

Mr. Lisitano continued saying that during the Transportation Street Maintenance Program Audit conducted in 2023, staff noted that seven recommendations were issued and four remain outstanding. He verified that several recommendations had been addressed, including the development of policies and procedures to monitor third-party contractors, retention of inspection documentation, and confirmation that contract terms and conditions continue to apply, with modifications made where necessary. He reported that outstanding recommendations include establishing clearer criteria for determining which streets are treated and how adjustments to priorities are made. He confirmed that the current system used by the department lacks the ability to monitor changes and reported that a new system is being created to address this gap. He said that a follow-up review is scheduled to be conducted in one year. (See Pages 5 through 10 of Attachment 2)

In response to concerns expressed by Chairperson Goforth regarding the extensive time between the initial audit report and the corrections made, Transportation Department Director Erik Guderian stated that the current software was found to be unable to generate the required data. He said staff are working to obtain new software, which will be brought forward to Council for consideration. He acknowledged the audit findings and commented that the new software is expected to be procured and implemented prior to the next audit.

Mr. Lisitano noted that City Management has established policies for filing signed Intergovernmental Agreements related to real estate services, and that all departments have these procedures in place. He also stated that policies and procedures for invoicing are in effect to track payments to ensure full cost recovery. (See Pages 11 and 12 of Attachment 2)

Mr. Lisitano reviewed the outcome of the Human Resources audit of hiring and recruitment practices. He explained that industry standards and statutory requirements were reviewed, and a walkthrough of the recruitment process was performed. He added that a sample of 40 recruitments was reviewed, with documentation examined and data analyzed to compare time-to-hire metrics. He verified that the analysis showed that the City's hiring process is significantly faster than industry benchmarks. He added that a follow-up audit will be performed in one year. (See Pages 13 through 17 of Attachment 2)

Discussion ensued regarding the Public Safety hiring and recruitment process.

Mr. Lisitano reported that an audit was conducted to determine whether effective controls are in place to properly administer the Victims of Crime Act (VOCA) Crime Victim Assistance Program in accordance with applicable policies, statutes, and other regulatory requirements. He explained that the VOCA Program receives funding through a public safety grant and must comply with federal requirements, as well as additional requirements established by the Arizona Department of Public Safety (DPS). He recalled that policies and procedures are in place to ensure program and grant requirements are understood, expenditures are properly managed, and effective financial and programmatic controls are maintained. No audit findings were identified for this program. (See Pages 18 through 20 of Attachment 2)

Chairperson Goforth thanked staff for the presentation

3. Adjournment.

Without objection, the Audit, Finance & Enterprise Committee meeting adjourned at 10:03 a.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Audit, Finance & Enterprise Committee meeting of the City of Mesa, Arizona, held on the 22nd day of January 2026. I further certify that the meeting was duly called and held and that a quorum was present.



HOLLY MOSELEY, CITY CLERK

sr
(Attachments – 2)

Parks, Recreation, and Community Facilities (PRCF) Fees and Charges Recommendations

Audit, Finance and Enterprise Committee

January 15, 2026



PRCF Fees and Charges Process and Recommendations

- PRCF Schedule of Fees and Charges are ranges to accommodate the seasonality of programs, innovation, and market conditions.
- Recommended updates based on cost of providing service and comparable rates of neighboring communities.
- On November 12, 2025, the Parks and Recreation Advisory Board concurred with the staff recommendation on fee changes for Council consideration.
- Full listing of recommended adjustments/additions/deletions are included in the report.
- Estimated fiscal impact of all recommendations is \$116,231.
- Proposed effective date: April 1, 2026.

Fiscal Impact

Dobson Ranch Golf Course:

- Adjust fee ranges to accommodate seasonal and market conditions in coordination with management
- contract with Paradigm Golf Group.

Hohokam Stadium:

- Update various service names and units.

Mesa Tennis and Pickleball Center:

- Update descriptions for simplification and clarity.
- Remove fees no longer in use.



Mesa Convention Center, Amphitheatre and

The Post:

-Two new fees for promoters at the Amphitheatre, an administrative fee and cancellation fee. This allows us to recoup staffing costs.

-Adding the ability for a customer to pay our contract fees at the Convention Center in the case they want to bring in their own vendors.

Fiscal Impact: \$5,000



uatics

-Updating various service names/descriptions to help with clarity, specifically the summer passes and lap swim passes.

-Combined all swim lessons under one category so removing the ones no longer needed.

-Adding a \$5 lap swim drop-in fee (instead of charging them under public swim).

-Increased the Seasonal Lane Surcharge from \$1.50 to \$2.00 (used Sept-April) to help cover the cost of heating the pools.

Fiscal Impact: \$25,000



ports Complex Field Use

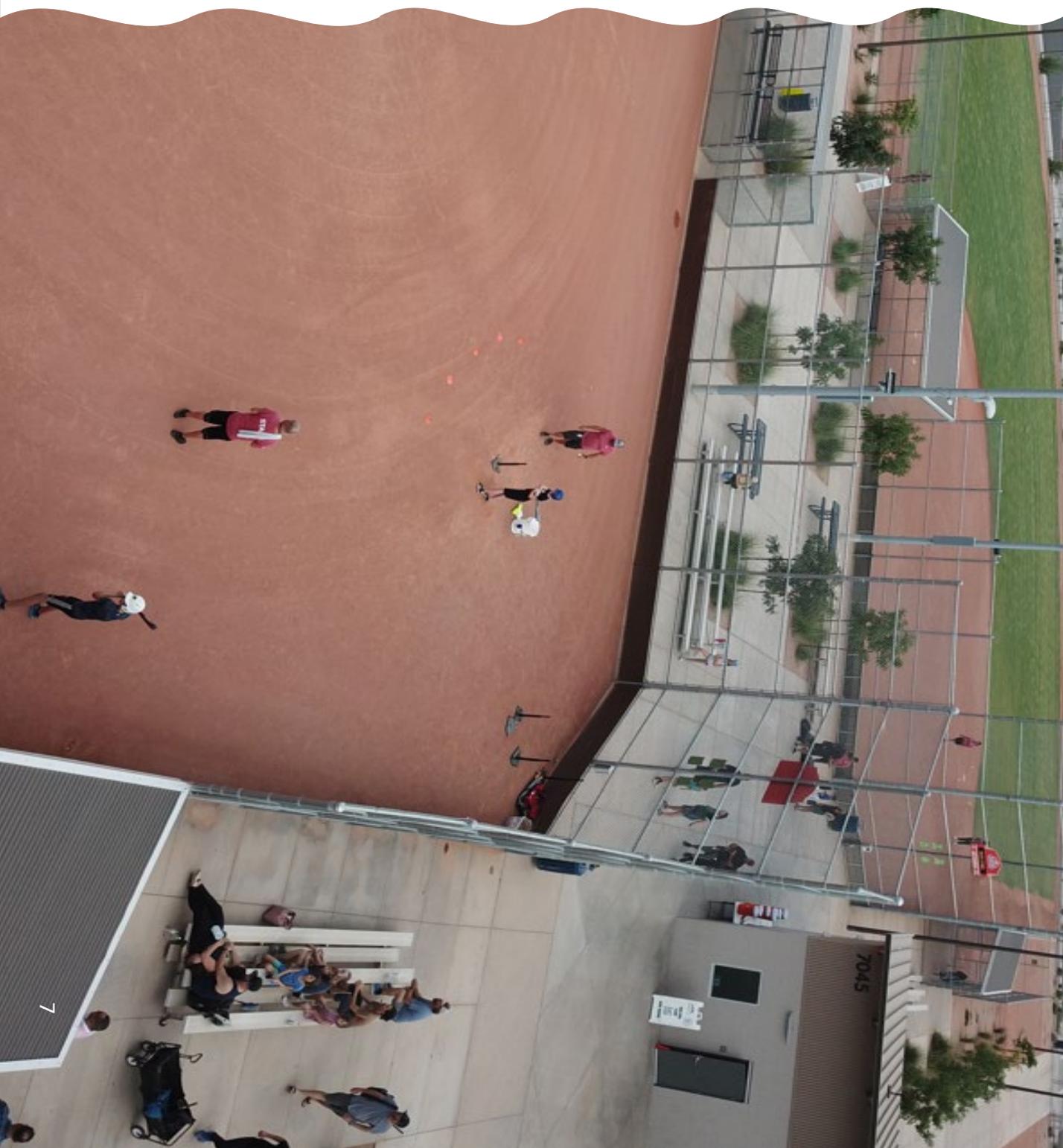
- Updating various service names/descriptions to help with clarity, specifically the field types.
- Increased field usage fees, between 7-10% depending on the field and whether it is day or night.
- Increased Athletics Facility Supervision range to allow for additional pay when an employee must work on one of the 11-city holidays.
- Increasing adult team registration for city sponsored tournaments by \$25 per team

Fiscal Impact: \$21,910



uth Sports

- Adding a specific fee to allow an established Mesa youth team to participate in leagues.
 - Updating various service names/descriptions to help with clarity, specifically the field types.
 - Increasing Affiliated Youth Group related field costs to allow us to be at our 30% cost recovery goal.
 - Increased Schedule Change Fee range to cover the staffing costs.
- Fiscal Impact: \$38,000



ark Use

-Increase fee range for ramada cleaning that is used on busy/back-to-back booking days that require a park ambassador to go out between parties.

-Moved drop-in courts fee at Brady and Kleinman under this section rather than under Mesa Tennis and Pickleball Center.

Fiscal Impact: \$975



creation Centers/Gymnasiums

-Increase Out of School Time
Program fees to get us to at least
25% cost recovery.

-Increase Special Interest
Classes/Workshops to cover the
cost of the classes, instructor, and
any items the instructor must
purchase for the participants.

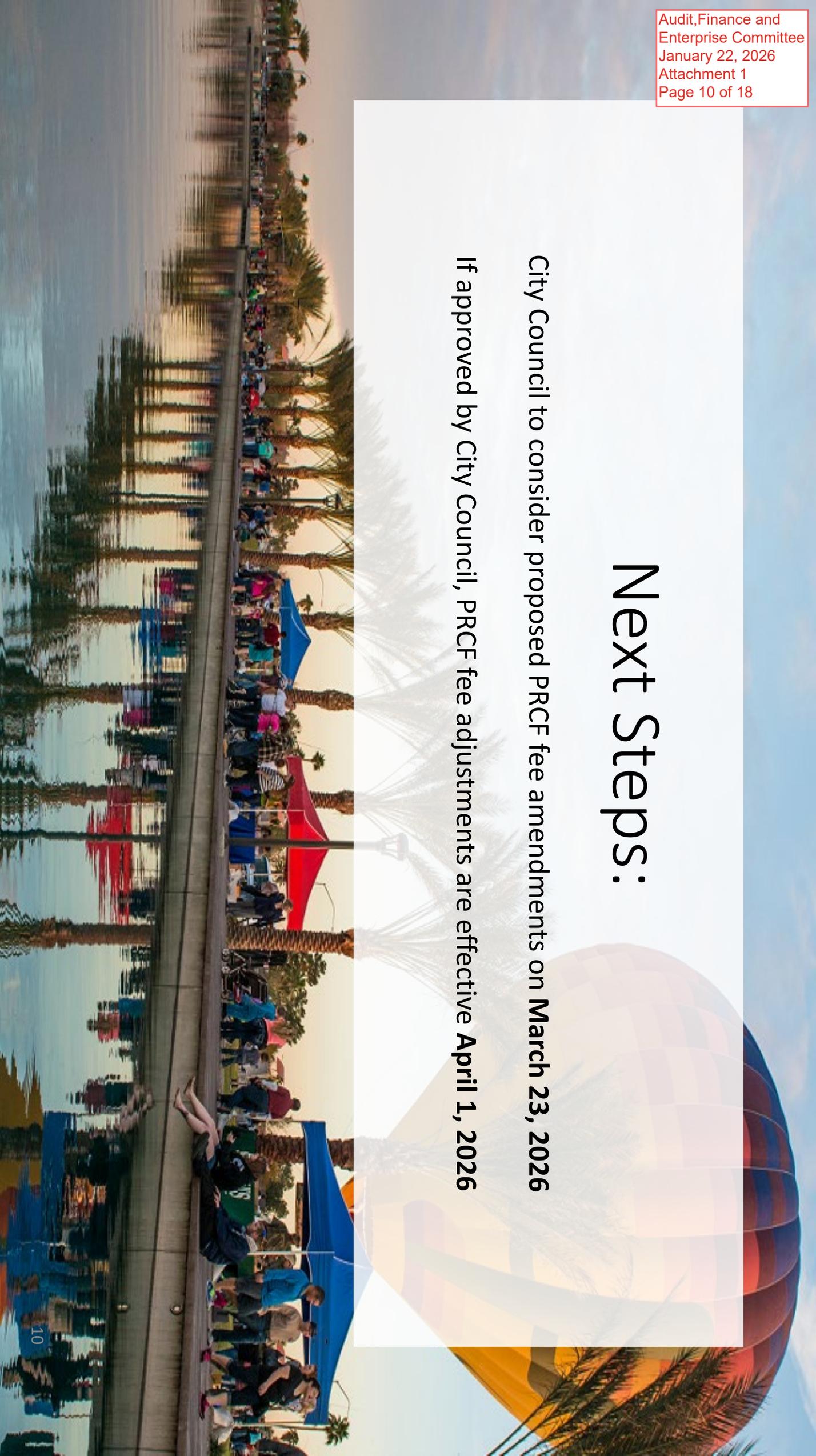
Fiscal Impact: \$25,346



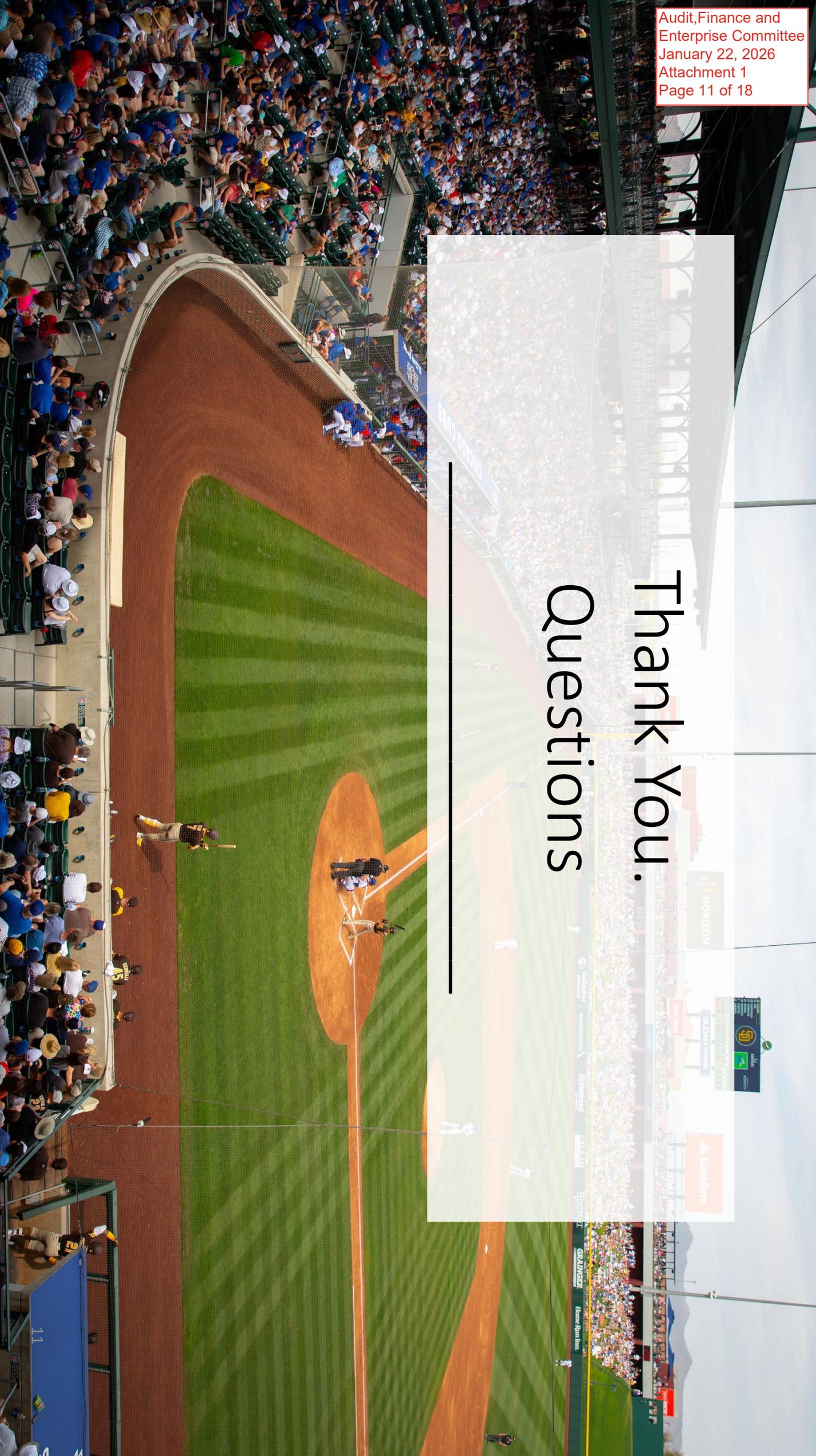
Next Steps:

City Council to consider proposed PRCF fee amendments on **March 23, 2026**

If approved by City Council, PRCF fee adjustments are effective **April 1, 2026**



Thank You.
Questions



Schedule of Fees & Charges

Exhibit A – Commercial Facilities

Department: Parks, Recreation and Community Facilities

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
HOHOKAM STADIUM					
<i>Non-Profit Organizations</i> IGA STADIUM RENTAL	4520% Discount on Commercial SPORTS RENTAL Rates		DAY		Update service name, Fee range, and unit
Commercial /Special Event STADIUM RENTAL Uses/per day	\$1,500.00-\$2,500.00 or 12% of net Ticket Sales plus expenses whichever is greater		DAY		Update service name and unit
Game STADIUM SPORTS Rental Per Day	\$500.00-\$2,500.00		DAY		Update service name and unit
League/Tournament Fees Miscellaneous Stadium/Field Fees	\$210.00-\$600.00		Game		Administrative cleanup
Lights/per hour					Remove sub-header
Regular Lighting	\$55.00-\$65.00		HOUR		Update name and add unit
GOLF COURSE					
<i>Dobson Ranch Golf Course</i>					
Junior					
18 holes	\$12.00-\$30.00	\$12.00-\$60.00			Update Fee Range
Discount Tickets:					
Ranch Card – discounts on golf, dining, merchandise, etc.	\$29.00-\$100.00	\$29.00-\$150.00	Annually		Update Fee Range

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
A CONVENTION CENTER, AMPHITHEATRE THE POST					
ring					
FOOD AND BEVERAGE BUY-OUT		NEGOTIATED BASED ON FOOD AND BEVERAGE CONTRACT	DAY/EVENT		New Fee - Allows flexibility to recoup costs
<i>Audio Visual Equipment and Services</i>					
Audio Visual Buy-out	\$2500.00-\$1,000.00	NEGOTIATED BASED ON AV CONTRACT	Day/EVENT		Allows flexibility to recoup costs per event day or entire event
AMPHITHEATRE					
<i>Facility Rental</i>					
Concessionaire Buy-Out	\$500.00-\$2,500.00	NEGOTIATED BASED ON CONCESSION CONTRACT	Day/EVENT		Allows flexibility to recoup costs per event day or entire event
<i>Promoter Fees:</i>					
ADMINISTRATIVE FEE		\$35.00	HOUR/PERSON	\$2,500.00	New Fee
CANCELLATION FEE		\$500.00-\$1500.00	EVENT	\$2,500.00	New Fee

Estimated Total Annual Fiscal Impact: \$5,000.00

Schedule of Fees & Charges

Exhibit B – Recreation

Department: Parks, Recreation and Community Facilities

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
Public Swim LAP SWIM					
SUMMER HOUSEHOLD- Season pass - all pools (Household) (MEMORIAL DAY THROUGH LABOR DAY)	\$100.00-\$300.00		Each		Updating name
SUMMER INDIVIDUAL Season pass - all pools (Individual) (MEMORIAL DAY THROUGH LABOR DAY)	\$15.00-\$150.00		Each		Updating name
Off-Season Lap-swim pass- (Household)	\$100.00-\$300.00		Each		Administrative cleanup - combine all lap swim together
Off-Season Lap Swim QUARTERLY MEMBERSHIP pass- (Individual) SUMMER (MAY-JUL), FALL (AUG-OCT), WINTER (NOV-JAN), SPRING (FEB-APR)	\$75.00-\$300.00	\$45.00-\$300.00	Each PER PERSON		Administrative cleanup - combine all lap swim together
Season is Memorial Day- through Labor Day: Off- season (Fall: August through December; Spring: January- through May)					Administrative cleanup

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
LAP SWIM DROP IN		\$5.00-\$10.00	PER PERSON	\$10,000.00	New Fee
Public swim - all pools:					
QUATIC SPECIALTY CAMPS/ PROGRAMS/ EVENTS		\$1.00-\$200.00	PER PERSON		New Fee Section - Events include Pumpkin Splash, Dive in Movie, Blob, Father's Day Flop, etc.
Flowerider lessons/per person- Non-Resident	\$30.00-\$100.00		Session		Administrative cleanup - Combined all lesson types together
Flowerider lessons/per person- Non-Resident	\$35.00-\$150.00		Session		Administrative cleanup - Combined all lesson types together
Private Lessons/Per Person- Resident	\$60.00-\$100.00		Session		Administrative cleanup - Combined all lesson types together
Private Lessons/Per Person- Non-Resident	\$75.00-\$115.00		Session		Administrative cleanup - Combined all lesson types together
Seasonal Lane Surcharge (September - April)	\$1.50	\$1.50-\$5.00	Per Lane/Per Hour	\$15,000.00	Increase fee range to aid in cost recovery.
PARKS MISCELLANEOUS					
Ramada Cleaning Fee	\$15.00	\$30.00-\$100.00		\$975.00	Increase fee range to aid in cost recovery.
DROP IN PICKLEBALL COURTS (BRADY, KLEINMEN)		\$3.00-\$30.00	PER COURT/ PER HOUR		New Fee Section - was being charged under MTPC
RECREATION CENTERS/GYMNASIUMS					
Jefferson Gymnasium/Rec Center					
Webster Gymnasium/Rec Center					
Eagles Community Center					
Red Mountain Center					

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
Out of School Time Programs-Resident*	\$5.00-\$120.00	\$5.00-\$200.00	Program	\$21,366.00	Increase fee range to aid in cost recovery.
Out of School Time Programs-Non-Resident	\$5.00-\$150.00	\$5.00-\$200.00	Program	\$1,280.00	Increase fee range to aid in cost recovery.
Special Interest Classes/Workshops:					
Residents	\$4.00-\$200.00	\$4.00-\$300.00	PER PERSON	\$2,200.00	Increase fee range to aid in cost recovery and add unit
Non-Resident	\$5.00-\$240.00	\$4.00-\$300.00	PER PERSON	\$500.00	Not typically used-Increase fee range to aid in cost recovery and add unit
MESA TENNIS AND PICKLEBALL CENTER (TENNIS AND PICKLEBALL CENTER, KLEINMAN-SPORT COURTS, SAND-VOLLEYBALL COURTS)					Updating Name
Adult Organized Doubles-Play	\$5.00-\$30.00		Per Visit		Administrative cleanup
Adult Tournament	\$16.00-\$50.00		Each		Administrative cleanup
Juvenile/Youth Tournament	\$15.00-\$50.00		Each		Administrative cleanup
Outside Organization Tournament Rental					
	\$400.00-\$1,000.00		Whole Facility/5 Hrs		Administrative cleanup
Outside Organization-League Rental	\$20.00-\$60.00		Each Court		Administrative cleanup
Commercial Court Rental	\$20.00-\$60.00		Each Court		Administrative cleanup
SPORTS COMPLEX FIELD USE					
Field use--Baseball-Complex- Day RENTAL-use BEFORE 5PM	\$30.00-\$36.00		Hour		Updating Name
Field use--Baseball-Complex- Night RENTAL use AFTER 5PM	\$45.00-\$50.00	\$50.00-\$60.00	Hour	\$5,800.00	Updating name and fee range to aid in cost recovery

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
MULTI-USE Field use-- flag-football, soccer, Complex- Day RENTAL use BEFORE 5PM	\$15.00-\$18.00		Hour		Updating Name
MULTI-USE Field use-- flag-football, soccer, Complex- light RENTAL use AFTER 5PM	\$27.00-\$33.00		Hour		Updating Name
PARK FIELD DAY RENTAL BEFORE 5PM		\$10.00-\$30.00	HOUR	\$2,026.00	New Fee
PARK FIELD NIGHT RENTAL AFTER 5PM		\$20.00-\$50.00	HOUR	\$11,144.00	New Fee
Athletics Facility Supervision	\$17.00-\$32.00	\$20.00-\$70.00	Staff/Hour	\$300.00	Increase fee range to aid in cost recovery.
Security Deposit	\$150.00-\$500.00				Administrative cleanup
SPORTS COMPLEX DEPOSIT Field Deposit	\$150.00-\$180.00	\$150.00-\$1,000.00	Per field/per date		Updating name and increase fee range to aid in cost recovery.
SPORTS LEAGUES					
Adult sports leagues (May include, but not limited to, kickball, soccer, baseball, flag-football, basketball, volleyball, dodgeball, recess for adults, mesa hikes, cornhole, pickleball, and ultimate)	\$20.00-\$2,000.00		Per Registrant		Remove list of sports offering
Softball Umpire Uniform	\$10.00-\$45.00		Each		No longer in use
Adult Sports Tournaments - CITY SPONSORED	\$50.00-\$750.00		PER TEAM	\$2,640.00	Updating name and unit
Youth Sports Leagues, Camps and Clinics (may include, but not limited to, kickball, soccer, baseball, flag-football, basketball, volleyball, dodgeball, etc.)					Remove list of sports offering

Description of Service	Current Fee Range	Proposed Fee Range	Unit	Total Fiscal Impact	Notes
YOUTH SPORTS TEAMS					
CITY SPONSORED LEAGUES					New Sub-Section Name
RESIDENT		\$450.00-\$650.00	PER TEAM	\$4,500.00	New Fee
frilliate youth groups					
AFFILIATE YOUTH GROUP BASEBALL DAY RENTAL BEFORE 5PM		\$20.00-\$50.00	HOUR	\$14,000.00	New Fee
AFFILIATE YOUTH GROUP BASEBALL NIGHT RENTAL AFTER 5PM		\$30.00-\$60.00	HOUR	\$19,000.00	New Fee
AFFILIATE YOUTH GROUP MULTI - USE Field DAY RENTAL Use and Lights--Before 5pm	\$10.00-\$30.00		Hour		Updating Name
AFFILIATE YOUTH GROUP MULTI - USE Field NIGHT RENTAL Use and Lights--After 5pm	\$16.00-\$30.00		Hour		Updating Name
Schedule Change Fee	\$25.00	\$15.00-\$50.00	Per Change	\$500.00	Increase fee range to aid in cost recovery.

Estimated Total Annual Fiscal Impact: \$111,231.00