



## City of Goodyear

### Meeting Minutes

#### City Council Worksession

Meeting Location:  
Goodyear Justice Center  
185 N 145th Ave  
(SE Corner of 145th Ave  
& Van Buren St)  
Goodyear, AZ 85338

Mayor Georgia Lord  
Vice Mayor Joanne Osborne  
Councilmember Joe Pizzillo  
Councilmember Sheri Lauritano  
Councilmember Wally Campbell  
Councilmember Jennifer Barber  
Councilmember Bill Stipp

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Monday, February 4, 2013

5:00 PM

Goodyear Justice Center

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#### 1 CALL TO ORDER

Mayor Lord called the Worksession to order at 5:00 p.m.

#### 2. ROLL CALL

**Present** 7 - Mayor Georgia Lord, Vice Mayor Joanne Osborne, Councilmember Joe Pizzillo, Councilmember Sheri Lauritano, Councilmember Wally Campbell, Councilmember Jennifer Barber, and Councilmember Bill Stipp

#### 3. AGENDA ITEMS FOR DISCUSSION:

##### 3.1 [13-4957ws](#)

City staff will review the second quarter financial report for fiscal year (FY) 2012-13, budget transfers, and the five year financial forecast. (Terri Canada, Budget & Research Manager)

Terri Canada, Budget & Research Manager, presented. Canada reviewed the FY12-13 second quarter financial report. The second quarter report encompasses revenue and operating expenditure information from October through December 2012 relating to General Fund revenues and expenditures by category, and the actual figures as they relate to percentage of budget through December 31, 2012. Revenues are trending up. Construction Sales Tax are driving the increased revenues.

Expenditures are slightly below budget. Salaries were at 46% of budget and are on target. Contractual Services are at 39% of budget, but they usually lag short of the budget forecast until later in the fiscal year. Commodities are currently at 42%, which is slightly under budget due to the fact that spending usually trends heavier in the 2nd half of the year.

Canada also reviewed revenues and expenditures for other funds which include HURF, Water, Wastewater, Sanitation and the Ballpark. She recapped the 2nd quarter budget transfers between funds as they relate to the Contingency Fund and capital projects. Expenditures are running under budget for all of these funds.

Staff is cautiously optimistic regarding economic revenue forecasts. She reviewed the latest figures relating to the U.S. Consumer Price Index, the Arizona Consumer Confidence Index, Arizona unemployment rates, Arizona housing permits by month, and Goodyear housing permits by year. Goodyear housing permits are up 65.9% from last year.

The long range forecast is for an uncertain, but improving economy. There are signs of residential and commercial growth continuing over the next decade. There will probably continue to be a decline in property assessed valuation for one more year.

Canada reported on the General Fund five year forecast and the FY 14 budget considerations as they relate to budget strategies, revenues, Council priorities, cooperative agreements, employee related benefits, and alternative service delivery.

**Council Discussion:**

>What is the best estimate on new money for the operating budget for next year?

Canada responded that it looks like we will be up slightly over \$1M.

>How many current personnel vacancies are there? 30

>Asked for clarification of transfers for legal fees from the Contingency Fund.

Council wants the public to understand that this isn't the same as the Rainy Day Fund. Canada responded that legal fee transfers are made from a budget appropriation set aside for unplanned or emergency expenses. Money is set aside for these purposes in a fund each year. This is real money that is set aside as a placeholder in a Risk Management Fund for special expenses and is drawn on as necessary.

>Asked for explanation of the section pertaining to APS Lights. Canada explained that this item is for the maintenance costs associated with the lights that we purchased from APS a couple of years ago. Finance monitors this closely to track savings seen in maintenance costs since purchasing the lights from APS. We are experiencing savings every year on the maintenance side of the agreement with APS. Any higher costs that are seen are because of the purchase of additional street lights that we are now paying electrical costs for.

>What is the anticipated Arizona Retirement System contribution rate going up to?

City Manager Dalke stated that Human Resources is estimating an increase of

approximately \$212,000, which is a contribution increase from 10.54% to 11.3%.

The City has no control over this because it is controlled by State statute.

>Council wants to have a Plan B if construction sales tax doesn't come in as estimated.

>Will the stadium expense of \$2.4M be an ongoing expense each year to subsidize stadium operations? Dalke responded that this expense is a subsidy for personnel and ongoing operations and is in addition to any debt service that we have on the capital investment. Staff is trying to increase events, which will offset some of the expenses so that we can hold the line at \$2.4M.

### 3.2 [12-4936ws](#)

Update regarding the retail market and the Estrella Falls Regional Mall project. (Sheri Wakefield-Saenz, Development Services Director)

Sheri Wakefield-Saenz introduced Garrett Newland, Vice President of Development for Macerich/Westcor and Rob Bassett, part of the Macerich executive team.

Newland presented an update of the current retail market conditions pertaining to the planned Estrella Falls Regional Mall. The update included perceptions of major retailers of the Goodyear and Southwest Valley retail market, trade area characteristics and comparisons, and desired market conditions for development.

The Estrella Falls Regional Mall Project is a 330-acre master plan which includes the Market at Estrella Falls Power Center, Phase II - which is the Regional Mall, and Phase III - Development of Commercial/Mixed Use areas. There will be three million square feet of development at build out.

Newland presented an Arizona market update consisting of demographics, residential recovery and industry trends. Revenues are starting to increase, and population in the Estrella Falls mall trade area is at 500,000.

Sales for retailers are improving, but the department stores in the Goodyear area are not quite where they need to be. Only five regional malls have opened in the entire country over the last four years. The market dynamics for these types of projects have changed but they continue to work closely with the anchor stores for the mall which are Macys, Dillards and Harkins Theaters. These anchors will drive the decision about when the mall will open.

Macerich is heavily invested and committed to continued growth in Goodyear. Estrella Falls will be the next regional mall that they will open. He addressed a change in the design of the mall. The previous design was for an outdoor mall but the new format will be an enclosed mall or an indoor/outdoor combination. Their goal is to start the site and approval process this year. Once construction starts, it will take 18 - 20 months for completion. Their goal is to deliver the project to

market within the next 3 - 4 years.

**4. INFORMATION**

Followup items:

>Staff will provide sales tax revenues compared to non-construction sales tax figures prior to the implementation of the additional 1/2 cent tax that was added in 2009.

Dalke introduced Bob Beckley, the new Deputy City Manager. Beckley stated that he is very happy to be here and looks forward to working with Council and staff.

**5. ADJOURNMENT:**

**Council members of the Goodyear City Council will attend either in person or by telephone conference call or video communications.**

**Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Goodyear City Council and to the General Public that the Council of the City Of Goodyear, Arizona, will hold meetings open to the public.**

**THE CITY OF GOODYEAR ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 48 hours advance notice, special assistance can be provided for sight and/or hearing-impaired persons at this meeting. Reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (623) 932-3910 to request an accommodation to participate in this public meeting. Goodyear TDD number is (623) 932-6500.**

**LA CIUDAD DE GOODYEAR PROCURA HACER TODA JUNTA PUBLICA ACCESIBLE A PERSONAS CON DISCAPACIDADES. Durante la junta se puede proveer asistencia especial a personas con discapacidades visuales o auditivas con un aviso de 48 horas por adelantado. Se harán adaptaciones razonables con previa solicitud para personas con discapacidades o para residentes que no hablan inglés. Favor de llamar a la Secretaria Municipal al (623) 932-3910 para solicitar adaptaciones para participar en la junta pública. El número de TDD de Goodyear es (623) 932-6500**

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**Maureen Scott, CMC**  
**City Clerk**

**Date Posted:** \_\_\_\_\_

**Time Posted:** \_\_\_\_\_

There being no further business to conduct, Mayor Lord adjourned the Worksession at 6:18 p.m.

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Maureen Scott, City Clerk

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Georgia Lord, Mayor

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

Final approved minutes are on file with the City Clerk's Office.