



## City of Goodyear

### Meeting Minutes

Meeting Location:  
Goodyear Justice Center  
14455 W. Van Buren St.,  
Suite B101  
Goodyear, AZ 85338

### City Council Work Session

Mayor Georgia Lord  
Vice Mayor Wally Campbell  
Councilmember Joanne Osborne  
Councilmember Joe Pizzillo  
Councilmember Sheri Lauritano  
Councilmember Bill Stipp  
Councilmember Brannon Hampton

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Monday, February 5, 2018

4:00 PM

Goodyear Justice Center

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### City Council Budget Retreat

#### 1 CALL TO ORDER

Vice Mayor Campbell called the Budget Retreat to order at 4:01 p.m.

#### 2. ROLL CALL

**Present** 6 - Vice Mayor Campbell, Councilmember Osborne, Councilmember Pizzillo,  
Councilmember Lauritano, Councilmember Stipp, and Councilmember Hampton  
**Absent** 1 - Mayor Lord

Staff Present: Interim City Manager Dan Cotterman, City Attorney Roric Massey, and City Clerk Darcie McCracken

#### 3. AGENDA ITEMS FOR DISCUSSION:

- 3.1 [2018-6224ws](#) A budget retreat will be held to receive City Council input on the FY19 budget development process.

Budget & Research Manager Lauri Wingenroth presented. Ms. Wingenroth stated that the main reason for this retreat is to get Council's input, ideas and suggestions regarding what they want to see in next year's budget, as well as information they would like to have in the budget development process.

Staff is currently working on developing the base budget, as well as an analysis of the first five years of the existing Capital Improvement Program (CIP).

Ms. Wingenroth reviewed the timeline for this year's budget process.

#### **March 19 - Base Budget Overview**

- \* Revenues
- \* Department base budgets

- \* Available funding for budget additions

**April 9 & 16 - City manager Recommended Budget**

- \* Department operating budgets with proposed supplementals
- \* Proposed capital projects
- \* All funds

**April 23 - City Council changes - (if needed)**

Ms. Wingenroth stated that early input from council improves results, and allows staff to have information to prepare a budget that better aligns the City Manager recommended budget with Council priorities and initiatives. Staff will only initiate new project requests for critical needs such as safety, time sensitive needs, and commitments or in progress projects.

Staff is working on a plan that involves a pre-scoping and costing process for large or complex projects. This would be done by an outside consultant for projects where our own staff does not have enough experience or knowledge.

**Council Discussion:**

**>When discussing base budgets, requested that the departments present any internal savings that have been achieved through process improvements, etc., at the same time that they bring forth requests for funding of new requests.**

**>Asked that the high level presentation from finance include the amount of dollars that are left after considering new operating revenues against fixed costs that are subtracted from the new revenue, so Council knows how much is left among all the operating budgets in the city. Needs a general idea of the dollar amount that will be available during budget discussions.** Ms. Wingenroth responded that staff's recommended base budget will identify cases where departments have reduced their budget or have absorbed costs. They will also provide information related to recommended increases.

**>Would like a report on what the CIP looks like over the next five years. It is helpful to have this information when looking at the operating budgets because it gives Council an idea on what we are looking at going forward.**

**>Asked what the process is when staff prepares a CIP report to Council on projects that are five to ten years out. How do they arrive at the recommendation that is made to Council?**

Ms. Wingenroth reported that staff prepares a five-year forecast. This session was originally scheduled as a five-year forecast, but it was changed to a retreat. Discussion from this retreat will be incorporated into the five-year forecast, which will be sent to Council in the form of a "Yellow Paper".

**>Requested more detail be included in the five-year forecast from what has been presented in past years.**

**>Would like to see the ballpark projected revenues.** Ms. Wingenroth reported that each department will be expected to carefully review each item in their five-year plan. Going forward, every department will look at every project yearly, to review cost estimates, and they will be updated every year.

**>Requested that staff get budget materials to Council as early as possible, even if it is subject to change, so they have plenty of time to review the materials before the Council**

**meeting.** Ms. Wingenroth stated that it is Staff's intent to get the materials out earlier. If issues come up, staff is open to hearing about them at any time. Staff wants the chance to come back with better information later.

**>Asked when the property tax estimates will be available.** Ms. Wingenroth reported they will be available in mid-February.

**>Wants flexibility in the budget in order to deal with things like storm cleanup.** Ms. Wingenroth stated that a supplemental request has been submitted to add funding to deal with storm cleanup; however, it is also possible to fund that out of the City Manager's contingency fund.

**>Asked about population estimates and when the next Census will take place.** Ms. Wingenroth stated that populations are adjusted annually. Those numbers won't be available until late April or May, so staff will have to make an estimate during the budget process.

In terms of developing the budget, Ms. Wingenroth reviewed possible discussion topics that staff will use in understanding and clarifying what Council wants, gain areas of emphasis for budget development, and get specific project/program/service ideas to explore. This information will guide them in the budget preparation process.

**>Asked if there is a way to get a staff "take away" of what was heard during each budget discussion meeting. In the past, there have been times that members of Council did not remember agreeing to what staff is presenting in the tentative or final budget.** Ms. Wingenroth stated that budget staff does put together a list of what they hear, and she will be happy to provide that to Council. She agrees that would be a good idea.

**>Would like more specific information regarding sales tax figures (dollar amount instead of percentages). Would like to see a breakdown on taxes by category such as hotel/motel, food, etc. This would help during later budget discussions.**

**>From a policy standpoint, would like to develop a plan on how to reduce or eliminate certain taxes.**

**>Wants to make sure that our cost recovery revenue figures are up-to-date and in compliance with all statutes.**

**>Would like a report on whether we are in compliance with all of the budget policies such as having the Enterprise Fund be self-sufficient, and Debt Management.**

**>Would like a status report update on the current CIP.**

**>Would like more detailed information regarding property tax assessed valuation**

**>Would like to know about any positions that have been open for six months or longer, and have that be part of any discussion regarding funding new positions.**

**>Maintaining rights-of-ways, and weed abatement should be funded in some type of program.**

**>Would like contingency funding to be part of the budget discussion.**

**>Does not want the Council Contingency Fund to be changed to individual funds for each councilmember.**

**>Suggested increasing the amount of the Council Contingency (Special Projects) Fund back to its original funding balance each year, rather than keep depleting the balance down to zero.**

- >Would like to increase the Council discretionary fund amount.**
- >Would like to know what the funding amount of other cities discretionary funding is, and what the spending parameters are.** Ms. Wingenroth summarized that there is an interest in talking about the individual funds, what other cities are doing as a comparison, and what types of parameters should be put around the spending of the funds.
- >Feels that there is a lot of money tied up in contingency funds, and would like to consider combining some of the funds (City Manager and FMLA) to free up some money.**
- >Asked how much the "Rainy Day Fund" is over the recommended 15% funding recommendation.** Ms. Wingenroth responded that she estimates it is over by three or four million dollars.
- >Would like a report on the spending history within the Rainy Day Fund.**
- >Asked about the CIP project contingency.** Ms. Wingenroth gave examples of what the fund is intended to fund, and reported that this fund has only existed for one year. It was only used once this year.
- >Would like to provide funding for the Sunday/Holiday Zoom Bus. The data metrics show that adding this service would increase ridership, and believes there is enough transportation money to fund the additional service for the bus.**
- >Asked for the ridership data on the bus.**
- >In the future, would like to see some bus lines that will help transport people from other areas to jobs in Goodyear.**
- >Would like to see a work session on transportation.**
- >Concerned about transportation for seniors. People who live east of Dysart Road can't get a ride to Goodyear.**
- >Possible solution to the senior transportation issue could be things like driverless cars, Dial-a-Ride, and things like Uber/Lyft.**

Interim City Manager Dan Cotterman confirmed with Council that they are requesting a work session on transit, options for seniors, and possibly attract some new innovation.

- >Would like to see more focus on work force development, and helping to create, grow, and retain small businesses.**
- >Would like a status update on attracting more amenities, as well as kid-friendly options so that residents don't have to leave the city.**
- >Would like a West-Mec campus brought to Goodyear. This is critical to job sourcing and teaching technical skills.**
- >Would like to work with industries and attract clusters of manufacturing.**
- >Asked what is spent on the Innovation Hub, and if there is start-up money budgeted.** Ms. Wingenroth stated there is money budgeted for the programming piece, but that is all.
- >Suggested using the university land parcel for West-Mec use.**
- >Requested more information on anticipated future infrastructure after the three new fire stations are built that would enhance our land, and spur growth for the city as well as business development.**
- >Asked what it will look like to be a smart city; what we would need to do; and what type of**

**funding is available.**

**>Would like to get all the fiber optic networks in place in Goodyear. Until we have the infrastructure in place, there are a lot of businesses that won't consider locating in Goodyear.**

**>Asked about the use of construction sales tax for this type of project.** Ms. Wingenroth reported that the policy limits construction sales tax to one-time uses. 2.5% of this tax may be used at the Council's discretion.

**>Would like more information about the cost of bringing in more fiber optic lines.**

Vice Mayor Campbell adjourned the retreat at 5:45 p.m.

Vice Mayor Campbell reconvened the retreat at 6:08 p.m.

Ms. Wingenroth suggested wrapping up the conversation on operating items, and then moving on to the CIP, revenue and other ideas.

**>Wants to lower the food tax. Realizes that getting rid of it all at once would be difficult to do.**

**>Would like more information on after-school programming and adult services. Wants to know if a needs assessment has been done.**

**>Asked what the total gross amount for sales tax on single items over \$5000 is.**

**>We recently helped fund the White Tank Conservancy, and the question came up about also funding something similar for the Estrella Mountain area. Would like to look at Scottsdale's program regarding a preserve authority or commission to see if that would be something that would work for the Estrellas.**

**>Would like more information on the Industrial Development Authority (IDA), and whether it is a tool that we should be using more. Scottsdale's IDA is very active.**

**>Would like an update from Engineering on the timeline regarding Vanderbilt Farms and the Sarival Avenue/Yuma Road sidewalk improvements.**

**>Wants to keep the reserves in the water contingency fund.**

**>Would like to consider increasing the allocation for the Community Funding program.**

**>Would like to consider adding another program at the library for kids.**

**>Possibly initiate a program to educate residents regarding zoning issues. Perhaps use flyers, water bills, or the TOM Van to get information out to the public.**

**>King Ranch owes the city a lot of money. Would like to consider approaching them with the idea of a land swap that could be used as some sort of a preserve or park area. The city won't be able to sign off on any development there until the money owed us is paid back. Perhaps a land swap would help solve the problem.**

**>Would like to focus on providing more amenities for our residents.**

**>We need to focus on growing our base. The fear is that our expenses will start to outpace our revenue in the future.**

**>Requested more information on the need for after-school programming.**

**>Asked if the sidewalk fill-in-the-gap project is a CIP project or an operating budget**

**program. Wants to see this program continue in the future.**

**>Would like some dialogue about employee retirement recognition. There are a number of long-term employees who are retiring from the city with 20-plus years of service. Would like to recognize long-term employees for their service with more than a cake and a pat on the back. Rather than spend a lot of money on parties, it might be better spent on something the employee appreciates.**

**>Is concerned with the number of accidents at the intersection of Yuma Road and Pebble Creek Parkway. Asked for some kind of analysis of that intersection.**

**>Thinks it is important to have consistency on the street signs with regard to where the city's name is located on the sign.**

**>Consider pursuing and planning a 75-year anniversary celebration with a marketing theme.**

Ms. Wingenroth reported there is money in the CIP for Public Art, but there is no money in the operating budget for planning an event. Staff can explore what the options are for planning the event.

**>Consider designating an official "downtown area" in the future. Cottonwood is a good example.**

**>Would like to have an after-school program that is run by our Parks & Recreation Department. Perhaps have an IGA with the schools that could also include a summer program.**

**>Requested that any CIP projects that change from the current approved CIP be specifically called out and identified in order to avoid confusion during budget discussions.**

**>Asked about the status of a public safety training center in the CIP. Feels it is important and that we should commit resources to have a training center for our public safety employees.**

**>Perhaps look at a public safety regional center that could be funded by several agencies.**

**>Asked for an update on the Vineyard and Estrella Parkway intersection realignment project.** Engineering Director Rebecca Zook stated that the intersection to the south of the bridge is scheduled to be realigned, as well as adding a traffic signal. This project will need to be re-evaluated because the current allotment in the CIP is not sufficient to complete the project. Widening the bridge would be a separate project.

**>Asked if additional signage can be added to this area in an effort to reduce traffic accidents.** Ms. Zook stated that staff is currently evaluating this with the Police Department. It's possible additional signage could come out of the current budget.

**>Wants to be sure that the bridge widening project on Estrella Parkway is kept on the radar for a future IIP (Infrastructure Improvement Plan) project.**

Mr. Cotterman asked for clarification on whether Council wants to consider plans for a City Hall be added back into the long-range CIP plan. Office space is getting tighter. If a new building is not in the plans, staff will need to look into investing more money into the aging existing building.

**>Council indicated that a needs assessment will have to indicate that more space is needed.**

**>Due to the cost, this would probably need to be planned in phases.**

**>Feels that more information is needed before a new building is dismissed. Not sure if Council understands the amount of money that could be involved in maintaining the current**

**building. We don't want to spend millions of dollars to repair and equip a building to do something it wasn't intended to do. When this project was removed from the CIP, it was a City Center complex, not a City Hall, which could be completely different things.**

**>Asked for a complete cost and needs assessment.**

**>Would like the Recreation Center project to be as big as possible. We have one shot to do it right.**

**>Wants to ensure that we complete the Police Operations building that is planned in the CIP.**

**>Asked about expanding the roads around the new 80-acre park.** Ms. Wingenroth responded that staff will be re-evaluating what infrastructure would be required as planning is finalized. There is some funding, but it may not be adequate.

City Property Tax rate:

Ms. Wingenroth reminded Council that the current policy is that we can't issue new debt if the combined rate were to exceed a 1.74 combined rate.

**>Rates are just a number. Wants to see the true levies and the actual assessed valuation for other cities.**

**>Would like a comparison with other cities.**

City/State Sales Tax: Currently at 2.50%

**>Wants to see how much revenue is received in each category. The rates don't tell us how much actual money is coming in for each category.**

**>Asked for comparisons on rates if the single item over/under \$5,000 rate was the same as regular retail rate, rather than the separate rates that we currently have.**

Other CIP Projects:

**>Would like more information in order to understand the security improvements mentioned, as well as the K9 Training Yard.**

**>Asked where the fire stations fit in the growth of the city.** Ms. Wingenroth stated that the fire stations were not included in the most recent CIP because they will be funded by Impact Fees. Future fire stations and police facilities will be forecast in the Infrastructure Finance Plan. This plan will identify what can be funded with impact fees. Some things may need to be partially funded by the General Fund. The CIP is constrained by authorized and forecast resources.

**>Asked about the timeline of being able to issue additional bonds and still stay at or below the 1.74 rate.** Ms. Wingenroth indicated that there has been a forecast prepared regarding when additional bonds can be issued. This will be updated as soon as we get the new assessed valuation information. We do have the capacity within the current policy for some future bond projects, but this would also require voter authorization. The City Center would be much more expensive than the current citizen authorized bond capacity that we have for a project like that.

Ms. Wingenroth clarified that impact fee projects are funded based on growth that will happen over

ten years. Some of the projects need to be built before the impact fees are actually collected, so we also have to plan on how to finance the project before the fees are realized.

Financial Policies:

Ms. Wingenroth asked for feedback on the financial policies.

**>Some of the policies could be driven by possible revenue implications. Would like to review them before the tentative budget is presented.** Ms. Wingenroth stated that staff will bring this back in March or April for more discussion.

Ms. Wingenroth stated that some of the questions raised tonight will be followed up by staff with City Manager memos, with "yellow papers", and in future budget meetings.

#### 4. INFORMATION ITEMS

**1. Comments, Commendations, Report on Current Events and Presentations by Mayor, Council Members, staff or members of the public.**

Council attended or reported on the following:

>Attended a Loop 303 informational meeting in Estrella. Residents were concerned that an option to run Loop 303 through the community of Estrella was back as an option, when it had previously been removed. Wants information as to why that option is back.

>Councilmember Stipp will not be attending the February 12 Council Meeting, but will be calling in for the Work Session.

>Expressed sympathy on behalf of the city to the Tempe Fire Department for the tragic loss of Captain Kyle Brayer, who was killed in a road rage incident.

>Heart and Sole run at the Ballpark.

>Reminder of the Street Fest coming up on Saturday, February 10 near the Estrella Community College.

**2. Manager's Summary of Current Events and Reports**

The Manager may provide a brief summary of current events; however, there can be discussion only on the following matters:

1. Manager's Update on Council Related Matters:

None.

2. Update of Legislative Issues:

None.

3. Staff Summary of follow up action required:

None.

4. Council members may direct inquiries to staff:

None.



5. Future Agenda Items:

None.

**5. ADJOURNMENT**

There being no further business to discuss, Mayor Lord adjourned the Budget Retreat at 7:11 p.m.

\_\_\_\_\_  
Darcie McCracken, City Clerk

\_\_\_\_\_  
Georgia Lord, Mayor

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