



City of Maricopa

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Meeting Minutes City Council Special Meeting

Mayor Christian Price
Vice-Mayor Marvin L. Brown
Councilmember Peggy J. Chapados
Councilwoman Julia R. Gusse
Councilmember Vincent Manfredi
Councilmember Nancy Smith
Councilmember Henry M. Wade Jr.

Tuesday, June 20, 2017

7:00 PM

Council Chambers

1. **Call to Order**

The City Council Special Meeting was called to order at 7:06 p.m.

2. **Roll Call**

Present: 7 - Councilmember Peggy J. Chapados, Councilmember Vincent Manfredi, Councilmember Henry Wade, Mayor Christian Price, Councilwoman Julia R. Gusse, Vice Mayor Marvin L. Brown, Councilmember Nancy Smith

3. **Public Hearing**

- 3.1 [PH 17-13](#) The Mayor and City Council shall hear public comment on the City's primary property tax levy for Fiscal Year 17-18.

The Public Hearing was opened at 7:07 p.m. Finance Director, Brenda Hasler provided information on the City's primary property tax levy for fiscal year (FY) 2017-2018 and elaborated on the adoption process. There were no public comments. The Public Hearing was closed at 7:08 p.m.

The Public Hearing was held.

- 3.2 [PH 17-14](#) The Mayor and City Council shall hear public comment regarding adoption of the Final Budget for Fiscal Year 2017-2018.

The Public Hearing was opened at 7:08 p.m. Finance Director, Brenda Hasler provided information on the proposed adoption of the Final Budget for fiscal year (FY) 2017-2018. She elaborated on the formal adoption process.

Councilmember Chapados commended staff, especially Directors on their efforts in understanding the critical needs of the City and their ongoing service to the citizens of Maricopa. There were no public comments. The Public Hearing was closed at 7:10 p.m.

The Public Hearing was held.

4. Agenda Items

- 4.1 [RES 17-20](#) A Resolution of the Mayor and City Council of the City of Maricopa, Arizona, approving and authorizing an Interfund Balance Loan in an amount not to exceed \$6,000,000.00; authorizing the taking of all other actions necessary to consummate the transaction contemplated by this Resolution; and declaring an emergency. Discussion and Action.

Finance Director, Brenda Hasler elaborated on the Resolution. She discussed the details of the Interfund Balance Loan and explained how previous expenditures approved by City General Fund, related to the State Route 347 overpass design and construction, were Highway User Revenue Funds (HURF) eligible. The Interfund Loan would reimburse money owed to the City General Fund from the HURF Fund for \$500,000 for fiscal year (FY) 2017-18 and then be allocated by Council on an annual basis for future years until reimbursed in full. She confirmed this amount was not to exceed \$6,000,000, which was the amount originally authorized by Council.

Mayor Price offered further clarification.

Councilmember Manfredi asked if every year following fiscal year (FY) 2017-2018, Council would decide the amount of allocation. Ms. Hasler confirmed that Council would have the ability to decide the amount for reimbursement in future years.

Councilmember Wade asked if there was a minimum or a cap for reimbursement. Ms. Hasler replied that there was no minimum amount for reimbursement. She informed Council that they had ability to choose the amount of allocation and the cap was to the extent of the \$6,000,000, which was part of the original expenditures.

Mayor Price further elaborated.

A motion was made by Councilmember Chapados, seconded by Councilmember Smith, that this Resolution be Approved. The motion carried by a unanimous vote.

- 4.2 [RES 17-21](#) A Resolution of the Mayor and City Council of the City of Maricopa, Arizona, declaring an intent to reimburse the General Fund with credits from the City's contribution to the Public Safety Personnel Retirement System (PSPRS) for the lump sum payment to public safety personnel representing their excess contributions to PSPRS as determined by Hall v. EORP and Parker v. PSPRS. Discussion and Action.

Finance Director, Brenda Hasler elaborated on the Resolution. She discussed recent court decisions, Hall v. EORP and Parker v. PSPRS, which detailed overpayments made to the Public Safety Personnel Retirement System (PSPRS) from public safety personnel contributions since 2011. She explained that the City would refund each affected employee through a lump sum payment issued from the City General Fund in exchange for credits of future contributions to PSPRS. She further elaborated that the City General Fund would be reimbursed by future credits over a period of time, with the anticipation of not exceeding one fiscal year and the amount not to exceed \$1,300,000.

Mayor Price offered further clarification.

A motion was made by Councilmember Chapados, seconded by Vice Mayor Brown, that this Resolution be Approved. The motion carried by a unanimous

vote.

4.3 [RES 17-18](#)

A Resolution of the Mayor and City Council of the City of Maricopa, Arizona adopting the final budget for fiscal year 2017-2018 (FY17-18). Discussion and Action.

City Manager Rose provided information on the proposed Final Budget for fiscal year (FY) 2017-2018. He discussed budget highlights which detailed there would be no increase to the Primary Property Tax Rate- the amount will remain at \$4.78, the Secondary Property Tax Rates were reduced from \$1.60 to \$1.40. The City has also added positions in the Public Safety, Financial Services, I.T. and Development Services departments. He also noted a heavy investment in Capital Equipment, Street Maintenance and Construction totaled \$11,874,843. He discussed funding the Fire Administration Building Design which totals \$1,000,000, funding the Public Safety Personnel Retirement System (PSPRS) reimbursement in the amount of \$1,300,000 and the City Contingency Fund would be held at \$1,000,000 dollars.

City Manager Rose elaborated on events that have since impacted the Tentative Budget for fiscal year (FY) 2017-2018. He mentioned the most significant impact was the reduction in State Sales Tax Revenue for the City in the amount of \$709,000 as estimated by the Arizona League of Cities and Towns. He further discussed the finalizing of revenue projections which resulted in an increase of \$734,649 to Local Sales and Use Tax.

City Manager Rose detailed the proposed recommended changes to the fiscal year (FY) 2017-2018 Tentative Annual Operating Budget. He provides details on revenue adjustments which resulted in an increase of Local Sales and Use Tax to \$734,649, an increase in the Highway User Revenue Fund (HURF) amount to \$1,111, a decrease in State Income Tax of \$291,364, a decrease in State Sales Tax of \$220,710, a decrease in Vehicle License Tax of \$66,743 and establishing a HURF transfer to General Fund in the amount of \$500,000.

City Manager Rose discussed expenditure adjustments which would result in a decrease of contingency funding of \$500,000, a decrease in the Fire Fighter Captain position of \$44,871, an increase in contingency funds of \$41,000, as per the Tentative Budget Adoption, to cover the Fire kitchen and other miscellaneous items.

City Manager Rose offered information on outstanding issues for discussion. He detailed Mayor Price's proposal to move \$43,000 from the Equipment Capital Fund to cover costs to fill in the ceiling hole at Copper Sky which would result in better operations. He stated his support of this proposal. He also detailed the possible allocation of \$25,000 for Boards, Commissions and Committee's (BCC) as discussed previously by the Budget, Finance and Operations Council Subcommittee (BFO).

Mayor Price elaborated on the BFO and previous discussions. He detailed the proposal which would utilize the existing \$100,000 set aside for new and additional equipment, and change it to reduce equipment purchase and close the opening. Mayor Price stated the cost was estimated to be \$43,575, of which \$20,000 would be for contingency. He addressed there would be no increase in the budget and the City would utilize what it currently has proposed.

Councilmember Chapados stated her support of the Mayor's proposal. She discussed her support in providing some funding to the BCC but did not support the entire amount of \$25,000. She recommended this issue be sent back to the BFO for guidelines. Mr. Rose elaborated on the intention of the BFO being able to establish the criteria.

Councilmember Wade agreed with Councilmember Chapados that there should be some standard procedures and guidelines and agreed to the allocation of \$25,000.

Mayor Price stated \$25,000 was far too high, he suggested \$10,000 at the most. He agreed there should be rules and regulations for its allocation. He further elaborated.

Councilmember Smith agreed with Mayor Price, she elaborated that \$25,000 was too much and if granted should be shared amongst all BCC's. Councilmember Smith stated that although she was not opposed to funding \$2,000 for name tags if necessary, she does not support funding any amount for BCC's. She recommended committee funding through sponsorships, especially considering the City's tight budget constraints.

Councilmember Chapados stated her support in funding for all BCC's. She noted the opportunity for community outreach and recruiting. She elaborated on collaborations with other organizations for fundraising.

Vice Mayor Brown stated he did not support funding to any BCC's. He commended the committees for their work, but reiterated that he did not support funding the \$25,000.

Councilmember Wade stated his support for shared funding for all BCC's and the need for processes and procedures so funds can be spent adequately. He elaborated on the needs of each organization, opportunities for growth and additional funding through sponsorships.

Discussion ensued which resulted in a consensus to reconvene the BFO to further discuss the BBC funding and bring a recommendation to Council.

Councilwoman Gusse spoke in favor of bringing BCC issue back to the BFO for further discussion, she elaborated on the different needs for BCC's.

Councilmember Smith elaborated on sponsorships and spoke in favor of Mayor Price's proposal.

Councilmember Manfredi spoke in favor of Mayor Price's proposal and supported the need for BCC allocation to go back to the BFO for further discussion.

Councilmember Wade spoke in agreement that the BCC funding should go back to the BFO, however viewpoints of City Council should be taken into consideration. Discussion ensued.

City Manager Rose commended Brenda Hasler and her staff for their hard work.

A motion was made by Vice Mayor Brown, seconded by Councilmember Wade, that this Resolution be Approved with the recommendations. The motion carried by the following vote:

Aye; 7 - Councilmember Chapados, Councilmember Manfredi, Councilmember Wade, Mayor Price, Councilwoman Gusse, Vice Mayor Brown and Councilmember Smith

5 Adjournment

A motion was made by Vice Mayor Brown, seconded by Councilmember Manfredi, to Adjourn at 7:50 p.m. The motion carried unanimously.

Certification of Minutes

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of Maricopa, Arizona, held on the 20th day of June, 2017. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 18th day of July, 2017.

*Vanessa Bueras
City Clerk*