



CITY OF SURPRISE
Regular City Council Work Session Agenda
16000 N. Civic Center Plaza
Surprise, AZ 85374

Tuesday, November 1, 2016 @ 4:00 PM
COUNCIL CHAMBERS

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- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Call To The Public:

INSTRUCTIONS: In order to address the City Council, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the City Clerk before the meeting begins.

[Download the Call to the Public form](#) (PDF download requires [Adobe Acrobat Reader](#))

[Fill out the Call to the Public form online](#) If submitting form electronically, please submit to City Clerk at least one hour before the meeting start time.

The Call to the Public form is also available at the front counter.

Note: A.R.S. 38-431.01(H) - During this time members of the public may address City Council on any item not on the agenda. At the conclusion of the open call, City Council may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

Approval of items on the Consent Agenda – all items with an asterisk (*) are considered to be routine matters and will be enacted by one motion and one roll call vote to the City Council. There will be no separate discussion on these items unless a Councilmember requests, in which event the item will be removed from the consent agenda and considered in its normal sequence on the agenda.

E. Regular City Council Work Session Agenda:

Regular Agenda Item - Non-Public Hearing:

- | | | | |
|----|-------------------|--|--|
| 1. | District Citywide | Presentation and discussion regarding the FY2016 Financial Status Report. | No Action
Lindsey
Duncan,
Finance
Director |
| 2. | District 3 | Presentation and discussion pertaining to FS16-400 Prasad Lake Village Planned Area Development Minor Amendment. | No Action
Eric Fitzer -
Community
Development |

F. Executive Session:

For information Purposes; Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, but for only the following purposes:

- discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));
- discussion or consideration of records exempt by law from public inspection (A.R.S. §38-401.03 (A)(2));
- discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03 (A)(3));
- discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. §38-431.03 (a)(4));
- discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03 (A)(5)); or
- discussion, consultation or consideration for international and interstate negotiations or for negotiations by a city or town, or its designated representatives, with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city or town. A.R.S. §38-401.03 (A)(6)).
- discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03 (A)(7)).

Confidentiality Requirements Pursuant to A.R.S. §38-431.03(C)(D): Any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney by agreement of the City Council, or as otherwise ordered by a court of competent jurisdiction.

The council may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

G. Adjournment:

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: October 27, 2016 at 1:10 PM

SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.



CITY OF SURPRISE
Regular City Council Work Session

November 1, 2016 @ 4:00:00 PM

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Council Meeting Date:	November 1, 2016	Contact Person:	Lindsey Duncan, Finance Director
Submitting Department:	Finance Dept	District:	Citywide
Staff Recommendations:	No Action		

Consent	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Presentation and discussion regarding the FY2016 Financial Status Report.

Motion:

Discussion only.

Background:

During the FY2017 budget process, estimates for expenses and revenues were presented for FY2016. These FY2016 estimates helped define the available funds for FY2017. This presentation will gauge the FY2016 estimates against actual financial performance and guide future financial discussions. As the annual financial audit is currently underway, the amounts presented are not yet final for FY2016.

Objective Analysis:

The FY2016 estimates used during the FY2017 established the beginning fund balance, a key component of identifying available resources. The FY2017 budget was adopted based on these resource assumptions. Variances from these estimates will impact resource assumptions and therefore the current and future budgets.

Policy Compliant:

This item is compliant with City and Council Policy.

Financial Impact:

The attached presentation provides an update of the year to date revenue and expenditures for the general fund through June 2016.

Budget Impact:

This item does not amend the current fiscal year budget. There will be discussion of the city's financial performance compared to estimates used during the FY2017 budget process. This will help to bring in to focus the funds available for future budget actions.

FTE Impact:

This item does not change the full time equivalent position count.

ATTACHMENTS:

Click to download

☐ [Presentation](#)



FY2016 Financial Status Update

**City Council Workshop
November 1, 2016**

FY2016 General Fund Resources

Category	Original Estimate	Current Estimate*	\$ Variance	% Variance
Local Sales Tax	\$ 38.9	\$ 39.3	\$ 0.4	1.1%
State Shared	30.0	30.2	0.2	0.6%
Charges for Services/Other	10.5	11.9	1.4	12.7%
Property Tax	6.8	6.7	(0.1)	-0.4%
Franchise Fees	5.2	5.1	(0.1)	-0.9%
Transfers In	7.7	7.7	-	-0.4%
Total	\$ 99.1	\$ 100.9	\$ 1.8	1.8%

Amounts in millions

*Unaudited

Local Sales Tax FY2016



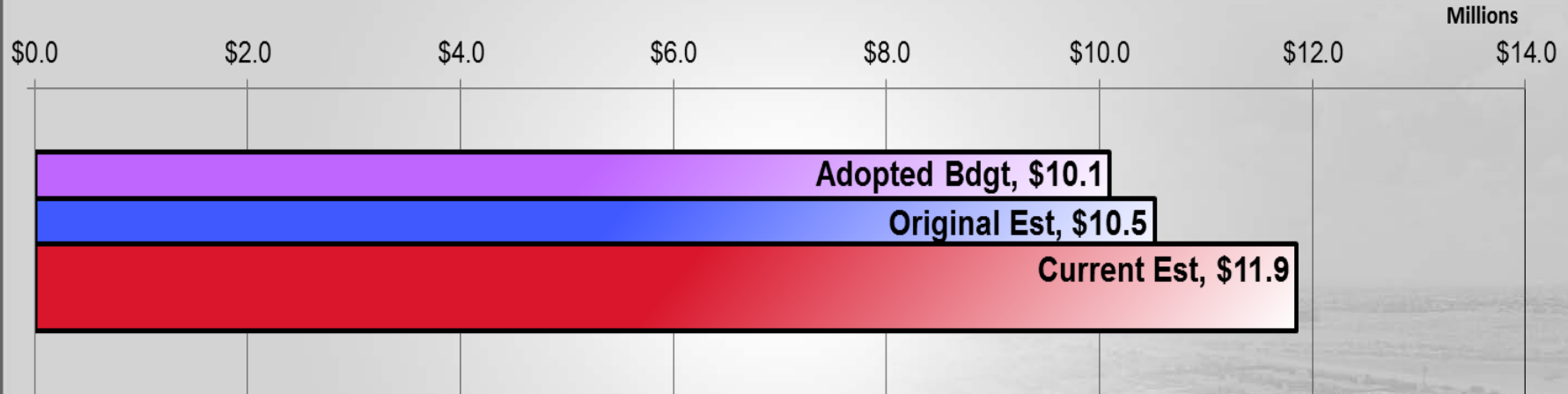
- Current estimate exceeds original by \$0.4M
 - Includes \$1.25M of Construction Sales Tax per policy
 - Bell/Grand Project
 - Awaiting final audit

State Shared FY2016



- Current estimate exceeds original by \$0.2M
 - Stronger than expected in Vehicle License Tax

Charges for Services/Other FY2016



- Current estimate exceeds original by \$1.4M
 - Spring Training revenue
 - Sensitive to year end processes

Property Tax FY2016



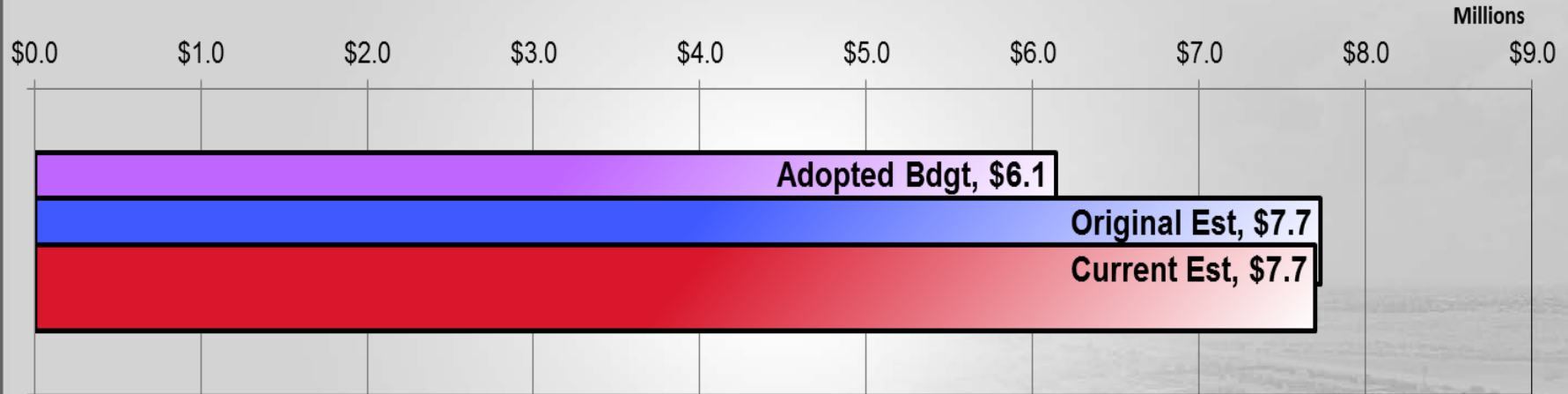
- Current estimate below original by less than \$0.1M
 - Awaiting final audit

Franchise Fees FY2016



- Current estimate below original by less than \$0.1M
 - Awaiting final audit

Transfers In FY2016



- Current estimate below original by less than \$0.1M
 - Includes transfers from utilities for indirect costs, property tax in-lieu, and franchise fee in-lieu
 - 2003 debt service reserve returned to General Fund

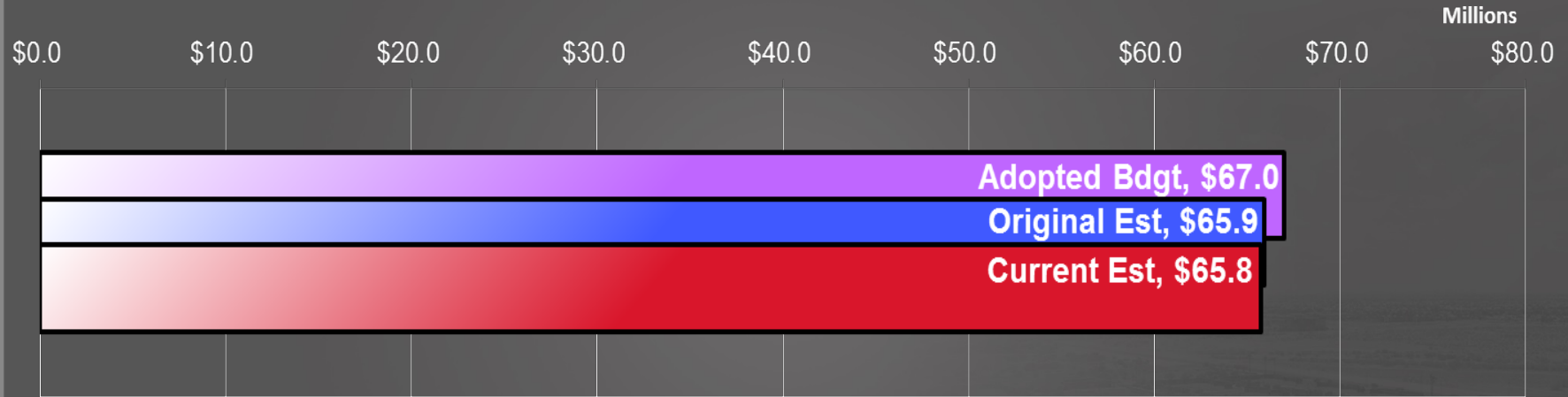
FY2016 General Fund Uses

Category	Original Estimate	Current Estimate*	\$ Variance	% Variance
Personnel	\$ 65.9	\$ 65.8	\$ (0.1)	-0.3%
Supplies	4.7	4.3	(0.4)	-7.8%
Services	22.7	19.7	(3.0)	-12.9%
Capital	0.6	0.7	0.1	13.0%
Transfers Out	12.8	7.7	(5.1)	-39.8%
Total	\$ 106.7	\$ 98.2	\$ (8.5)	-8.0%

Amounts in millions

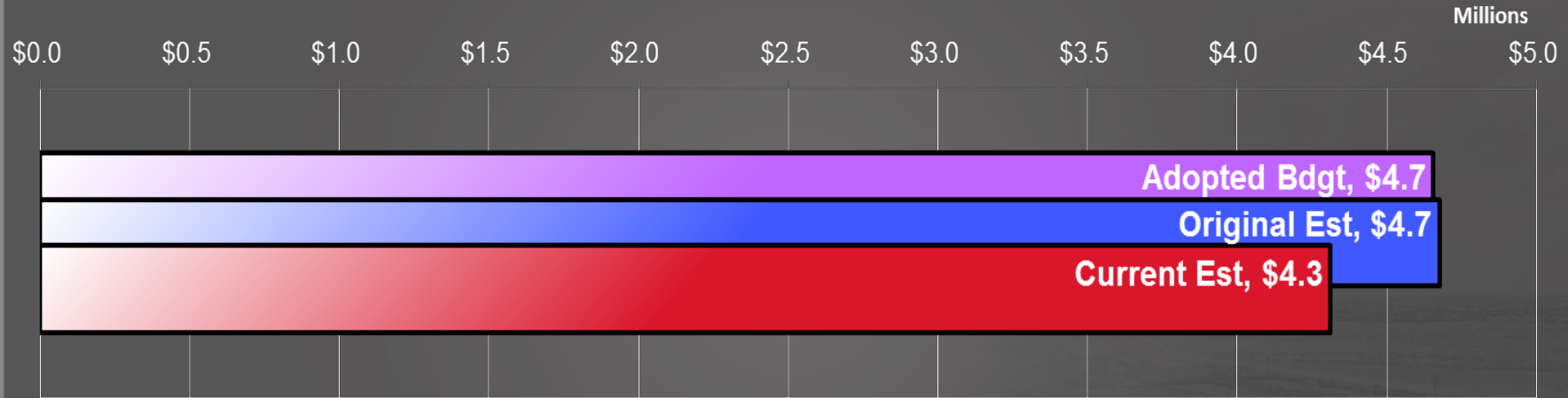
*Unaudited

Personnel FY2016



- Current estimate below original by less than \$0.1M
 - Awaiting final audit

Supplies FY2016



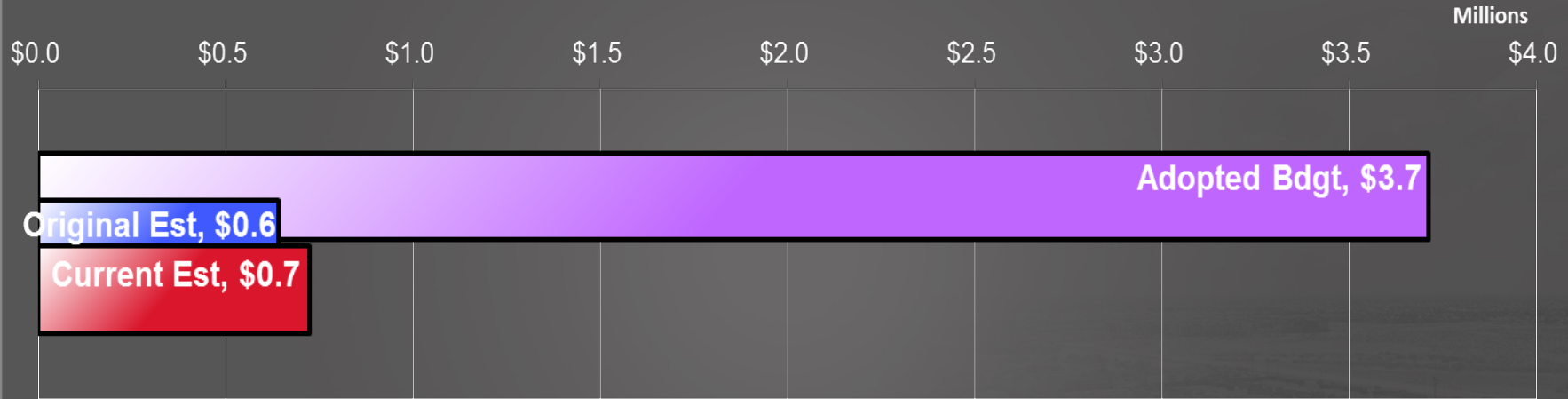
- Current estimate below original by less than \$0.4M
 - Awaiting final audit

Services FY2016



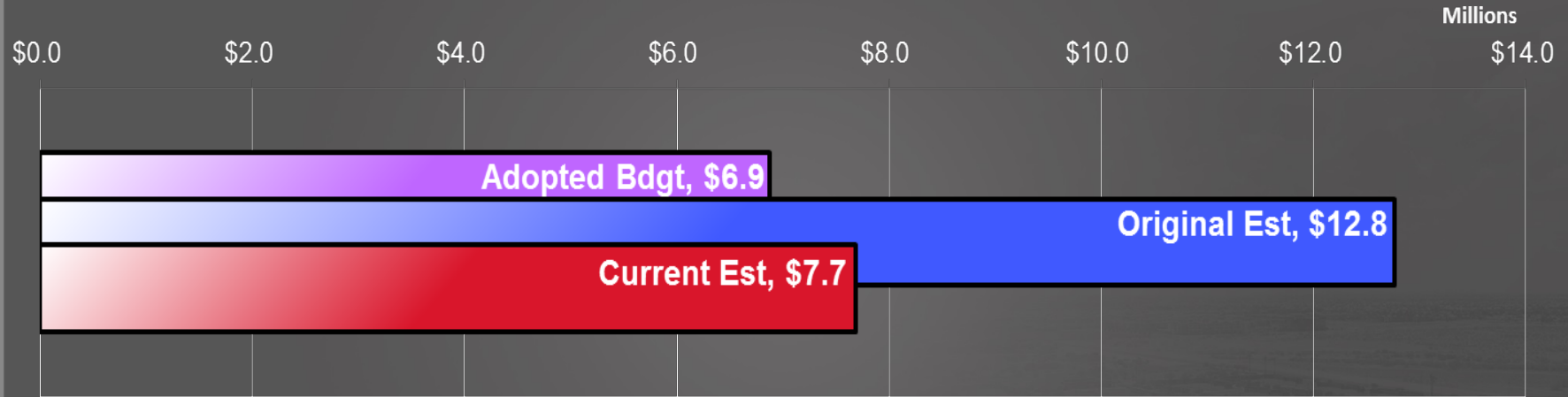
- Current estimate below original by less than \$3.0M
 - Stadium O and M to Stadium Spring Training Tix Surcharge
 - Development Agreement (IRIS)
 - Awaiting final audit

Capital FY2016



- Current estimate exceeds original by less than \$0.1M
 - Capital funding moved to General Capital Fund
 - Awaiting final audit

Transfers Out FY2016



- Current estimate below original by than \$5.1M
 - Increase in transfer for debt
 - Carryforward of capital/asset replacement projects
 - Awaiting final audit

FY2016 General Fund Ending Balance

	Original Estimate		Current Estimate*		\$ Variance	% Variance
Beginning Balance	\$	38.0	\$	38.0	\$ -	- %
Total Resources		99.1		100.9	1.8	1.8%
Total Expenditures		(106.7)		(98.2)	8.5	-8.0%
Ending Balance	\$	30.4	\$	40.7	\$ 10.3	33.9%

Amounts in millions

*Unaudited

FY2017 General Fund Commitments

Ending Balance Variance	\$	10.3
IRIS Development Agreement Carryforward		(0.5)
Vehicle Replacement Carryforward		(1.0)
Capital Project Carryforward		(5.5)
Adjusted Variance	\$	3.3

Amounts in millions

Upcoming Items

- Year End/Audit activities are underway
- Budget Amendments
 - FY2016 Year End Adjustments Nov 1
 - FY2017 Carry Forwards/Corrections Nov 1
 - FY2016 Year End Transfer Adjustments Nov 15



SURPRISE
ARIZONA

**QUESTIONS OR
COMMENTS?**

Thank You



CITY OF SURPRISE
Regular City Council Work Session

November 1, 2016 @ 4:00:00 PM

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Council Meeting Date:	November 1, 2016	Contact Person:	Eric Fitzer - Community Development
Submitting Department:	CD	District:	3
Staff Recommendations:	No Action		

Consent	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Presentation and discussion pertaining to FS16-400 Prasada Lake Village Planned Area Development Minor Amendment.

Motion:

Discussion only.

Background:

The City of Surprise approved the 3,355 acre Prasada Planned Area Development (PAD) on June 22, 2006. The Prasada development included three distinctive areas: the 1,225 Gateway Village along the Loop 303 corridor; the 530 acre Urban Village located between the Gateway Village and Marley Park and; the 1,600 acre Lake Village west of Cotton Lane straddling Cactus Road.

In September of 2015 City staff held a Concept Review with the owner and representative of the Prasada Lake Village area which were looking at a PAD Amendment related to the Prasada Lake Village. In September of 2016 staff received a formal submittal of the proposed Prasada Lake Village Minor PAD Amendment.

The original plan included a "blended neighborhood" concept; lakes; themed parks; three elementary schools; and a "rural edge" concept along Waddell Road to provide a transition between the rural nature on the north side and the more suburban nature of the Prasada Lake Village. At the time of the Prasada Zoning, Fulton Homes was the development partner that would master develop the Prasada Lake Village; they have since moved on from this project and are no longer the master developer.

The proposed Minor PAD Amended is focused solely on the Prasada PAD Section 4 the Prasada Lake Village. The following is the Minor Amendment criteria per the Prasada PAD Section 9.0 PAD Amendments:

Minor Amendments will include density swaps and intensity transfers that do not increase the density or intensity on any one parcel by more than 20%.

Land use designation boundaries and parcels sizes are intended to be flexible and may be modified through the minor amendment process so long as the boundaries do not increase or decrease any given parcel size by more than 20%

The following list are some of the changes being requested which meet the Minor Amendment criteria of the Prasada PAD Section 9.0

- 1 Removal of the "Blended Neighborhood" concept.
- 1 Removal of the "Themed Parks" but maintaining the minimum 15% open space.
- 1 Addition of four additional architectural types to the architectural theme; Craftsman, Ranch, Cottage, Farmhouse.
- 1 Possible dedication of lands for a City owned and maintained park in accordance with the Surprise Parks and Open Space Master Plan.
- 1 Inclusion of a possible "Age Qualified" community which could be gated.
- 1 Inclusion of a possible Golf Course which would count towards the 15% open space requirement for the "Age Qualified" portion of the community only.

Objective Analysis:

N/A

Policy Compliant:

The proposal is policy compliant per the adopted Prasada Planned Area Development.

Financial Impact:

All activity related to ongoing development of the City of Surprise has an economic and fiscal impact on the city and the region.

Budget Impact:

None at this time; however, topics covered in this work session could lead to future actions which may have an impact on the city budget.

FTE Impact:

Topics covered in this work session are not anticipated to have an FTE impact.

ATTACHMENTS:

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No Attachments Available
