



CITY OF SURPRISE
City Council Budget Kick Off
Ottawa University Surprise Campus
15950 N. Civic Center Plaza
Surprise, AZ 85374
Friday, January 12, 2024 @ 12:00 PM
Classrooms: 210 & 212
SUMMARY MINUTES

Council & Employee Lunch Held from 12:00 pm-12:45pm

Call To Order @12:45 PM

Roll Call – **PRESENT: Mayor Hall, Vice Mayor Judd, Councilmembers Haney, Cline, Remley and Hastings**

Agenda Item: Presentation and discussion pertaining to the Fiscal Year 2025 operating budget.

Mayor Hall – Provided Introduction describing his history with the City and the purpose of the meeting; He provided reflection with staff and timeline of service in the City and expressed opinion City has the best council and staff in Maricopa county; Proud of City and now have to make tough decisions as a group; Directors presentations will help clarify some things in order to move forward; Great city and great future because staff and council will continue to make good decisions for the future. Projections over 200k residents within next 5 years; keep the small town feel but with growth will be difficult; Gilbert and Chandler are comparable.

Bob Wingenroth – Expressed appreciation to Council and staff. Thanked Council for their leadership. Described the process for today - 5 min for each director; distinguished group of staff and amazing team.

Staff Presentations:

Fire Chief Brendan Espie – reflected as being hired in 2001 right before 9/11. Role of Chief for 1.5 yrs; We are all in it together – happy to be here; Summary Requests: Maintain level of service residents expect: Increase in contract services; hidden costs the increase would pay bills; Staff for ambulance service and 4 Captains to accommodate growth service needs in busy areas 30% to 20%. Captains are needed to accommodate growth areas for call outs currently by Supervisors; Training Requirements to remain current with technology and increase to meet minimum requirements. Deputy Chief request to better manage operations as the department grows support positions intent to stay current. Joint requests with PD for radio transmission 2 way radios used by fire, police, water, transportation etc. over 550 radios to maintain in city; create a public safety master plan last approved 2017 is at end of life needs refreshed include public works and Emergency Mgmt; Ensure alignment with strategic plan and goals. One time CIP Request for Class A burn facility and enhanced shooting range for training. Training for additional officers and firefighters; Replace thermal imaging cameras that have exceeded life and can no longer be serviced; Fire hose replacement and remodel one station; Customer service backbone of existence hope to maintain always there always ready motto ensure safety of residents; crafted requests with funding in mind.



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Police Chief Benny Pena - Top 3 items for increased cost of what we already have (body cams and tasers) equipment and training; prices increased with technology including new records management system; infrastructure in place now for new precinct and community center; Employees increased training costs for ammunition cost increase anticipated; remain efficient using simulation; cost is more dollars; more dispatchers; supervisor and training supervisor pays for itself with reduced liability. No complaints litigation over last 2 years attributed to training staff. Regional partnership with field force team uniforms for training; support staff added shift 2 squad deployment; need support staff (analysts) not sworn officers; Investigation Lieutenant requested; up to 400 search warrants;

Judge Dominguez – City Court – Request to continue to focus on providing access to justice, security of staff and court users; customer service, cost effectiveness and efficiency as for past 11 years coming March; Court will not submit request for budget increase for FY25; met goal with existing budget; Personnel is 90% - operational requirements 10% - factors for court administration operational changes – city growth ordinance case filings supreme court decision administration directed from supreme court rules and procedure court/civil/legislative – mandates without funding – changing environment. Plan to remain fiscal responsible and level of service. Human capital management review and align workforce accordingly – Process Optimization; precision and efficiency; recognizes community we serve. Thank you for support to continue to provide access to justice in the community.

Robert Wingo, City Attorney – Civil Division/Prosecutors Office; Civil internal service along with court and police is the face of criminal justice system to provide victims rights support; public service and customer service component of the office; Conduit between departments for police and court. As PD and courts grow, bottleneck will occur without growth of the dept. There has not been a staff increase since 2017, prosecutors or attorney staff; Requesting 1 Prosecutor; office is at capacity processing average of 485 cases per year not including civil violations (103) and (75) traffic issues; national standard for public defenders is 400 cases per year and shown above that case load issues occur; currently over capacity now; consequences are we cannot meet deadlines ex: right to speedy trial, disclosure timelines. 100% burden on the division; Request for Public Record Specialist for legal team to remove tasks currently performed by PD and ensure compliance with disclosure requirements/redaction; this will avoid jeopardizing cases to meet timelines; No Request at this time for Civil division. Maintain status quo.

VM Judd - How many prosecutors do you have? Robert Wingo - (4) including the admin office.

Kristi Passarelli, City Clerk; Set Costs of Elections – Statutory Requirements (Primary/General Plan) Additional Cost for Publicity Pamphlet required for General Plan. Tentative plan for



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(Special Election) related to Referendum case in litigation. Plan for General/Runoff Election (if needed); Merchant Fee increases for online transactions; Closed Captioning Services for all meetings; Copier Lease and Maintenance Agreement for security of passport offices (copiers) added this year. Slight increase for meeting supplies for team building meetings and training opportunities for staff. Request for technology digital capability; Request for City Clerk Assistant FTE benefit for competitive department and provided greater customer service and provide redundancy within the department for PRR and records retention. Request for reconfiguration of office structure to expand permanent record documents which would require move of cabinets and cubicle furniture.

Carol Holley, City Auditor - Planning since October providing a risk assessment survey to directors and a survey to employees; gathered responses and upon completion will create the audit plan. Currently have (3) employees fully staffed but are no able to reach all departments each year. How will we meet the high / med risk areas; increase continuous monitoring program; Develop standards and templates; 3rd annual review for audit to assess our department standard for 2024 training used to develop trainings hoping to remove manual processes and use automation to decrease time it takes to complete an audit.

Michael Boule, Director – Water Resource Management – To provide safe reliable and affordable water for customers; Funds are reliant upon rates of users; currently updating rate study for FY 25-29 starting at next meeting Jan16th requests to see through the process and anticipate continued growth; water and wastewater unique as need to have information 2 years in advance to allow to execute the rate setting and budget process rely on each other; any deviation impacts rates; Appreciate support.

Lloyd Abrams, Director - Community Development - Transition from contract services previously asked for funds per statute to move from contract funds to full FTE to continue with growth; permits back up to 90% one builder submitted over 300 permits last month; Request for a Building Inspector 3, (8 full time Inspectors and 1 Supervisor); Inspector 2 and Inspector 1 to slowly transition from contract to FTE; Request for an additional Code Inspector which division has not added for at least 20 years; inflations on subscription and maintenance; Bring sustainable knowledge adding a Business Analyst merge one hybrid position shared with finance for development agreements; better organize to bring on full under community development reclassified for maintaining current level of service; structure of city dependent on each other which makes us unique from any other organization.



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VM Judd – Can you clarify number of inspectors? Lloyd – currently they are contractors now, we train them and they leave so the hope is to build knowledge base in house as FTE to become more self sufficient

Mayor – Clarify the ask is for 3 inspectors, Code inspector and 1 Business analyst? Lloyd - Yes

Kristin Tytler, Director - Public Works – Engineers, Facilities, Solid Waste – Team identified items to continue to maintain level of service for the other departments; most covers base increases for utilities and operational supplies and services; Maintain level of service cost for cleaning supplies auto parts building maintenance; Staff Request from prior year still looking for engineers; Additional staff requests for facilities and fleet divisions; Fleet service rider, fleet service tech; 1 custodian and 1 lead custodian to keep up with current needs; Asset replacement for fleet and facilities division ex cost for fire trucks/police (100k); Roofing projects and take care of the current buildings needs as we age. No specific CIP requests, but support divisions for the joint requests/plans. Some department asks for part time fleet or maintenance, Community center fire and pool

Mayor – The building between bell and greenway, who's is it? Kristin – it is maintained by Public Works; Parks currently utilizes that space.

Eric Boyles, Director - Transportation – To provide safe and efficient network for residents; to maintain current level of service requests for contractual items increase landscape sidewalk barricade school crossings; Transit Services for ridership - WeRide – funding to mid 2025, request to continue through end of FY25 and option to fund expansion – WeRide has been widely successful and fills a need in city; Request for personnel to maintain operations; Traffic signal service over 66 signals only 2 individuals to provide that service; 1 traffic control coordinator ask for additional coordinator; Pavement Preservation Program, robust maintain lifespan of streets with growth – index of 70% investment needed to do that – signal equipment replacement inventory; Traffic signals request for 2 more at high level intersections for safer network – phase 2 of Dale Ln improvements; provide the first ever master plan one of most important on list and aligns with strategic plan address proactively rather than be reactive as a great benefit to city.

Bob Wingenroth – Kudos to Eric

Jeanine Jerkovic, Director - Economic Development – People are moving to Surprise (167k people) – serving population retail perspective sq ft per person still lagging rate of service for population – aspirations to get where we want to be; busy decade ahead opened great places for dining and shopping wish to capitalize on success; Currently (9) people in Economic



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Development; reflect the aspirations of the Strategic Plan; provide services to help small business at par with part time admin person; Scholarships to continue and grow for business and residents; Assets at TechCelerator location has been great to launch business; look at how to serve population maybe space exploration near city hall area look at capital improvement to divert funds; Request for Department Vehicle to be used for tours condition of vehicle not always ideal from fleet; Shared facilities use agreements continue relationship with Ottawa; increase broadband; Thank you for support

Bob Wingenroth – Time check

Mayor Hall - Continue with presentations until 3pm

Kim Campbell, Emergency Management – Provided background on division; in place for 5 years with city. To support continuity operations and continuity of government and plan that needs to be continuously updated. Working with Ottawa, Dysart, LAFB, hospitals etc. for large scale events; Stadium emergency evacuation plan; Request Emergency Mgmt Planner to expand and enhance ability as we grow. Request for support.

Holly Osborn, Director – Parks & Recreation – Request as first priority – Youth Sports Package - 1500 kids in fall but had 1700 – upcoming presentation showing 90% design for fire/pool station project. Opening the pool requires part time and full time – lifeguard and park ranger. Electricity and landscaping cost increases unknown depends on APS rates; Asset replacement opening new pool and spruce up the other 2 splash pads; McMicken Dam design project.

Mayor – How many park rangers? Holly - 2 currently on, soon to have 3 want to add 4th ranger (one per day 2-midnight)

Donna Meuse, Director – Human Resources – City is a people/service organization for community we know and love. Request for 1 FTE - HR Specialist to support compensation and performance mgmt as the first level of support to be more efficient; 1,477 active employees grown over 20% in last 5 years over 50% with 5 years of service. Request for contractual increases – learning management system policy and compliance; people development, management training; background checks; state required tiger services required by law 2018 to provide counselling for first responders in traumatic event; Internal service funds for Risk Mgmt. workers compensation more funding for PPE; increase for workers comp. insurance; Internal service requirement total compensation package self- insurance program to ensure choice and affordability – manage costs – focus on preventative care wellness and outreach (claims and wellness program) new wellness platform and app launch.



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CM Remley – How did the workers comp reorganization work out? – Donna – Really well and continued adosh program hope to be more proactive to address issues to prevent accident and injury.

CM Remley – What is the added person for compensation and benefits going to do for compensation? Donna – HR Specialist is first line of support for operations team. Assist with Job posting and job fairs and general recruitment for the operations team.

Kelsey Lamphier, Director - Arts, Culture & Library – To maintain level of service - 3 major priorities – 2 FTE Art Coordinators will allow to maintain workload not sustainable for one person; 1 FTE for art and private development programs; maintenance; percent for art projects, galleries. 1 FTE focus on culture component special events, history program, expand AZ Speaks – interactive city events; Library Priority - Increase security and network IT needs with higher standards to continue to maintain level of security. Request for Marketing Specialist to share creating unified messaging for both departments.

Kendra Pettis, Director - Sports & Tourism – Priority to provide events attractions for city with funding to the city. Spring training highest driver; cactus league \$700 million for state last year. Work to continue to create revenue. Working with other departments for special events and community engagement opportunities. Previously focused on sports and tourism for first years and would like to shift focus for 3rd party events – Requests for safety and security items for improvement (alarms and emergency egress gates Mark Coronado Park) agricultural increase; Request for 2 staff - facility maintenance Supervisor and Coordinator funded by revenues – Asset Replacement for safety - 2 large projects for irrigation replacement and stadium wall repair.

Seth Dyson, Director - Human Services & Community Vitality – Request for Personnel and Services – generally 70% funded by grants; Hope to sustain current programs and prepare for future. Resource Center specialist funding being removed so request to keep them full; Flip a service worker position currently part time to full time multi generation center; Request for a General admin position for support to entire department; Services budget request from subcommittee – grants – neighborhood grant program – veteran disability – master social work volunteer coordinator to work with MSW program at ASU for 4-5 interns for support staff at resource center and city – Request for one time funding for consultant for 5 year consolidated plan for housing and urban development funds; Request for additional housing community services support to keep current to expand homeless service; Request one time contingency fund to add to HSCV budget.



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Tammie Hollowell, Chief Information Officer - Information Technology – Provided background of essential services; 55 sites city wide network connections/cyber security have layers of protection in place to prevent hacks. Team in place to mitigate and recover quickly; Hardware provided city wide to all departments over 1300 items; Applications - 170 different applications; GIS services - addressing for city including 911. Requests are to maintain service levels; Increase software hardware maintenance; continue asset replacement; Requesting on call pay for technicians (24/7) Request for 7 positions, one priority is Help Desk Supervisor (1700 help desk tickets)

Nichole Whiley for Virginia Mungovan – Marketing & Communications – Service both internal and external customers; provide timely transparent communication to community print and digital tools for public awareness; build trust and awareness; Request for web based broadcast services to serve other city websites to update current web service; free version no longer up to standards – support to cover increase costs of social media archiving/retention and broadcast network equipment; Request for PIO position backfill dept changed to manager which is necessary to support workload. Manager position has been vacant no designated 2nd in charge. Modest request to maintain level of service.

Andrea Davis, Chief Financial Officer - Finance – support ongoing costs; request for utility billing division; contractual increases; one time request software upgrade for accepting online payments and security; one time cost with passing of bond projects to complete timely delivery request for Project Manager to conduct inspections.

Jodi Tas, Director - Government Relations – No Budget Request – Provided overview of first week of legislative session; Data provided can be found at AZJLBC.Gov

End of Staff Presentations

15 Min Break

Presentation & Discussion by Bob Wingenroth, City Manager and Andrea Davis, Deputy City Manager/CFO

Discussion on impact of loss of residential rental tax of approximately \$6.6 million.

Different data points shown for proposed reduction across the board for departments excluding police and fire.

Data shown to demonstrate efficiency when compared to other cities in the county/state and possible impact of 8% reduction to departments.



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Mayor Hall – Is the IT department 50 % workload supporting public safety?

Tammie – Yes

VM Judd – Why was there not presentation related to cuts in budget today from directors?

Bob Wingenroth – I wanted to present first what the needs are for each department. Later in presentation we will explore other possible revenue options.

Andrea – Innovation will not cover an 8% cut. Working with departments each year we look for options. We are already a lean city.

CM Remley – Lets take from bottom up instead of top down. The directors know what can change without impacting services. Request for directors to present what they need to have to continue services at another date.

Bob Wingenroth – I believe the directors presented their needs to continue service and we wanted to have this conversation first before making deep cuts. Planning for what we need to do for culture and how people feel about the city.

Andrea Davis – CM Remley we started knowing it would be tight. Set priority only.

CM Remley – This will not impact just this year, it will impact every year and we need to be more efficient.

Andrea – Yes, we are efficient and that alone will not solve the problem.

CM Cline –Several directors stated they were not asking above and beyond but for needs to keep up with growth. I felt each director asked to maintain what we’re doing now. Forward planning. Provided examples of needs for 6-12 months down the road. Can see view of CM Remley to see where to cut from.

CM Duffy – With the rental tax removed starting 1/1/2025 (-6.6mil for half the year or really 3.3?

Bob Wingenroth – For the first 6 months of budget from 7/1/2024 – 12/31/2024 we will receive the tax. For budget purposes, one of the financial policies if no ongoing revenue cannot support ongoing programs; 3.3 million must be for one time use. Trying to get started early because we recognize steps to reduce ongoing programs on 7/1/2024.

Bob Wingenroth – That policy was adopted over last 10-15 years to put COS in AAA category.

CM Hastings – If we don’t want to cut, what is the next option?



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Bob Wingenroth – Let’s continue with the presentation

Andrea Davis – Described examples of programs/services that could be discontinued to offset.

Bob Wingenroth – Examples only, these are not great ideas but they get to the number needed. Services may not be as good.

Mayor Hall – the examples achieve big numbers

Bob Wingenroth - Maybe services are continued but not a good as they are today

Mayor Hall – Ride choice program is for over 65/disabled meaning no more rides for 42k people? Next, the Aquatic Center, is this saying not to open the aquatic center?

CM Haney – Are we just cutting programs or does this mean shut down pool?

Bob Wingenroth – We would not open the aquatic center.

Mayor Hall – Special Events is mostly Sports and Tourism

Andrea Davis – Examples include all special events

Bob Wingenroth – Examples are guided to completely protect public safety, we used examples of whole programs to generate savings.

Mayor Hall - Tourism Tax Policy explain please

Andrea Davis – Tourism tax policy is hotels motel and transient tax at 4.52% / 1% to general fund, 3.52% to tourism fund. Council policy set to segregate it.

Mayor Hall – Council decision is needed to move funds to general fund?

Andrea – Yes

CM Remley – Security for Special Events is huge part of cost? Why is police and fire budget then not reduced?

Andrea Davis – Included and tracked to special events to charge accordingly.

CM Remley - Parks & Rec (8%) blanket cut, Surprise party \$700k events \$800k (1.5 mil) Why is it showing different amounts?

Andrea Davis – There are different scenarios in examples for sports and tourism by program 4% or 8% shown separately.



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CM Remley – How does the amount add up?

Bob Wingenroth – Examples to show different cuts spread across all departments and the graphs show a difference in how to look at it.

CM Hastings – Any cuts needed we should start with ourselves. What is included besides salary in these funds?

Andrea – staff, training etc.

CM Hastings – Certain departments are higher prioritized than others; rather cut parks and rec than economic development; should prioritize departments not all departments should be cut equally; the needs and wants, public safety is a need; make some tough decisions this is why we are here to make tough decisions.

Mayor Hall – These are examples of cuts

CM Hastings – Having the pool closed not a good idea

VM Judd – Why Arts and culture not listed?

Andrea Davis – provided examples with the presentation not specific to arts because it's 1 person.

VM Judd – Examples of what needs are?

CM Cline – Arts are funded from a different source right?

Andrea Davis – General fund = 1 staff person

Tracy Montgomery - This was a starting point for discussion.

CM Remley – Scale not balanced costs out-weigh the revenue; where we rely on state shared revenue no longer have sources; cuts the city is not going to be as nice as we were; be creative in where the revenue comes from for least impact on our people.

Mayor Hall – example- we close Asante library = \$800k; nothing is easy; I don't like any of these

CM Haney – not taking lightly but what services to diminish; want to have all options on the table for discussion and would like to get to that point before continuing without all the options

Mayor Hall - agree – healthy to discuss the options; agree need all information; keep going.



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Bob Wingenroth – Discussion for most items related to events; put remaining items on parking lot; Table discussion – continue with revenue replacement.

Andrea Davis – provided comparison information on other cities; very lean and efficient; sales tax; financial statements compared.

CM Cline – including food tax?

Andrea – yes; per person per capita for these slides.

CM Remley – What is the sales tax rate?

Andrea – Yes, rates coming up

VM Judd – Explain city selection because comparison changes

Andrea Davis - comparison via west valley east valley and dynamics similar to COS.

Bob Wingenroth – usually compared to Gilbert as best in class

Andrea Davis – Some graphs show different cities; west valley comparison for sales tax; Primary and Secondary tax per capita; comparison used different strategies by city; provided overall tax burden for each city to get total picture;

VM Judd – Does this include bond just passed?

Andrea – No, only tax through 2022; several cities had bond passed so rates may increase.

Mayor Hall - Please explain governmental fund.

Andrea – All funds that provided non enterprise; special revenue funds;

Mayor Hall – We beat Gilbert on this one

Bob Wingenroth – Gilbert has a lot of contracting

Andrea Davis – comparing all governmental services on financial statements

Bob Wingenroth – we compete with west valley employees benefits/salary; model after Gilbert.

Andrea Davis – CM Remley - residential rental loss is a category; one of many as a city; different cities have different rates for all things ex: food tax not in all cities; use various categories and rates

Bob Wingenroth – Development producing sales tax revenue



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Mayor Hall – what about the lodging coming? do we have to share the tax there?

Andrea/Bob - YES

CM Cline - how old are these agreements?

Andrea provided discussion on different significance of agreements

CM Remley – Maybe consider sales tax reform? Looking at the whole table. We are the lowest of all cities. We could look at other things.

Bob Wingenroth – We have a proposed tax rate update as part of discussion. Continue with presentation and get feedback.

Mayor Hall – COS and Glendale highest for hotel/motel tax, but that is visitors making payment to surprise not residents necessarily.

Mayor Hall described discussions with other west valley Mayors about same challenges

Andrea Davis – showing current avg sales tax; proposed 2.6% would be .4% increase sales tax to offset the loss of residential.

Mayor – Does this include Prasada split?

Bob – Yes, if we did .3% it would not cover it

CM Remley- how much would the .3 alleviate the shortfall?

Andrea Davis - about 5.8% net of Prasada

Andrea Davis - just looking at retail about average is 65% of total sales tax;

Mayor Hall – we have a premium on restaurants

Andrea Davis - does not bring in as much; retail brings in the most

Bob Wingenroth – Detail sensitivity of rates like communication

CM Remley – provided example of taxes; if ask someone what's the sales tax in COS – people don't know – making a slight change would not be as impactful.

CM Duffy – provided scenario of what to do first like sports teams restructuring contracts; suggested that city attempt to renegotiate the Prasada Development Agreement

Andrea Davis – timing issue would likely not be able to close by budget deadlines



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VM Judd – Consideration as proposed increase sales tax

Mayor Hall – What do we pay PSPRS additional?

Andrea Davis – \$2 mil per year previously trending 60-70%

CM Cline – agree with CM Duffy – we don't want to give up items so alternative better

CM Haney – what is timeframe? We want the least invasive option to not diminish services; risk long term plan.

Bob Wingenroth – addressed timing

Robert Wingo – statutory requirements to amend any agreement as tax incentive agreement to comply with law

Bob Wingenroth – model shows .4% increase; keep the tax rate competitive as we have for years; for tax rate change notice needed.

Andrea – first notice of intent; 60 days after adoption by council; 30 days after to be adopted; before budget signed; At least 90 days after notice of intent.

CM Hastings – mostly in favor of CM Duffy's idea of renegotiating Prasada Development Agreement best case scenario; guidance for process like for going for bond with list and costs; discussion of raising tax last priority; would like line by line budget some get more than others; Want to see what every penny is spent on. Only one scenario.

Mayor and CM Cline – we already have that in 2024 detailed budget that is provided; Andrea shows detailed line by line;

Andrea Davis – detailed budget is not ready for FY25 yet

Bob Wingenroth – challenge with line item includes salaries and internal service departments – complicated analysis; not programs.

CM Hastings – If I looked into this, would I see for ex: how much fiesta grande costs; what cost for other events and what to be saved

Andrea – look at 8% by department section

CM Hastings – Gov subsidized transportation; do we ask to pay 2 or 3.00 every little bit helps

Andrea Davis – example to cut finance, detail what "program" will you cut



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CM Hastings – Want to prioritize by department to look at what is being done; easy way is to just raise tax;

Mayor Hall – Not in favor of just raising tax; one event at a time isn't going to work; to get to \$6.6 mil line by line we don't want to take 8% across the board will result in unintended consequences.

Andrea Davis – some depts would have to cut staff and reduce services.

Mayor Hall – break it out – use micro transit example if raise 2.00 = xxx \$ - put a number to it

CM Hastings – Should exhaust all options to make the tough decisions

CM Remley – important to look at cost and ask questions but document is over 400 pages of numbers

Andrea Davis – we will summarize high level for future discussion

CM Haney – All cities are working on this, do we know if other cities anticipate taxes going up?

Mayor Hall – Yes, in speaking with most west valley Mayors; Mayor provided examples.

Bob Wingenroth – Follow up with next section of presentation

CM Haney – How many COS residents will be impacted / non residents?

Andrea & Bob explained why information is not available because of protected information re: revenue rules.

CM Haney – Residents will want to know specifics.

Andrea Davis – explained process for increasing rates

CM Cline – Discussion on graphs; If increase sales to 2.6 just like the bond we need to have a good communication strategy and explain the why. Other cities have food tax possibly to be removed by legislature and would loss for that also. Compared to other cities would not have to make a secondary adjustment. Agree to go into detail at a later meeting; presented different types of examples to cut services vs people. Request to hold another public meeting or workshop with different options; VM Judd – CM Hastings provided good points; expensive programs government subsidy; request for high level cut by department (physical changes) to describe choices available. If tax increase need give and take; in favor CM Remley's idea for tax reform possibly to cut property tax and increase sales tax revenue source which is what they can afford to spend.



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Mayor Hall – Increase in sales tax would have to go to approx. 3%

Discussion on different tax rates

CM Judd – Part of give and take show programs removed, increase sales tax and reduce property

CM Remley – line item description purpose eliminate short fall cut now until forever; need to balance to achieve change to continue each year; in favor of sales tax increase as the most stable and least impact on people; balance books into future.

Mayor Hall – Interesting thought; property owners get reduction; all pay sales tax; to balance out;

Bob Wingenroth – we will take the discussion common threads and come back with more information.

Mayor Hall – doesn't disagree with line by line review; look at programs for more meaningful saving of x\$ from that program.

CM Hastings – good starting point; like to look at hotel motel tax which is not residents typically paying;

Andrea Davis – understand what is needed; list department and program within the department at higher level.

Mayor Hall – Very concerned about IT; if 50% of workload is public safety; do not want to make more vulnerable as a city.

Bob Wingenroth – we will take a look at cuts with ideas and how to affect the least number of people

VM Judd – balance with increase net for city

CM Duffy – this feels rushed; back to discussion of quickly needed 3.3 to 6.6; one time funds available to get by a year?

Bob Wingenroth – We will see if there is a path to do that

Andrea Davis – immediate concern is are we funding FY25 packages or not?

Robert Wingo – Discussion re: contracts only for E-Session;



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Classrooms: 210 & 212

SUMMARY MINUTES

CM Haney – Seems like a great pathway to ensure residents impacted least.

Bob Wingenroth recommended not to have E-session based on the discussion and rework the current ideas proposed today.

Mayor Hall – could you also look at communications and utilities as we are the lowest amongst cities.

CM Haney – our staff does an incredible job; residents approve work we do; like this pathway if we are able to do it without cuts and look at other ways to solve rather than diminish services.

Bob Wingenroth – we will develop strategy to continue the trajectory and translate directives given to bring back for review;

CM Cline – When? 2 weeks?

Andrea Davis – What are the deliverables? Programs by dept and reduce property tax to increase sales tax?

Council discussion to allow time to do the job.

Bob Wingenroth / Andrea Davis to provide as quickly as possible.

Request for similar presentation public meeting.

End of Discussion

Adjournment **M: CM Judd 2nd: CM Cline**
@ 4:33pm