

MINUTES OF THE PEORIA CITY COUNCIL
CITY OF PEORIA, ARIZONA
PUBLIC SAFETY ADMINISTRATION BUILDING, PEORIA ROOM
April 26, 2010

A **Budget Study Session Meeting** of the City Council of the City of Peoria, Arizona was convened at 8351 West Cinnabar Avenue in open and public session at 4:00 p.m.

Members Present: Mayor Bob Barrett; Vice Mayor Ron Aames; Councilmembers Cathy Carlat, Joan Evans, Vicki Hunt, Carlo Leone and Dave Pearson.

Members Absent: None

Other Municipal Officials Present: Carl Swenson, City Manager; Susan Thorpe, Deputy City Manager; Steve Kemp, City Attorney; Mary Jo Waddell, City Clerk; Judge George Anagnost, Kelly Corsette, J.P. de la Montaigne, Andy Granger, John Imig, Chris Jacques, Bill Mattingly, Brent Mattingly, Wynette Reed, John Schell, Rocky Smith, Thomas Solberg, Jeff Tyne, Scott Whyte and Claudia Luján.

Audience: Approximately two members of the public were present.

Fiscal Year (FY) 2011 Budget Workshop

Clerk's Note: The complete Proposed FY 2011 Budget is on file in the City Clerk's Office.

Housekeeping and Overview

Jeff Tyne, Management and Budget Director, reviewed six follow-up items from the April 22, 2010 Budget Study Session:

- Trail Lighting
- 107th Avenue/Butler Drive Crosswalk
- Water/Wastewater Cash Funded Capital Projects
- Street Sweeping Schedule
- Human Resources Personnel Budget
- Public Works – Position Movement

Department Reviews

Planning and Community Development

Mr. Tyne presented the FY 2011 Budget for the Planning and Community Development Department. The proposed FY 2011 Budget funded by the General Fund is \$2.4 million and reflects a base budget reduction of 4.84 percent and a reduction in authorized personnel of 2.22 full-time employees (FTEs) from FY 2010. The proposed FY 2011 Community Development Block Grant Fund Budget is \$1.5 million.

Chris Jacques, Planning Manager, outlined notable budget activity including:

- Sharing a Management Analyst position with the Economic Development Services Department
- Responsibility to migrate completely to Housing Authority of Maricopa County
- Increase funding to Grant Sources (Community Development Block Grants)
- Utilizing in-house staff for studies

Mr. Jacques discussed the following areas the department will focus on in the future:

- Increase Neighborhood Grants
- Reprogram Light Rail Study Funds to Commuter Rail and Multi-modal Transportation Plan Implementation
- Reprogram Loop 303/Lake Pleasant Parkway Planning Study Funds to Open Space Implementation
- Historic Preservation Studies

Mr. Jacques noted that the Not-for-Profit funding recommendations remain unchanged from FY 2010.

Community Services Department

Mr. Tyne presented an overview of the recommended FY 2011 General Fund Budget for the Community Services Department totaling \$18.97 million. The budget reflects a base budget reduction of 8.12 percent and a reduction in authorized personnel of 9.5 FTEs.

Mr. Tyne reported that the Sports Complex Fund Budget is supported by revenues generated at the Sports Complex and half-cent sales tax and General Fund monies. The FY 2011 Sports Complex Fund Budget is \$3.547 million and reflects a reduction to the base budget of 5.06 percent and a reduction in authorized personnel of 4.0 FTEs.

J. P. de la Montaigne, Community Services Department Director, explained that the annual budget for FY 2011 provides sufficient funding to maintain strong citizen services, activities, programs, events and facility maintenance at all core service levels.

Mr. de la Montaigne highlighted the following notable budget activity:

- Staffing efficiencies – reduced vacant positions
- Reduced landscape maintenance contract – City staff will maintain
- No fee increases for residents
- Innovative staff work (combining contracts, etc.) continues to create savings opportunities
- Changes to program offerings with low attendance
- Changes made will be minimally (if at all) noticed by customers

Mr. de la Montaigne reviewed the following recommended one-time budget additions for the Community Services Department in FY 2011:

- Parks replacements, renovations - \$351,800
 - Playgrounds (Braewood, Apache, Parkridge)
 - Picnic shelters
 - Irrigation system (Alta Vista, Country Meadows, Roundtree)
- Arts grants - \$115,000
- Arts Restoration Program - \$15,000
- Gallery space at City Hall - \$77,100
- Centennial community events - \$10,264

Revenue offset additions included in the FY 2011 Budget include:

- Library Division - \$12,888 for Library Collection Management System
- Little Learners Program - \$34,000 for increases in participants (on-going)

Mr. de la Montaigne discussed impacts to service levels in the following areas:

- Reduced landscape maintenance service contract at City Hall
- Park maintenance expanded coverage
- Maintain citizen services, programs and facilities at core service levels
- Updated current Special Events – team planning and coordinating
- Continued high usage of Rio Vista and Sports Complex

Mr. de la Montaigne provided information on future activities that could impact programs provided by the department:

- State DES funding reductions impact Adaptive Recreation and AM/PM subsidies
- Changes to DHS licensing fees impact AM/PM and Summer Camp sites
- Changes to school programs

Economic Development Services Department

Mr. Tyne reviewed the proposed FY 2011 Budget for the Economic Development Services Department totaling \$3.4 million. The budget reflects a base budget reduction of 5.08 percent and a reduction in authorized personnel of 3.5 FTEs.

Scott Whyte, Economic Development Services Director, provided an overview of the department.

Mr. Whyte outlined the department's notable budget activity:

- Shifting resources to implement a robust economic development program, including:
 - Business Attraction
 - Business Retention
 - Redevelopment
 - Small Business Development
 - Workforce Development
- Reducing two Building Inspector positions
- \$251,713 in on-going budget reductions from Building and Site Development Divisions
- \$49,770 in on-going budget additions to support ED efforts
- \$171,917 in carryover re-allocated from consultant savings to new ED initiatives
- Shifting resources for the EDIS, University Recruitment, Business Attraction, and Healthcare efforts

Mr. Whyte advised Council that service levels in the Building Development Division have yet to be determined pending economic recovery. Mr. Whyte added there is an enhanced synergy between Site Development and Building Development to provide a more coordinated service delivery system for customers and a newly created synergy among Building, Site and Economic Development to aid in developer and investor discussions.

Mr. Whyte concluded his presentation with a summary on the following areas of focus for the department:

- Future trends and/or future policy discussions:
 - Sustainable building requirements, building fee increases, and new code adoptions should be closely evaluated for at least one year to position Peoria for development
 - Need to adjust for future customer service needs related to building plan review and inspection resources once economic activity warrants such an adjustment

Engineering Department

Mr. Tyne presented an overview of the recommended FY 2011 General Fund Budget for the Engineering Department totaling \$3.84 million. The budget reflects a base budget reduction of 8.18 percent and a reduction in authorized personnel of 4.0 FTEs.

Mr. Tyne reported that the Street Operating Fund Budget totals \$1.35 million and reflects a reduction to the base budget of 9.57 percent.

Andy Granger, Engineering Director, described the five divisions of the Engineering Department and advised that the main goal of the department is to support and

implement the Capital Improvement Program throughout the City.

Mr. Granger recapped the budget reduction efforts by the Engineering Department during the past year:

- Scaled back annual contribution to Neighborhood Traffic Management Program (NTMP) by \$100,000
- Real estate acquisition costs reduced by \$75,000
- Maximized use of chargebacks
- Engineering inspectors contracted to ADOT
 - Reimbursement for salaries, vehicles, cell phones
 - Continued oversight of City projects
- Voluntary severance reductions
 - Administrative Assistant, Civil Engineer

Mr. Granger explained that administrative and project management functions have been assumed by remaining staff, and the department can continue to maintain service levels in spite of staffing reductions.

Office of Communications

Mr. Tyne introduced the FY 2011 Budget for the Office of Communications totaling \$1.229 million and reflecting a base budget reduction of .85 percent.

Kelly Corsette, Communications Manager, advised that the City will realize on-going savings by combining the publication of the Peoria Focus newsletter with the quarterly recreational brochure.

Mr. Corsette reported that the recommended budget for the Office of Communications included a request for funding for additional resources to improve Web services for citizens.

Mr. Corsette discussed service levels and noted the Office will enhance the City's Web presence, continue to employ Channel 11 programming to support City Council goals and continue to grow social media connections.

Mr. Corsette addressed the challenges the office continues to encounter:

- We remain between two worlds
 - The "old ways" are still valid
 - Printed newsletter
 - Media relations
 - The "new ways" are growing in importance
 - Online social media
 - What's next?

Police Department

Mr. Tyne reported that the recommended FY 2011 Budget for the Police Department totals \$34.63 million and reflects a reduction of 5.17 percent in the base budget.

Rocky Smith, Deputy Police Chief, provided an overview of the organizational structure of the Police Department.

Deputy Chief Smith highlighted the following notable budget activity for the Police Department:

- Reduced eight FTE civilian positions
 - Five unfilled FTE
 - 2 filled FTE
 - 1 FTE to be determined
 - Aggressive management of overtime funds
- Reduced jail incarceration funds
- Reduced fleet maintenance funds
- Reduced miscellaneous line items
- Continue red-light camera coordinator: one-time cost
- Add E-Citation software for traffic officers: one-time cost
- Able to use over \$200,000 from “asset forfeiture” funds for one-time purchase of needed items

Deputy Chief Smith discussed the following areas affecting service levels:

- Reviewing current business practices (CAD/RMS System)
- Combining Crime Analyst, Intelligence and Homeland Security into one program
- Geographic Policing

Deputy Chief Smith reported the Police Department will need to continue improving its performance management system, utilizing technology and develop staffing and deployment strategies that anticipate future needs.

Fire Department

Mr. Tyne presented an overview of the recommended FY 2011 General Fund Budget for the Fire Department totaling \$18.54 million. The budget reflects a base budget reduction of 2.26 percent and a reduction in authorized personnel of 3.0 FTEs.

Fire Chief Thomas Solberg provided an overview of the organizational structure of the Fire Department.

Chief Solberg reviewed the notable budget activity for the Department:

- Reducing one Fire Inspector and two administrative positions
- Reducing overtime and contractual services
- Continue use of technology and innovative training process
- Centralized administrative support functions

Chief Solberg discussed changes in service levels and reported that the Prevention Division is transitioning to fire maintenance and life safety activities as a result of the decrease in new construction permits and inspections.

Chief Solberg highlighted the following areas the Fire Department will focus on in the future:

- Expand Web-conferencing/training methods
- Complete accreditation process
- Continue to seek grants to offset cost and enhance service delivery

Mayor Barrett declared a short recess at 5:11 p.m. and resumed the meeting at 5:25 p.m.

City Manager/Governmental Affairs/Mayor and City Council Offices

Mr. Tyne reviewed the proposed FY 2011 Budget for the City Manager's Office, Governmental Affairs and the Mayor and City Council Office:

City Manager's Office

| | |
|----------------------------------|----------------|
| Total FY 2011 Recommended Budget | \$1.15 million |
| FY 2011 Reductions | |
| • Base Budget Reduction | 4.66 percent |
| • Authorized Personnel | 1.0 FTE |

Governmental Affairs Department

| | |
|---|----------------|
| Total FY 2011 Recommended Budget | \$1.13 million |
| FY 2011 Changes | |
| • Transfer personnel from Mayor and Council to Governmental Affairs | |

Mayor and Council Office

| | |
|----------------------------------|-------------|
| Total FY 2011 Recommended Budget | \$647,390 |
| FY 2011 Base Budget Reduction | 8.3 percent |

Carl Swenson, City Manager, explained that an operational analysis was conducted to create efficiencies in order to maintain the important services of executive leadership and enhance the services of intergovernmental affairs.

Mr. Swenson outlined the notable budget activity:

- Reduced one City Manager's Office Senior Executive Assistant position
- Reduced one City Council Administrative Assistant
- Shifting Mayor and Council Assistants and Council Administrative staff to Governmental Affairs.
- Transfer Grant Management Function into Governmental Affairs
- Resources to capitalize on available Federal Funding

Mr. Swenson explained the changes will maintain service to citizens and elected officials, are the most efficient use of staff resources and will improve coordination of the Intergovernmental Affairs Office.

Non-Departmental

Mr. Tyne presented the Non-Departmental budget for FY 2011. The Non-Departmental budget reflects activities undertaken by the City that have an overall City-wide benefit and not allocated to a specific department.

The proposed FY 2011 Budget funded by the General Fund is \$1.31 million and reflects a base budget reduction of 1.68 percent from FY 2010. The proposed FY 2011 Half Cent Sales Tax Fund Budget is \$2.29 million.

Municipal Court

Mr. Tyne provided an overview of the recommended FY 2011 General Fund Budget for the Municipal Court totaling \$1.99 million. The budget reflects a base budget reduction of 4.89 percent and a reduction in authorized personnel of 1.0 FTE.

The Honorable George Anagnost, Presiding Municipal Court Judge, reported that the notable budget activity this year involved reexamining red light administrative fees and potential contract employee savings.

Judge Anagnost explained how service levels have been affected by leveraging technology. The Court has been able to go paperless through the use of e-mail, electronic docketing and case management. Judge Anagnost noted rule changes are being implemented to allow officers to appear by video or audiovisual techniques.

Judge Anagnost concluded his presentation with a discussion on future activities that could impact the Court:

- Expansion e-citation to patrol
- Home detention
- Photo red light
- On site fingerprinting

City Attorney

Mr. Tyne reviewed the FY 2011 Budget for the City Attorney's Office. The proposed FY 2011 Budget funded by the General Fund is \$2.9 million and reflects a base budget reduction of 1.51 percent from FY 2010. The recommended FY 2011 Budget for the Insurance Reserve Fund is \$2.57 million and reflects a .2 percent reduction from FY 2010.

Steve Kemp, City Attorney, provided an overview of the organizational structure of the City Attorney's Office and highlighted the following notable budget activity:

Redefining and Remaking the Business Model for Providing Municipal Legal Services

- Paperless final work products
- Improve efficiencies with automations of document assembly and workflow
- Defendants digitally sign plea agreements
- Electronic filing with courts
- Retain quality for client/citizen experience

Mr. Kemp explained the City Attorney's Office is rapidly moving to provide better service to the citizens without an increase in resources. Mr. Kemp highlighted the following activities affecting service levels:

- *Innovation:* Automating Law Practice
- *Productivity and Sustainability:* Paperwork Reduction
- *Civic Engagement:* Victim Assistance and Internships
- *Customer Service:* Client/Attorney Communication
- *Information Sharing:* Case Information Gathering Efficiency
- *Organization Development:* Legal Advice/Risk Reduction

Mr. Kemp discussed the following areas the Department will focus on in the future:

- Continue/Complete Business Model Changes
- Increase SIR, Impacts on Premiums
- Collection of Sales Tax Revenues
- Use In-House Expertise, Impacts on Outsourcing
- Online/Local Legal Training when Possible
- Digital Library, Reduce Physical Acquisitions
- Digital Plea Agreement Signatures
- Criminal Cases Rise with Recessed Economy
- Impact of Immigration, Land Use, Elections, Public Records and Other Areas of Law

Discussion

Discussion ensued on legislative opportunities and challenges. It was a consensus of the Council to hold a Study Session Meeting regarding legislative changes affecting cities.

Adjournment:

Being no further business to come before the Council, the meeting was duly adjourned at 5:53 p.m.

Bob Barrett, Mayor

ATTEST:

Mary Jo Waddell, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Budget Study Session Meeting of the City Council of Peoria, Arizona held on the 26th day of April, 2010. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 6th day of July, 2010.

(Seal)

Mary Jo Waddell, City Clerk