

# DRAFT

**WORK SESSION OF THE COMMON COUNCIL  
OF THE CITY OF EL MIRAGE  
EL MIRAGE CITY COUNCIL CHAMBERS  
10000 N. EL MIRAGE ROAD  
5:00 PM - TUESDAY, APRIL 20, 2021**

**Minutes**

**1. ROLL CALL**

Present: Mayor Alexis Hermosillo; Vice Mayor Monica Dorcey; Councilmember Roy Delgado; Councilmember Anita Norton; Councilmember Mike Hutchinson; Councilmember David Shapera; Councilmember Donna Winston

**2. CALL TO ORDER - The meeting was held online and publicly; called to order at 5:00 pm.**

**3. WORK SESSION PRESENTATION**

**1. Presentation of the budget framework and revenue projections. (Finance)**

Deputy City Manager/Finance Director Robert Nilles and Financial Analyst Macy Walker presented. Ms. Walker started by providing a PowerPoint presentation covering budgetary philosophy and roles. Mr. Nilles continued with an overview of the Citywide budget summary to include revenues and sources of funds (which includes an additional \$8.5M from the Federal American Rescue Plan Act (ARPA)), expenditures and uses of funds; noteworthy budget items included a projected transfer of funds to the Court to subsidize operations (loss of photo enforcement fees), and no projected CDBG funds. The recommended budget is \$80,946,500 before carry forward projects, with an estimated projection of \$95M to \$100M after projects are carried forward. Mr. Nilles identified and reviewed the City's new budgeting tool, ClearGov, and explained departments utilize this program to complete their budget data entry. He reviewed fund transfers, balancing funds, and historical general fund revenues, with a projected revenue of \$30M for 2021 and \$40M in 2022. The projected increase of revenues is due to Cares Act Funding and significant projected City property (\$275,000 increase to \$2.6M) and sales tax (\$12M) increases. Mr. Nilles added due to the COVID pandemic State Shared Revenue was down resulting in less funds to cities and towns.

**Councilmember Norton** asked why there was such a significant increase in sales tax and Mr. Nilles explained the U.S. Supreme Court ruling in the South Dakota vs. Wayfair case means a City can now collect sales tax on internet transactions. He stated the City has seen a benefit from this added sales tax, with the biggest increase in the area of construction sales tax. Construction sales tax has increased from \$500K to over \$2M annually, primarily due to development in the southern portion of the City. **Councilmember Shapera** stated the internet sales tax was implemented two years ago. Mr. Nilles responded when Amazon built a distribution center in Goodyear (six or seven years ago) there was no sales tax imposed for items purchased on the internet and shipped from Goodyear; the Wayfair decision revised this.

Mr. Nilles identified the Dial-A-Ride revenue (estimated at \$95,000) to provide funding for Valley Metro and Northwest Valley Connect. **Councilmember Shapera** asked if Medicare provides any

funding to the City to offset transit expenses. Mr. Nilles stated the City receives no funds from Medicare; funds have to be requested to Valley Metro who in turn allots the City a set amount. Mr. Nilles reviewed the sanitation (increase in rates to maintain recycling), sewer, and streets revenues through the ClearGov program. Ms. Walker provided an overview of the budget process, personnel changes and next steps.

2. Presentation of proposed Fire Department Study RFQ.(Fire)

Fire Chief Michael Long presented by stating the last external study of the Fire Department was conducted in 2005. An external study will enable management to get an unbiased view of the Fire Department's operations. Key areas to explore include 1) ability to provide service currently and meet future needs of the City of El Mirage and its residents, 2) ability to meet the operational guidelines of the Intergovernmental Agreement with the Regional Metropolitan Phoenix Fire Service Automatic Aid System, 3) evaluate the current primary Public Safety Answering Point (PSAP), (City of Tolleson Police Department Dispatch Center), to determine contractual requirements and current performance in answering incoming E911 emergency and non-emergency fire service-related calls and time taken to receive and transfer calls to the secondary PSAP (Phoenix Fire Department's Regional Dispatch Center) for actual dispatch to EMFD units, and 4) review the 2017 Public Protection Classification Report conducted by the Insurance Service Office (ISO) and then compare the report to current service levels of the EMFD to determine if improvements can be identified that would enhance the City's overall ISO rating.

**Councilmembers Shapera, Norton, and Delgado** congratulated Chief on a well done proposal. **Councilmember Winston** asked if dispatching was taken into consideration with the ISO insurance rating. Chief Long responded the City is a standalone entity and if you have an outside dispatch service, it is figured in, but not really part of the grading; training, equipment, and fire response are primary ratings. City Manager Crystal Dyches asked what the best ISO rating was. Chief Long stated 1 is the best rating and the City of El Mirage currently has an ISO of 2.5. **Councilmember Dorcey** asked what the timeline was for completion of this study. Chief Long responded the estimated goal was to have it completed by the Fall and presented to Council by the end of the year.

4. **ADJOURNMENT - The meeting was adjourned at 5:56 pm.**

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Alexis A. Hermosillo, Mayor

ATTEST:

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Sharon Antes, City Clerk

I hereby certify the aforementioned minutes are a true and accurate record of the El Mirage City Council Work Session held on Tuesday, April 20, 2021 and a quorum was present.

  
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Sharon Antes, City Clerk