

DRAFT

**WORK SESSION OF THE COMMON COUNCIL
OF THE CITY OF EL MIRAGE
EL MIRAGE CITY COUNCIL CHAMBERS
10000 N. EL MIRAGE ROAD
9:30 AM - MONDAY, APRIL 13, 2026**

Minutes

1. ROLL CALL

Present: Mayor Alexis Hermosillo; Vice Mayor Jacquelyn Parsons; Councilmember Ryan Eldridge; Councilmember Scottie Gentry; Councilmember Anita Norton; Councilmember Donna Winston

Absent: Councilmember Monica Dorcey (excused)

2. CALL TO ORDER - meeting called to order at 9:36 a.m.

3. WORK SESSION PRESENTATION

1. Proposed Fiscal Year 2026/27 annual budget review and discussion. (Administration)

Cyrstal Dyches, City Manager, stated the purpose of this work session is to walk through the proposed Fiscal Year 2027 budget and highlight key items by fund and department. Council can provide feedback which will be incorporated into the City Manager's final recommended budget. The fiscal year 2027 budget maintains core services while addressing rising personnel and operating costs. The General Fund is proposed at 47.5 million. This is a 6.45% increase over last year. The budget does not increase the property tax rate. The proposed tax rate decreased for the 8th consecutive year. Overall collections remain stable due to growth in new construction. The budget maintains current levels while responding to increased demand in key areas. Public Safety remains the largest operational component with Police and Fire adjustments tied to operations, investigations and support services. Development Services reflect continued growth consistent with current activity levels. The increase in Information Technology is primarily related to hardware replacement, cybersecurity and system reliability. Similar service-driven increases are reflected in the Highway User Revenue Fund (HURF) and Enterprise Funds, largely tied to maintenance and infrastructure needs. Debt services increased this year due to scheduled payments, but the city overall continues to pay down existing obligations and has not issued any new general obligation debt since 2017. The five-year outlook provides additional context as the city remains structurally balanced with ongoing revenues supporting ongoing expenditures with strong reserves including approximately \$14 million designated for stabilization.

Ms. Dyches introduced Macy Walker, Budget Manager, to continue the conversation by detailing significant changes in each department's budget.

Ms. Walker provided an overview of the financial practices and achievements for the current budget year. She stated the ongoing revenues support ongoing expenses and currently there is \$14 million in reserves. The city's revenues are driven by sales tax, state income tax, grants, and fees and charges for services. The current expenditures are driven by inflation, personnel costs and capital projects. The Parks and Recreation Department

has requested one additional .5 full-time employee and additional hours for the current park ranger employees, which will provide coverage for employees to get to the majority of the parks within the week. This proposed addition would bring the total authorized personnel positions to 12 in the Parks and Recreation Department and brings the total number of authorized full-time non-elected employees to 229.6 for the city. Personnel cost factors include: a decrease in the police Public Safety Personnel Retirement System (PSPRS) rate from 26% to 11.32%, an increase in the Fire PSPRS rate to 17.38%, a decrease in the Arizona State Retirement System to 11.98%, health insurance increase of 4.5%, Post Employment Health Plan increased 2%, and the compensation study implementation is 7.6%. The compensation study included the 32 grade salary structures that aligned the city with the market conditions and tied the minimum wage to the Arizona minimum wage.

Ms. Walker discussed the Capital Improvement Plan (CIP) changes that were included in the budgeting process. Playground equipment replacement was moved from fiscal year 2029/2030 to fiscal year 2027 and the pavement management program increased from \$7 million to \$10 million. There are a total of 25 capital projects listed in the plan that have previously been adopted by council. The consolidated summary of revenues and total sources equals \$94.5 million and total uses and expenses are \$100 million with a contingency of \$10 million in the grant fund.

Ms. Walker presented an overview of each department's budgets, outlining the significant changes in the year-over-year differences in the total budget for each department.

Court Fund: Personnel services increased, IT hardware/accessories decreased due to the movement of funds to non-professional services, machinery and equipment increased \$38,000 to add electronic card readers and security cameras to meet the required code of the Arizona Judicial Code of Administration, and computer data services increased \$20,000 due to the installation of fiber optic network to fix issue with the court's computer system. Discussions included the contract for security services and armored services.

Highway User Revenue Fund (HURF): Personnel services increased as outlined in the personnel cost factors and landscaping services increased due to expanding services for irrigation repair and wash cleanup on a more frequent basis. Discussion included clarification of memberships and cost increases associated with membership dues.

Local Transportation Assistance Funding (LTAF): No significant changes. Discussion included program boundaries and reduced program usage.

Ms. Walker discussed the Special Projects — Grants Fund. Discussion included clarification of funds listed in the extraordinary placeholder line item.

Water Fund: Personnel services increased, operations supplies decreased due to the completion of the up-front payments for NIA CAP water, operations services increased due to an increase in liability insurance, operations special projects decreased due to the completion of the Dietz Crane Arsenic Media Replacement, and customer service printing services increased due to a missed allocation from the change in general ledger accounts. Discussion included cost of meter repairs and replacement, water meter origination, and the frequency of meter reading.

Wastewater Fund: Personnel services increased, administrative supplies increased due to the reallocation of parts and equipment from service to supplies, and collections special projects increased to replace the guideline at Brisas Lift Station.

Sanitation Fund: Discussion included the current contract with Parks and Sons, rebidding the contract, soliciting quotes from other vendors, and the cost of sanitation services in other local municipalities.

City Clerk Department: Personnel services increased and services increased due to election services needed to cover primary and general elections.

Administration Department: Personnel services increased, administrative IT hardware increased due to the replacement of the printer/copier, administrative special projects increased due to the neighborhood services program, and the Office of Management and Budget increased due to increased cost of budget and project management software. Discussion included clarification of the number of positions under Administration, age and replacement philosophy for copy machines, executive leave, service award leave, and surplus strategy for copy machine disposal.

Information Technology Department: Personnel services increased, supplies increased due to hardware replacements at City Hall and the Police Department, and services increased due to implementation of cybersecurity and software costs. Discussion included the life cycle of computers, security updates, software maintenance agreement, and the number of city hall computer replacements and the replacement schedule.

Human Resources Department: Personnel services increased and services decreased primarily due to the completion of the FY26 Compensation Study. Discussion included the age of the copy machine, the number of copies on that machine, and who primarily uses that copy machine.

Financial Services Department: Personnel services increased, financial services increased due to the Transaction Privilege Tax (TPT) compliance and information contracting increasing, and accounting services increased due to the upgrade of payroll services.

Public Works Department: Facilities supplies decreased due to the movement of parts and hardware supplies to the repair and maintenance services and the facilities repair services increased due to the movement of the heating, ventilation and air conditioning (HVAC) replacements from special projects. Discussion included listing all the items in the repair and maintenance services budget line item.

Non-Departmental: The Maricopa County Sheriff's Office (MCSO) jail housing rate increased, liability insurance increased and the non-professional services increased due to the proposed addition of the revitalization and home repair program. This does include a new project that is not currently factored into the budget, which is Riverbed Clearing and Wash Maintenance. This project is intended to reduce conditions that support encampment activity. The estimated cost is \$200,000 for the riverbed clearing and \$75,000 for the city wash areas. Discussion included what areas of the wash to be cleared, agreements with the property owners to allow cleanup, community impact by the homeless, public safety, and code compliance.

Development Services Department: Personnel services increased, administrative information technology hardware increased due to the replacement of the copy machine. Engineering services increased due to additional traffic studies and code compliance services increased due to the implementation of neighborhood preservation, which includes graffiti removal and homeless encampment cleanup.

Parks and Recreation Department: Personnel services increased, parks landscaping services increased due to a maintenance contract expanding to cover irrigation repairs, parks extermination services increased to address gopher and bee issues, parks special projects decreased due to the completion of the YMCA pool shade structure and gym floors, special events decreased due to the end of the Marvin Andrews Fellowship and the Senior Center services decreased due to a reduction the meal program costs. Discussion included the cost of the fence at Bill Gentry Park, the number of positions for Park Rangers, staffing levels for Park Rangers, maintenance staffing needs, vehicle repair maintenance cost, cost for music and movie in the park, irrigation repairs and inspections, and employee response intervals for parks.

Police Department: Administrative training cost increased due to the reallocation and inclusion of training costs, non-professional services increased to account for the West Valley Law Enforcement Training Academy, operations personnel services decreased due

to the Public Safety Personnel Retirement System (PSPRS) contribution rate decrease, operations repair and maintenance services increased due to the annual maintenance costs for the Glendale Regional Public Safety Training Center (GRPSTC), operations telephone communication services increased due to the dispatch services agreement and the Regional Wireless Communications Network increase and the operations tangible assets increased due to the expansion of Flock and Motorola Spillman. Discussion included clarification on the intelligent key allocations.

Fire Department: Personnel services increased, operations supplies increased due to the personnel protective equipment replacement and operations services increased due to increased travel costs for training.

Mayor and Council: Personnel services increased.

Ms. Walker stated the next steps in the budget process would be adopting the utility rates and fee schedule and adopting the tentative budget on May 5, 2026, then next adopting the final budget on May 19, 2026, and finally adopting the property tax levy on June 2, 2026.

Council discussion included the employee compensation study and employee pay ranges and a proposed budget for the El Mirage Youth Advisory Commission (EMYAC).

4. ADJOURNMENT - meeting adjourned at 11:58 a.m.

Alexis A. Hermosillo, Mayor

ATTEST:



Jill A. Boltz, City Clerk

I hereby certify the aforementioned minutes are a true and accurate record of the El Mirage City Council Work Session held on Monday, April 13, 2026, and a quorum was present.



Jill A. Boltz, City Clerk