

## MINUTES

### 1. Call to Order

Mayor Daggett called the Budget Retreat of the Flagstaff City Council held April 27, 2023, to order at 8:32 a.m.

#### **NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION**

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).*

### 2. Roll Call

*NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.*

PRESENT:

ABSENT:

MAYOR DAGGETT  
VICE MAYOR ASLAN (arrived at 8:35 a.m.)  
COUNCILMEMBER HARRIS (arrived at 8:44 a.m.)  
COUNCILMEMBER HOUSE (arrived at 8:35 a.m.)  
COUNCILMEMBER MATTHEWS  
COUNCILMEMBER MCCARTHY  
COUNCILMEMBER SWEET

Others present: City Manager Greg Clifton; City Attorney Sterling Solomon.

### 3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

The Council and audience recited the pledge of allegiance, Councilmember Matthews read the Mission Statement of the City of Flagstaff, and Councilmember McCarthy read the Land Acknowledgement.

#### **MISSION STATEMENT**

*The mission of the City of Flagstaff is to protect and enhance the quality of life for all.*

## LAND ACKNOWLEDGEMENT

*The Flagstaff City Council humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.*

### 4. City Council FY 2023-24 Budget Retreat

Mr. Clifton offered some opening remarks and introduced Katie Wittekind who facilitated the retreat.

A PowerPoint presentation was presented that covered the following:

BUDGET RETREAT APRIL 27<sup>TH</sup> AND 28<sup>TH</sup>, 2023  
WELCOME AND OVERVIEW

Assistant Finance Director Heidi Derryberry continued the presentation.

RETREAT PROTOCOL  
AGENDA – DAY 1  
AGENDA – DAY 2  
BUDGET TIMELINE AND APPROACH  
BUDGET TIMELINE  
BUDGET APPROACH  
COLOR OF MONEY

Management Services Director Rick Tadder continued the presentation.

REVENUE UPDATE  
REVENUE UPDATE – GENERAL FUND

Human Resources and Risk Management Director Randy Tracy continued the presentation.

INVESTING IN EMPLOYEES  
STAFFING INCREASES  
RECLASSIFICATIONS  
STAFFING HISTORY (FULL-TIME EQUIVALENTS)  
FY 2023-2024 PROPOSED BUDGET BY CATEGORY  
GENERAL FUND EXPENDITURE BUDGET  
RETENTION TRENDS – TURNOVER COMPARISON  
RETENTION TRENDS – EXIT INTERVIEW SUMMARY  
ATTRACTION TRENDS

Council discussed the following:

- Investment in advancement and training opportunities.
- Creating a positive work environment.
- Lack of staffing and increased workloads.
- Diversity and inclusion within the organization.
- Implementation of stay interviews in addition to exit interviews.
- Partnering with other organizations to help with the trailing spouse issue.
- The impact of Council on staff and organizational culture.

- The landscape of declined offers.

Interim Deputy City Manager Heidi Hansen continued the presentation.

#### RECRUITMENT EFFORTS

Mr. Tracy continued the presentation.

#### BUDGET APPROACH

Council and staff discussed the transition to Pay for Performance.

COMPENSATION AND BENEFITS  
BENEFIT RECOMMENDATIONS  
COMPENSATION RECOMMENDATIONS  
TOTAL EMPLOYEE INVESTMENT

A break was held from 10:18 a.m. through 10:37 a.m.

EAC Co-Chair Jared Wotasik continued the presentation.

EMPLOYEE ADVISORY COMMITTEE  
INPUT ON COMPENSATION/BENEFITS  
IMPACT OF INFLATION, MARKET TRENDS, AND MINIMUM WAGE  
PAY FOR PERFORMANCE  
BENEFITS

Finance Director Brandi Suda continued the presentation.

NEW BUDGET APPROPRIATIONS  
SUMMARY – TOTAL BUDGET REQUESTS  
EMPLOYEE INVESTMENTS – GENERAL FUND  
INFRASTRUCTURE – GENERAL FUND  
SUMMARY – GENERAL FUND  
TOTAL BUDGET REQUESTS – ALL FUNDS  
OPERATING REQUESTS BY QUARTILE  
RECOMMENDATIONS BY QUARTILE  
REQUESTS AND RECOMMENDATIONS

Fire Chief Mark Gaillard and Water Services Director Shannon Jones continued the presentation.

#### QUARTILE 1 – MOST ALIGNED

Sustainability Director Nicole Antonopoulos and Police Chief Dan Musselman continued the presentation.

#### QUARTILE 2 – MORE ALIGNED

A break was held from 11:28 a.m. through 12:02 p.m.

Public Works Director Scott Overton continued the presentation.

#### QUARTILE 3 – LESS ALIGNED

Council and staff discussed security measures for city facilities.

Mr. Tracy continued the presentation.

#### QUARTILE 4 – LEAST ALIGNED

Mr. Tadder continued the presentation.

#### SERVICE PARTNER CONTRACTS

There was discussion about the agreement with High Country Humane and Council gave direction to extend the contract.

There was discussion about Flagstaff Shelter Services and Council gave direction to enter into a long-term contract with them.

Ms. Antonopoulos continued the presentation.

#### CARBON NEUTRALITY PLAN

Capital Improvement and Engineering Director Paul Mood continued the presentation.

#### CAPITAL IMPROVEMENT PROGRAM

Mr. Clifton continued the presentation.

#### CAPITAL RETREAT FOLLOW-UP

Senior Deputy City Manager Shannon Anderson continued the presentation.

#### KEY COMMUNITY PRIORITIES

#### KEY COMMUNITY PRIORITIES – FY 2022-2023 BASE BUDGET

The Leadership Team collectively presented on the Key Community Priorities.

#### HIGH PERFORMING GOVERNANCE

#### SAFE AND HEALTHY COMMUNITY

#### INCLUSIVE AND ENGAGED COMMUNITY

#### SUSTAINABLE, INNOVATIVE INFRASTRUCTURE

#### DAY 1 WRAP UP

Ms. Wittekind and Mr. Clifton provided some closing comments and words of appreciation to all those involved in preparing for and presenting at the retreat.

Councilmember Harris asked for more information on the community priorities and objectives. She stated that it would be good to share that information with the community. Management Analyst Chris Rhode stated that the community priorities were developed at the height of the pandemic and there was not an opportunity to go out and do public outreach. Council will be revisiting the priorities and objectives later in the year and that will include a significant public outreach effort. More information will be presented later in the retreat about that process.

Council expressed their gratitude to staff for their work and time put into preparing the information and putting it into a format that is understandable.

**5. Public Comment**

None

**6. Adjournment**

Day 1 of the Budget Retreat of the Flagstaff City Council held April 27, 2023, adjourned at 2:0 p.m.

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MAYOR

ATTEST:

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CITY CLERK