

MINUTES

1. Call to Order

Mayor Daggett called the Budget Retreat of the Flagstaff City Council held February 14, 2025, to order at 8:31 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 discussion and consultation 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 through other technological means.

PRESENT:

ABSENT:

MAYOR DAGGETT (virtual)
VICE MAYOR SWEET
COUNCILMEMBER ASLAN (virtual)
COUNCILMEMBER GARCIA
COUNCILMEMBER HOUSE (virtual)
COUNCILMEMBER MATTHEWS
COUNCILMEMBER SPENCE

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 Spence 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 Budget Retreat

Mr. Clifton, along with Senior Deputy City Manager Shannon Anderson, and Deputy City Manager Joanne Keene offered opening comments and provided a PowerPoint presentation that covered the following:

COUNCIL BUDGET RETREAT
RESOURCE ALLOCATIONS AND NEEDS
MEETING COMMUNITY EXPECTATIONS
ONGOING COST OF NEW INFRASTRUCTURE
SERVICE LEVELS
NEW PERSONNEL REQUESTS
NEW POSITION REQUESTS
ONGOING EXPENSE WITH 1X BUDGET

Council discussed the impacts to the overall budget when ongoing needs were funded with one time dollars.

BALANCING THE NEEDS
SOLID WASTE FUND

Councilmember Spence asked about the city's price point in comparison to commercial haulers. Mr. Overton indicated that the city was not out to make a profit, only to cover operational costs. The last rate increase was in 2020 and they were hesitant to entertain another increase without taking time to explore other options within the operations.

Council discussed the post landfill closure fund as well as the contingency fund. The post landfill closure fund was legislatively required. They discussed the estimated life expectancy remaining on the landfill and ways to extend that. Improvements in landfill operations and technology in the last ten years has proven successful in extending the life of the landfill and they hope the trend continues as best practices and technology continue to evolve.

Other topics of discussion included the following:

- The use of the contingency fund the last few years to cover the increased operational costs.
- Methane capture and possibilities for that in the future.
- Glass recycling frequency, cost, and benefits.
- Frequency of trash and recycling pickup
- Considerations for additional efficiencies within recycling
- Increased and targeted public education

A break was held from 9:50 a.m. through 10:05 a.m.

RESOURCE TOOLBOX
TRANSACTION PRIVILEGE TAX
SECONDARY PROPERTY TAXES AND GENERAL OBLIGATION BONDS
SECONDARY PROPERTY TAXES AND BONDS
SECONDARY PROPERTY TAX RATE CAPACITY
PRIMARY PROPERTY TAX CAPACITY
PRIMARY PROPERTY TAX CONSIDERATION

After a brief discussion, Council expressed their support to post the 60-day notice to allow for discussion about property taxes.

RATES AND USER FEES
RATES AND FEE ADOPTION TIMELINE
CONSIDERATION OF AIRPORT AND EV CHARGING RATES
AIRPORT FEES

Councilmember Aslan expressed support for the plan. He recognized the need for the airport to be self-sustaining and supported any approach to get to that. He suggested having the consultant consider the possibility of a fee that people could voluntarily pay to offset their carbon footprint.

Council further discussed the airport becoming an enterprise fund that was fully sustainable and supporting the efforts by staff to get there.

ELECTRIC VEHICLE (EV) CHARGING FEES
DEVELOPMENT IMPACT FEE DISCUSSION
DEVELOPMENT IMPACT FEE
WHAT IS A DEVELOPMENT IMPACT FEE?
TYPES OF PUBLIC FACILITIES
WHAT CAN'T IMPACT FEES PAY FOR?
WHAT IMPACT FEES DOES FLAGSTAFF HAVE?
HISTORY
BREAKDOWN OF PROPOSED FEES IN 2005
ADVANTAGES
CURRENT METHOD -- EXACTIONS (EXCLUDING PUBLIC SAFETY)

Council provided support to pursue additional development fees through the development of a new Infrastructure Improvement Plan. As part of the process they would like to include information about affordability, equity, and housing.

PUBLIC PARTICIPATION

None

COUNCIL FORUM/BUDGET EXPECTATIONS

Council provided the following expectations for the FY25-26 budget:

- Consider a fee or funding source for Housing
- Employee compensation
- Employee retention
- Keep up with deferred maintenance
- Discussion on additional taxing possibilities
- Continue to look at the connections between housing needs, sustainability goals, and fire and flooding concerns.
- Smart growth principles
- Funding to help residents make their property more firewise.
- Funding for downtown

Mr. Clifton offered closing remarks and concluded the presentation.

5. Adjournment

The meeting of the Flagstaff City Council held February 14, 2025, adjourned at 12:15 p.m.

MAYOR

ATTEST:

CITY CLERK