



MARANA TOWN COUNCIL
STUDY SESSION
NOTICE AND AGENDA
11555 W. Civic Center Drive, Marana, Arizona 85653
Council Chambers, January 12, 2021, at or after 6:00 PM

Ed Honea, Mayor
Jon Post, Vice Mayor
Patti Comerford, Council Member
Jackie Craig, Council Member
Herb Kai, Council Member
John Officer, Council Member
Roxanne Ziegler, Council Member

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Marana Town Council and to the general public that the Town Council will hold a meeting open to the public on January 12, 2021, at or after 6:00 PM located in the Council Chambers of the Marana Municipal Complex, 11555 W. Civic Center Drive, Marana, Arizona.

ACTION MAY BE TAKEN BY THE COUNCIL ON ANY ITEM LISTED ON THIS AGENDA. Revisions to the agenda can occur up to 24 hours prior to the meeting. Revised agenda items appear in *italics*.

The Council Chambers are wheelchair and handicapped accessible. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Town Clerk at (520) 382-1999. Requests should be made as early as possible to arrange the accommodation.

This Notice and Agenda posted no later than 24 hours prior to the meeting at the Marana Municipal Complex, 11555 W. Civic Center Drive, the Marana Operations Center, 5100 W. Ina Road, and at www.maranaaz.gov under Agendas and Minutes.

CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE/INVOCATION/MOMENT OF SILENCE

APPROVAL OF AGENDA

DISCUSSION/DIRECTION/POSSIBLE ACTION

- D1 Resolution No. 2021-001: Relating to Personnel; approving and adopting amendments to the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA) to voluntarily extend the leave benefits through March 31, 2021 (Curry C. Hale)
- D2 Relating to Budget; presentation, discussion and direction regarding the framework for development of the fiscal year 2021-2022 budget and its role in the implementation of the Strategic Plan (Terry Rozema and Yiannis Kalaitzidis)

EXECUTIVE SESSIONS

Pursuant to A.R.S. § 38-431.03, the Town Council may vote to go into executive session, which will not be open to the public, to discuss certain matters.

- E1 Executive Session pursuant to A.R.S. §38-431.03 (A), Council may ask for discussion or consideration, or consultation with designated Town representatives, or consultation for legal advice with the Town Attorney, concerning any matter listed on this agenda for any of the reasons listed in A.R.S. §38-431.03 (A).

FUTURE AGENDA ITEMS

Notwithstanding the Mayor's discretion regarding the items to be placed on the agenda, if three or more Council members request that an item be placed on the agenda, it must be placed on the agenda for the second regular Town Council meeting after the date of the request, pursuant to Marana Town Code Section 2-4-2(B).

ADJOURNMENT



Council-Study Session

D1

Meeting Date: 01/12/2021

To: Mayor and Council

Submitted For: Curry C. Hale, Human Resources Director

From: Libby Shelton, Deputy Town Attorney

Date: January 12, 2021

Strategic Plan Focus Area:
Not Applicable

Subject: Resolution No. 2021-001: Relating to Personnel; approving and adopting amendments to the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA) to voluntarily extend the leave benefits through March 31, 2021 (Curry C. Hale)

Discussion:

On March 17, 2020, the Council adopted Resolution No. 2020-029, approving a temporary personnel policy regarding employee leave and telework during the COVID-19 pandemic. The resolution authorized the Town Manager to implement further revisions to the temporary policy, consistent with generally accepted principles of good personnel administration and with general legal principles, as necessary in response to the evolving nature of the emergency.

On March 18, 2020, the Families First Coronavirus Response Act (FFCRA) was signed into law. The FFCRA provides leave under the Emergency Paid Sick Leave Act (EPSLA) and the Emergency Family and Medical Leave Expansion Act (EFMLEA) to assist employees during the Coronavirus Disease 2019 (COVID-19) global pandemic. This Act was effective from April 1, 2020 through December 31, 2020. In response to the requirements of the federal law, effective April 1, 2020, the Town Manager implemented an Addendum to Temporary Personnel Policy Regarding Employee Leave and Telecommuting, being the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA).

On August 18, 2020, the Council adopted Resolution 2020-089 approving and ratifying the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA).

The Temporary Personnel Policy approved by the Council expired on December 31, 2020, to mirror the expiration date set forth by the FFCRA. As of January 1, 2021, covered employers may voluntarily provide emergency paid sick leave or emergency paid FMLA Leave as was provided under FFCRA, but it is no longer mandated.

Town employees continue to be impacted by the COVID-19 pandemic, by being placed on imposed leave due to illness or required quarantines, and due to school and childcare closures. Due to the post-Thanksgiving spike in cases, the Town has seen an increase in employee illness and exposures and many local school districts have returned to remote learning. To bridge the gap between the Temporary FFCRA Personnel Policy's expiration date of December 31, 2020 and the Council's first meeting in 2021, the Town Manager implemented a revised Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA) extending the benefits of FFCRA through January 12, 2021, tonight's meeting date.

The proposed revisions to the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA) will extend the leave benefits provided by FFCRA to Town employees through March 31, 2021. Although no longer mandated by federal law to offer this leave, staff recommends the proposed extension. Additionally, the proposed revisions clarify that there will not be a new allocation of 80 hours of EPSLA leave in 2021 and that the EFMLEA time period is also extended through March 31, 2021.

Staff Recommendation:

Staff recommends approval and adoption of the amendments to the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA).

Suggested Motion:

I move to adopt Resolution No. 2021-001, approving and adopting amendments to the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA).

Attachments

Resolution 2021-001
Exhibit A - Temporary Policy
Extend FFRA Policy Presentation

MARANA RESOLUTION NO. 2021-001

RELATING TO PERSONNEL; APPROVING AND ADOPTING AMENDMENTS TO THE TEMPORARY PERSONNEL POLICY - FAMILIES FIRST CORONAVIRUS RESPONSE ACT (FFCRA) TO VOLUNTARILY EXTEND THE LEAVE BENEFITS THROUGH MARCH 31, 2021

WHEREAS Section 3-3-1 of the Marana Town Code provides that the Town Council may adopt personnel rules, regulations and policies that follow the generally accepted principles of good personnel administration which the Council may modify or change from time to time; and

WHEREAS the Town Council adopted Personnel Policies and Procedures via Town of Marana Ordinance 99.12 and Resolution 99-38 on May 18, 1999, which have been amended from time to time; and

WHEREAS the United States government declared a National Emergency related to the COVID-19 pandemic on March 13, 2020; and

WHEREAS on March 17, 2020, the Town Council adopted Resolution No. 2020-029, approving a temporary personnel policy regarding employee leave and telework during the COVID-19 pandemic, and authorizing the Town Manager to implement further revisions to the temporary policy, consistent with generally accepted principles of good personnel administration and with general legal principles, as necessary in response to the evolving nature of the emergency; and

WHEREAS on March 18, 2020, the Families First Coronavirus Response Act (FFCRA) was signed into law, which provides leave under the Emergency Paid Sick Leave Act (EPSLA) and the Emergency Family and Medical Leave Expansion Act (EFMLEA) to assist employees during the Coronavirus Disease 2019 (COVID-19) global pandemic, and is effective from April 1, 2020 through December 31, 2020; and

WHEREAS effective April 1, 2020, in compliance with the federal law, the Town Manager implemented an Addendum to Temporary Personnel Policy Regarding Employee Leave and Telecommuting, Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA); and

WHEREAS on August 18, 2020, the Town Council adopted Resolution 2020-089 approving and ratifying the Temporary Personnel Policy -(FFCRA) with an expiration date of December 31, 2020; and

WHEREAS the COVID-19 pandemic continues to affect Town employees due to illness, quarantines, and school and childcare closures; and

WHEREAS on December 18, 2020, the Town Manager amended the Temporary Personnel Policy – FFCRA to extend the policy through January 12, 2021; and

WHEREAS the Mayor and Council find that approving and adopting amendments to the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA) is in the best interests of the Town and its employees.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, THAT:

SECTION 1. The Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA) is hereby amended as set forth in Exhibit A attached to and incorporated by this reference in this resolution, with deletions shown with ~~strikeouts~~ and additions shown with double underlining.

SECTION 2. The Town's manager and staff are hereby directed and authorized to undertake all other and further tasks required or beneficial to carry out the terms, obligations, and objectives of the aforementioned temporary policy. The Town Manager is specifically authorized to implement further revisions to the temporary policy, consistent with generally accepted principles of good personnel administration and with general legal principles, as necessary in response to the evolving nature of the emergency.

PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF MARANA, ARIZONA, this 12th day of January, 2021.

Mayor Ed Honea

ATTEST:

APPROVED AS TO FORM:

Cherry L. Lawson, Town Clerk

Jane Fairall, Town Attorney



**Addendum to Temporary Personnel Policy Regarding
Employee Leave and Telework**

TEMPORARY PERSONNEL POLICY
FAMILIES FIRST CORONAVIRUS RESPONSE ACT

EFFECTIVE 4/1/20 – 3/31/21

Section 1 Policy

- A. In accordance with the Families First Coronavirus Response Act (FFCRA), the Town of Marana provides leave under the Emergency Paid Sick Leave Act (EPSLA) and the Emergency Family and Medical Leave Expansion Act (EFMLEA) to assist employees during the Coronavirus Disease 2019 (COVID-19) global pandemic.
- B. This policy is effective from April 1, 2020 through March 31~~January 12~~, 2021.
- C. The provisions of this policy are not intended to conflict with or supersede federal law, nor should they be interpreted or construed to do so. If any provision of this policy conflicts with federal law, federal law shall control.
- ~~D. If the FFCRA is not extended beyond December 31, 2020, the terms of this policy will govern through January 12, 2021.~~

Section 2 Definitions

In this policy, the following terms shall have the following meanings:

- A. Child care provider: A provider who receives compensation for providing child care services on a regular basis.
 - 1. Child care provider includes a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that is licensed, regulated or registered under state law and satisfies the state and local requirements.
 - 2. The eligible child care provider need not be compensated or licensed if he or she is a family member or friend, such as a neighbor, who regularly cares for the employee's child.
- B. Emergency Paid Sick Leave: Paid leave under the Emergency Paid Sick Leave Act (EPSLA).
- C. Emergency responder:

1. All commissioned Marana Police Department (MPD) law enforcement officers.
 2. All personnel in the MPD Communications Division.
- D. Expanded Family and Medical Leave: Leave under the Emergency Family and Medical Leave Expansion Act (EFMLEA).
- E. Place of care: A physical location in which care is provided for the employee's child while the employee works. The physical location does not have to be solely dedicated to such care. Examples include day care facilities, preschools, before and after school care programs, schools, homes, summer camps, summer enrichment programs, and respite care programs.
- F. School: An elementary or secondary school.
1. "Elementary school" means a nonprofit institutional day or residential school, including a public elementary charter school that provides elementary education, as determined under state law.
 2. "Secondary school" means a nonprofit institutional day or residential school, including a public secondary charter school that provides secondary education, as determined under state law, except that the term does not include any education beyond grade 12.
- G. Son or daughter: A biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis*, who is under 18 years of age, or who is 18 years of age or older but is incapable of self-care because of a mental or physical disability.

Section 3 [reserved]

Section 4 Emergency Paid Sick Leave Act (EPSLA)

A. Eligibility

1. All Town of Marana employees are eligible for Emergency Paid Sick Leave, with some exceptions for emergency responders.
2. Emergency responder eligibility
 - a. Emergency responders are eligible for Emergency Paid Sick Leave for the reasons listed in Section 4(C)(1) through (4).
 - b. Emergency responders' eligibility for Emergency Paid Sick Leave for the reasons listed in Section 4(C)(5) and (6) will be determined on a case-by-case basis taking into consideration the Department's operational needs. If emergency responders are granted leave for either of these reasons, the Town Manager or Department Head may revoke the leave at any time based on changing operational needs.

B. Emergency Paid Sick Leave Entitlement

1. Eligible full-time employees are entitled to 80 hours of Emergency Paid Sick Leave for the period of April 1, 2020 through March 31, 2021~~calendar year 2020 and for that portion of calendar year 2021 that this policy remains in effect.~~ Employees will not receive a new allocation of 80 hours for calendar year 2021.
2. Eligible part-time employees are entitled to a number of hours equal to the number of hours that such employee works, on average, over a 2-week period

~~for the period of April 1, 2020 through March 31, 2021 calendar year 2020 and for that portion of calendar year 2021 that this policy remains in effect.~~ Employees will not receive a new allocation of hours for calendar year 2021.

C. Qualifying Reasons for Emergency Paid Sick Leave. Employees shall be permitted to use Emergency Paid Sick Leave when the employee is unable to work or telework for any of the following reasons:

1. The employee is subject to a federal, state, or local quarantine due to concerns related to COVID-19 or is subject to any order from the federal, state or local government requiring the employee not to leave the employee's residence.
2. The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
3. The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
4. The employee is caring for an individual who is subject to an order as described in subparagraph 1 of this paragraph or for an individual who has been advised as described in subparagraph 2 of this paragraph.
5. The employee is caring for their son or daughter if the school or place of care of the son or daughter has been closed, or the child care provider of the son or daughter is unavailable due to COVID-19 precautions.
6. The employee is experiencing any other substantially similar condition as specified by the United States Secretary of Health and Human Services.

D. Compensation

1. For qualifying reasons listed in Section 4(C)(1) through (3), Emergency Paid Sick Leave is compensated at the same hourly rate and with the same benefits, including health care benefits, as the employee normally earns during hours worked. Payment shall not exceed \$511 per day and \$5,110 in the aggregate.
2. For qualifying reasons listed in Section 4(C)(4) through (6), Emergency Paid Sick Leave is compensated at 2/3 the amount described in subparagraph 1 of this paragraph.
 - a. Payment shall not exceed \$200 per day and \$2,000 in the aggregate.
 - b. An eligible employee may use any accrued vacation, MTO, sick, or compensatory leave for the remaining 1/3 of the employee's regular rate of pay to receive full pay while on Emergency Paid Sick Leave.
3. Part-time employees shall receive the pro-rated equivalent of this pay based on typical work schedule.

Section 5 Emergency Family and Medical Leave Expansion Act (EFMLEA)

A. Eligibility

1. All Town of Marana employees who have been employed by the Town for at least 30 calendar days are eligible for Expanded Family and Medical Leave, with some exceptions for emergency responders.
2. Emergency responders' eligibility for Expanded Family and Medical Leave will be determined on a case-by-case basis taking into consideration the Department's

operational needs. If emergency responders are granted Expanded Family and Medical Leave, the Town Manager or Department Head may revoke the leave at any time based on changing operational needs.

B. Expanded Family and Medical Leave Entitlement

1. Eligible employees are entitled to up to 12 weeks of Expanded Family and Medical Leave.
2. The employee must take the 12 weeks of Expanded Family and Medical Leave between April 1, 2020 and March 31~~January 12~~, 2021.
3. Any Expanded Family and Medical Leave taken by an employee will count towards the employee's 12-week FMLA leave entitlement as set forth in Section 4-7-4 of the Town of Marana's Personnel Policies and Procedures.

C. Qualifying Reason for Expanded Family and Medical Leave. The employee is unable to work or telework due to a need to care for his or her son or daughter whose school or place of care has been closed, or whose child care provider is unavailable, for reasons related to COVID-19. An eligible employee has need to take Expanded Family and Medical Leave for the purposes of this paragraph only if no suitable person is available to care for his or her son or daughter during the period of such leave.

D. Compensation

1. The first two weeks (or 80 hours) of Expanded Family and Medical Leave is unpaid leave. An eligible employee may elect to substitute Emergency Paid Sick Leave or any accrued vacation, MTO, sick, or compensatory leave for unpaid leave.
2. The subsequent ten weeks (or 400 hours) of Expanded Family and Medical Leave shall be paid at 2/3 of an employee's regular rate of pay.
 - a. The 2/3 pay described in this paragraph shall not exceed \$200/day and \$10,000 in the aggregate.
 - b. An eligible employee may use any accrued vacation, MTO, sick, or compensatory leave for the remaining 1/3 of the employee's regular rate of pay to receive full pay during Expanded Family and Medical Leave.
3. Part-time employees shall receive the pro-rated equivalent of this pay based on their typical work schedule.

E. Return to Work. Employees returning from Expanded Family and Medical Leave are subject to the return to work provisions set forth in the Town of Marana's Personnel Policies and Procedures Section 4-7-18.

Section 6 Intermittent Leave

- A. A Department Head may allow an employee to take up to the entire entitlement of Emergency Paid Sick Leave or Expanded Family and Medical Leave intermittently to care for the employee's son or daughter whose school or place of care is closed, or whose child care provider is unavailable, because of reasons related to COVID-19. If approved, the employee may take the intermittent leave in any increment of time agreed to by the Department Head and the employee.

- B. If a Department Head approves intermittent leave in accordance with this Section, the Department Head may revoke the approval at any time based on changing operational needs.
- C. An employee may not take Emergency Paid Sick Leave intermittently if the leave is taken for any of the reasons specified in Section 4(C)(1) through (4) or (6). Once the employee begins taking Emergency Paid Sick Leave for one or more of those reasons, the employee must use the permitted days of leave consecutively until the employee no longer has a qualifying reason to take Emergency Paid Sick Leave.

REVISION HISTORY

	<i>DESCRIPTION OF CHANGE</i>	<i>DATE</i>
OR	Original Release	4/1/2020
REV	Revision	6/30/2020
REV	Revision	8/5/2020
		(Ratified by Council 8/18/2020 Resolution No. 2020-089)
REV	Revision	12/18/20
<u>REV</u>	<u>Revision</u>	<u>(Approved by</u> <u>Council</u> <u>1/12/2021</u> <u>Resolution No.</u> <u>2021-XXX)</u>

Exhibit A to Marana Resolution No. 2021-001

Caution: A copy of this Policy is an uncontrolled document. It is your responsibility to ensure you are using the current version. The electronic version is the only acceptable and controlled Policy.



Extend Families First Coronavirus Response Act (FFCRA) Leave Benefits

- March 13, 2020 - the United States government declared a National Emergency related to the COVID-19 pandemic
- March 17, 2020 - Council adopted Resolution No. 2020-029, approving a temporary personnel policy regarding employee leave and telework during the COVID-19 pandemic
- Resolution authorized the Town Manager to implement further revisions to the temporary policy as necessary in response to the evolving nature of the emergency

- March 18, 2020 - the Families First Coronavirus Response Act (FFCRA) was signed into law
- Provides protected leave under the Emergency Paid Sick Leave Act (EPSLA) and the Emergency Family and Medical Leave Expansion Act (EFMLEA) to assist employees during the Coronavirus pandemic
- Effective April 1, 2020 through December 31, 2020

- April 1, 2020 - Town Manager implemented an Addendum to Temporary Personnel Policy Regarding Employee Leave and Telecommuting, Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA)

- August 18, 2020 – The Council adopted Resolution 2020-089 approving and ratifying the Temporary Personnel Policy - Families First Coronavirus Response Act (FFCRA)
- The Temporary Personnel Policy approved by the Council expired on December 31, 2020 to mirror the expiration date set by the FFCRA

- January 1, 2021 – Employers may voluntarily provide emergency paid sick leave or emergency paid FML as provided under FFCRA, but it is no longer required
- Town employees continue to be impacted by COVID-19, due to illness or required quarantines, and due to school and childcare closures.

- To bridge the gap between FFCRA expiration date of December 31, 2020 the first Council meeting in 2021, The Town Manager implemented a revised Temporary Personnel Policy extending the benefits of FFCRA through tonight's meeting date
- The proposed revisions to the Temporary Personnel Policy – FFCRA will extend the leave benefits provided to Town employees through March 31, 2021.

- Benefit
 - Up to 80 hours of emergency paid sick leave when employee is unable to work or telework for any of the qualifying reasons
- Qualifying Reasons for Emergency Paid Sick Leave
 - The employee is subject to a quarantine due to concerns related to COVID-19 or is subject to any order from the government requiring the employee not to leave the employee's residence.
 - The employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
 - The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.

Qualifying Reasons for Emergency Paid Sick Leave (Cont'd)

- The employee is caring for an individual who is subject to an order as described in the previous slide or for an individual who has been advised as described in the previous slide.
- The employee is caring for their son or daughter if the school or place of care of the son or daughter has been closed, or the child care provider of the son or daughter is unavailable due to COVID-19 precautions.
- The employee is experiencing any other substantially similar condition as specified by the United States Secretary of Health and Human Services (HHS).

Emergency Paid Sick Leave (EPSL)

Benefit

- For qualifying reasons related to employee's own condition, emergency paid sick leave is compensated at the same hourly rate as the employee normally earns during hours worked
- For qualifying reasons related to caring for another, childcare issues, or other similar circumstance as determined by HHS, emergency paid sick leave is compensated at 2/3 employee's normal pay



Emergency Family and Medical Leave

Benefit

- All Town employees who have been employed at least 30 calendar days are eligible for up to 12 weeks of emergency Family and Medical Leave until March 31, 2021
- Leave counts toward normal FMLA benefit of 12 weeks

Qualifying Reasons for Emergency Family and Medical Leave

- The employee is unable to work or telework due to a need to care for their child whose school or place of care has been closed, or whose child care provider is unavailable due to COVID-19

- Allow Families First Coronavirus Response Act (FFCRA) benefits to be extended to eligible employees through March 31, 2021, without the allocation of 80 additional hours for the emergency paid sick leave, and extend the emergency family medical leave through March 31, 2021



Families First Coronavirus Response Act (FFCRA)

Feedback and Questions



Council-Study Session

D2

Meeting Date: 01/12/2021

To: Mayor and Council

From: Yiannis Kalaitzidis, Finance Director

Date: January 12, 2021

Strategic Plan Focus Area:

Commerce, Community, Heritage, Recreation, Progress & Innovation

Strategic Plan Focus Area Additional Info:

Financial sustainability, quality public service, strategic partnerships and local resource investment are overriding principles of the Strategic Plan.

Subject: Relating to Budget; presentation, discussion and direction regarding the framework for development of the fiscal year 2021-2022 budget and its role in the implementation of the Strategic Plan (Terry Rozema and Yiannis Kalaitzidis)

Discussion:

This item brings forward the framework for development of the fiscal year 2021-2022 budget as a tool for implementation of the Town's Strategic Plan. The Marana Strategic Plan is the Council's policy document for the future vision of the community. The initiatives and goals included within the Strategic Plan drive services and programs in future years which will be included in the annual budget documents.

Current economic assessments show the economy performing better than anticipated overall, and in many cases better than last year, with some exceptions. Staff will continue to monitor the markets and follow developments at both state and federal levels to assess the true potential impact to our economy. We will continue to maintain a thoughtful investment strategy that continues to place resources in areas that maintain or enhance core services.

In addition, tonight's presentation will provide a status overview of certain elements of the Strategic Plan and a preliminary outlook into major revenue sources. We will discuss key issues going into the fiscal year 2021-2022 budget, as well as any additional issues the Council wishes to discuss.

Staff Recommendation:

Presentation only.

Suggested Motion:

Council's pleasure.

Attachments

FY2021-2022 Budget Development Presentation

FISCAL YEAR 2021-2022: BUDGET PLANNING

January 12, 2021



FY 2022

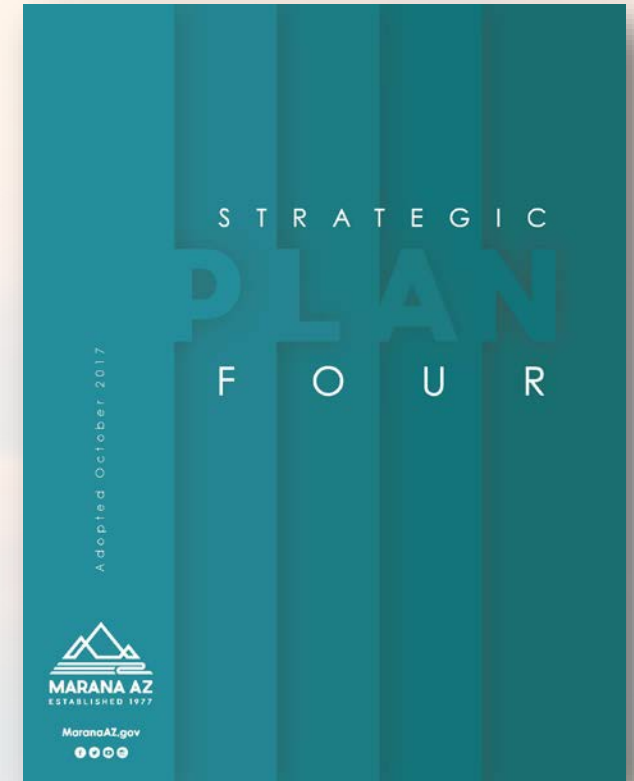
ITEMS FOR DISCUSSION

- Strategic Plan, Vision & Focus Areas
- Current Year Accomplishments
- General Fund FY2022 Preliminary Outlook
- Council Discussion Items

FY 2022

STRATEGIC PLAN

- VISION:
 - Committed to providing exceptional public service, a climate for economic sustainability and a welcoming environment that makes Marana a 5 Star Service organization.
- OVERRIDING PRINCIPLES:
 - Financial Sustainability
 - Quality Public Service
 - Strategic Partnerships
 - Local Resource Investment



FY 2022

ACCOMPLISHMENTS & INITIATIVES

Selected Accomplishments:

- Parks and Recreation Master Plan
- Airport LOMR and land rezone
- Water treatment campus construction
- Adonis Road Extension project construction
- COVID19 work transition and budgeting
- Marana subdivision recreational area requirements update & Subdivision Recreational Area Design Manual Adoption

Upcoming Initiatives:

- 2040 General Plan Implementation
- Parks & Recreation Master Plan Approval and Implementation
- Land Development Code Update
- Critical Infrastructure Funding
- Federal Control Tower Program
- Pinal Airpark Annexation
- RTANext project coordination
- Maintain structurally balanced budget in wake of COVID19
- Update Town of Marana Strategic Plan

BUDGET OUTLOOK

Yiannis Kalaitzidis

Finance Director

FY2022 PRELIMINARY OUTLOOK

- Key Forecasting Assumptions:
 - Cautious projection of slow revenue growth
 - Sales Tax: Modest increases to consumer spending and business growth
 - Reduction in Hotel & Lodging
 - Intergovernmental: Population growth of 2,270 or 4.6% (July 2019 to July 2020)
 - License, Permits, & Fees: 850 new home permits and continued commercial activity
 - Inflation Rate: 1.2% (YoY November 2020)

FY2022 PRELIMINARY OUTLOOK

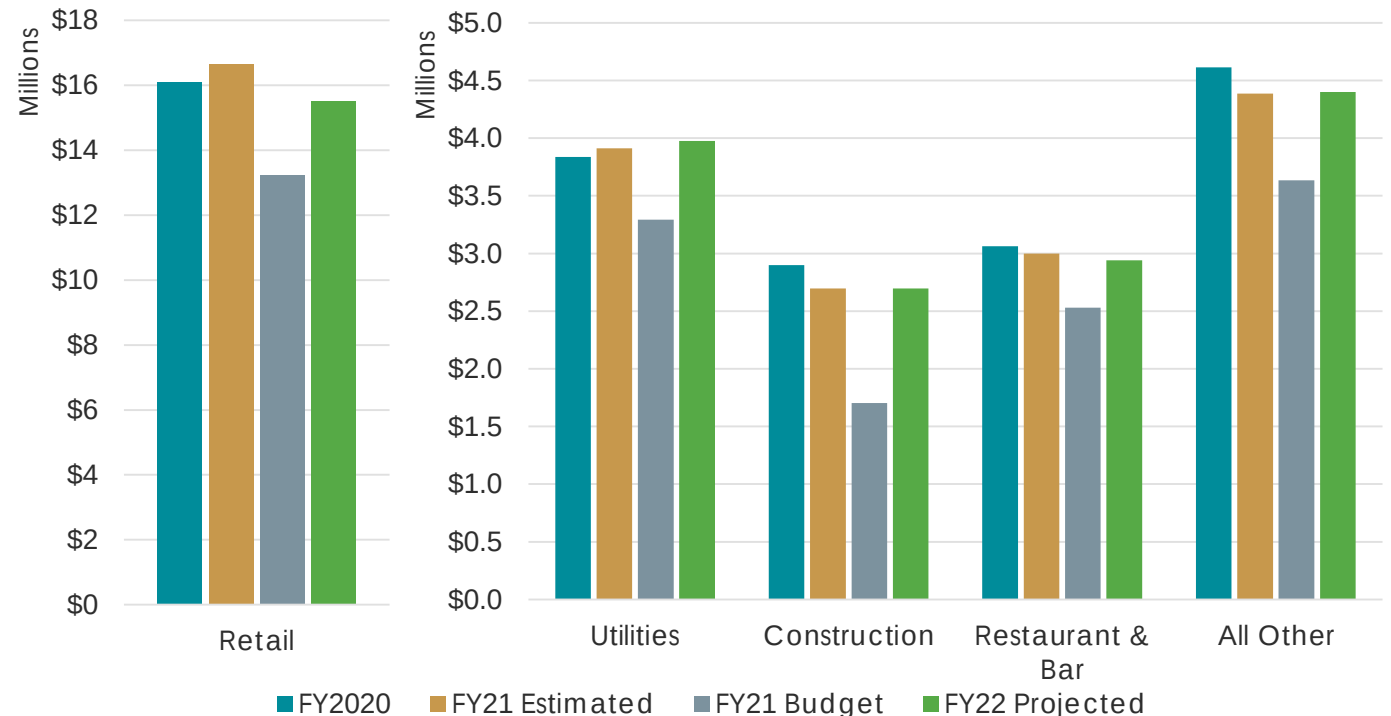
Sales Taxes

- High improvements in key areas (Year-Over-Year):

- Retail: ↑ 17.1%
- Utilities: ↑ 20.8%
- Construction: ↑ 58.4%
- Restaurants: ↑ 16.2%
- All Others: ↑ 21.1%

2021 Budget	2022 Prelim Budget	\$ Change	% Change
24,389,464	29,511,356	5,121,892	21.0%

Historic Collections by Major Tax Category



FY2022 PRELIMINARY OUTLOOK

Shared Revenues

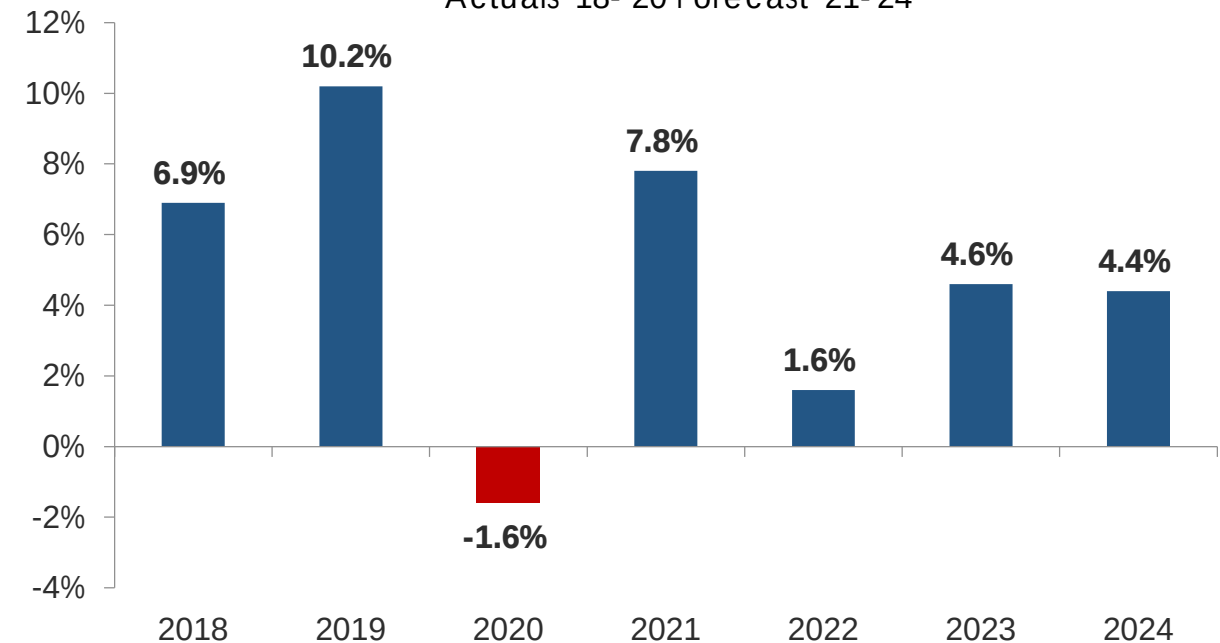
- Improvements in revenues & Census population counts:
 - Shared Sales Tax: ↑ 18.1%
 - Shared Income Tax: ↓ -10%
 - Auto Lieu Tax: ↑ 15.2%

Will change based on March estimates by ADOR and US Census count

2021 Budget	2022 Prelim Budget	\$ Change	% Change
13,435,743	14,034,329	598,586	4.5%

Arizona Revenue Growth

Actuals '18-'20 Forecast '21-'24



* Data provided by JLBC Budget Update 10/08/2020

FY2022 PRELIMINARY OUTLOOK

■ Licenses, Permits & Fees

■ Single Family Residential (SFR) permits:

■ SFR's – FY2021

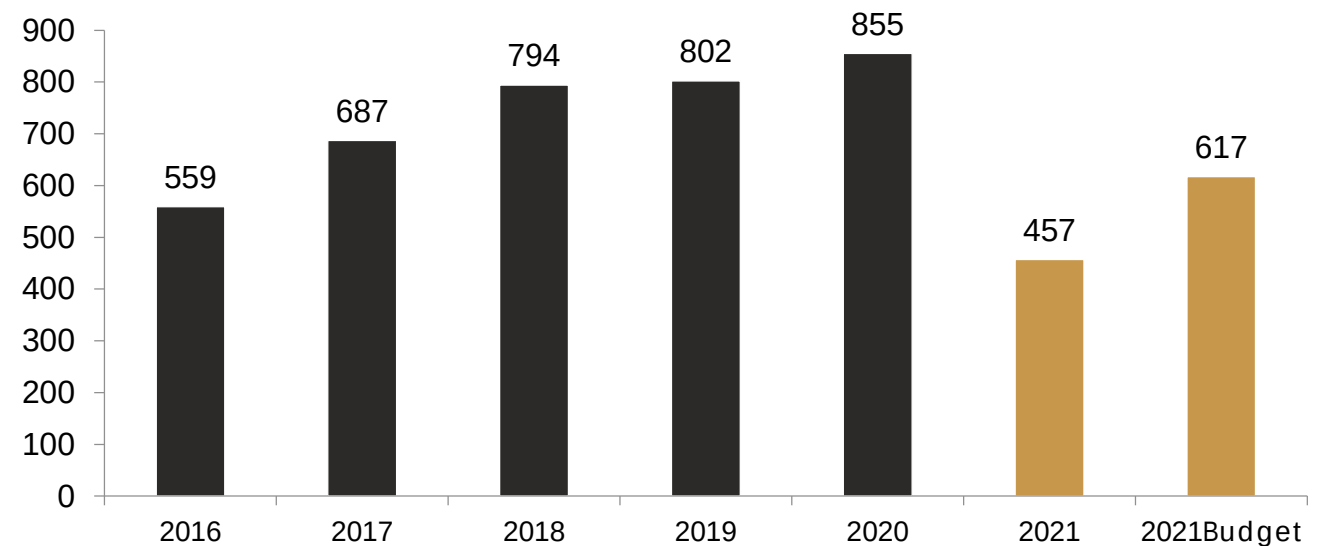
- Budgeted: 617
- Thru Dec. 31st: 457

■ SFR's – FY2022

- Prelim. Budget: 850

2021 Budget	2022 Prelim Budget	\$ Change	% Change
4,427,112	5,346,126	919,014	20.8%

SFR Building Permits By Fiscal Year



FY2022 PRELIMINARY GENERAL FUND SUMMARY

Revenues	FY2021 Adopted Budget	FY2022 Prelim Budget	FY2022 \$ Change	FY2022 % Change
Sales tax revenues	\$ 24,389,464	\$ 29,511,356	\$ 5,121,892	21.0%
Shared revenue	13,435,743	14,034,329	598,586	4.5%
Licenses, fees & permits	4,427,112	5,346,126	919,014	20.8%
Other	2,384,071	2,000,000	(384,071)	-16.1%
Total Revenue	44,636,390	50,891,811	6,255,421	14.0%

Summary	FY2021 Adopted Budget	FY2022 Prelim Budget	FY2022 \$ Change	FY2022 % Change
Ongoing	42,996,866	47,368,733	4,371,867	10.2%
One-time	1,639,524	3,523,078	1,883,554	114.9%
Total Revenue	\$ 44,636,390	\$ 50,891,811	\$ 6,255,421	14.0%

Note 1: Sales tax revenue projections for FY2021 could change significantly based upon additional data received from ADOR. Additionally, by development agreement, 45% of monies collected from the Marana Center will be reimbursed back to the developer for public infrastructure.

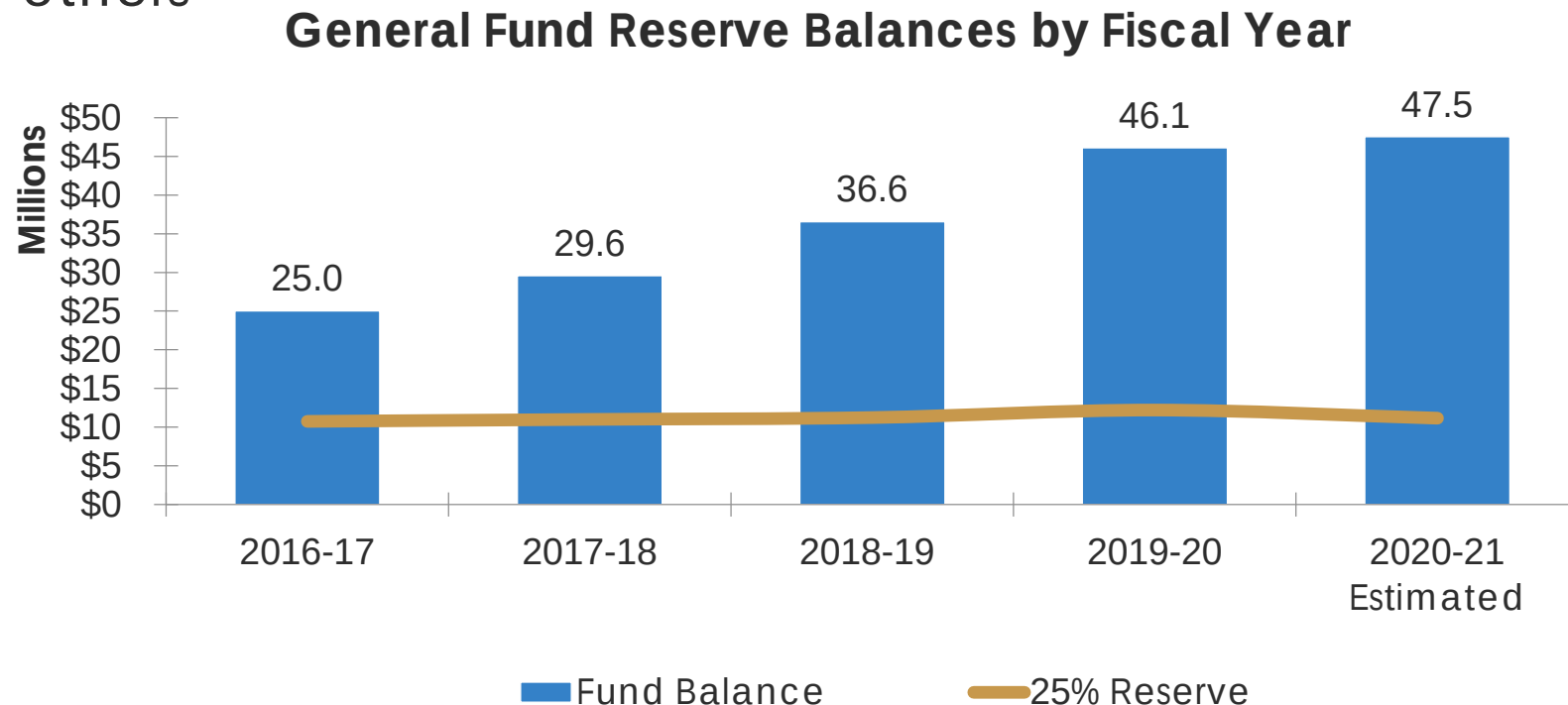
Note 2: Intergovernmental/shared revenue projections may change. Final budget will be based upon ADOR projections & US Census population estimates (~May 2021).

GENERAL FUND: PRELIMINARY FISCAL IMPACTS

<u>Preliminary new ongoing revenue</u>	<u>\$ 4,371,867</u>
Preliminary Fiscal Impacts:	
Health insurance (10%)	421,199
Workman's comp (5%)	25,256
<u> Team Performance Pay Increase (3%)</u>	<u>882,000</u>
<u>Total impacts before other costs</u>	<u>1,328,455</u>
Preliminary revenue available for other costs	\$ 3,043,412

GENERAL FUND: FUND BALANCES

- FY2021 Estimated Fund Balance: \$47.5M
- One-time resources which can provide: Liquidity, Flexibility, Capacity, among others



FY2022 – BASELINE BUDGETS

Departments will submit pre-pandemic limited growth budgets
(ongoing non-personnel)

- Increased ongoing budgets only when supported by:
 - Increased program revenue
 - Federal, State or other mandate
- One-time supplemental requests will be considered

Reallocation of existing budget capacity within budget line items

FY2022 BUDGET PROCESS KEY DATES

Dates:	Stage in Budget Process	Description
January 12, 2021	Planning	Preliminary budget outlook & Council goals/objectives
January 29, 2021	Preparing	Base department budgets and preliminary carryover requests due to Finance
March 1 – 12, 2021	Preparing	Department budget presentations
April 27, 2021	Reviewing	Manager's Recommended Budget
May 18, 2021	Approving	Presentation & adoption of Tentative Budget & Comprehensive Fee Schedule
June 15, 2021	Approving	Adoption of Final Budget

PREPARING FOR FY2022 COUNCIL DISCUSSION

Terry Rozema
Interim Town Manager

COUNCIL DISCUSSION ITEMS

- Community Needs
- Council strategic initiatives
- Key opportunities
- Other areas or items to consider

FY 2022



DISCUSSION

