

Minutes - Citizens Advisory Commission
Monday, March 30, 2015
Police Department Training Room, C. Reed Vance Police Building

Call to Order

Liz York called the meeting to order at 2:00 pm

Members present:

Liz York, Chair
Ken Cecil, Secretary
Sandra Kenny
LaVerne Jenkins
Clyne Namuo
Greg Thomas

Members absent:

Jeff Anselmi, Vice Chair

Other people present:

Mary Jacobs, Assistant City Manager
Pam Weir, City of Sierra Vista Staff Liaison
David Felix, Finance Manager

Approval of Meeting Minutes

Ms. Kenny moved to approve the 3/25/15 CAC meeting minutes. Mr. Thomas seconded the motion. The 3/25/15 meeting minutes were approved as drafted 6-0.

Continued Discussion of CAC Current and Future City Service Level Priorities

Ms. Jacobs explained to the CAC that since the last meeting, the City learned that the State will require the Sierra Vista to pay \$93,500 in FY 2016 to the Department of Revenue as a result of recent State Legislation.

Each CAC member presented individual proposals for revenue adjustments and service level priorities. Ms. Jacobs, Mr. Felix, and Ms. Weir totaled the costs of the various revenue proposals and expenditures. Then the CAC as a group worked to start piecing together their first, balanced working proposal (attached).

Presentation of Final Community Engagement Strategy

Ms. Jacobs presented the questions that will be posed to the public during the community engagement process (attached).

Call to the Public

Jere Fredenburgh discussed the cost and usage of Vista Transit.

Next Meeting

1. Scheduled for Wednesday, March 30, at 1:00 pm in the Police Department Training Room. Topics include finalizing additional recommendations for Council.

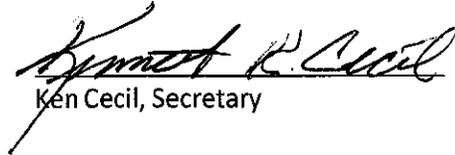
Meeting Adjourned

Ms. Jenkins moved to adjourn the meeting. Mr. Namuo seconded the motion. The CAC voted to adjourn the meeting 6-0.

Ms. York adjourned the meeting at 3:49 pm



Liz York, Chairperson



Ken Cecil, Secretary

Total Cost of Priorities

Status quo negative budget balance: \$318,000

Class/Comp Implementation: \$1,000,000

Streets: \$1,100,000

Neighborhood Enhancement: \$90,000

Tourism/Economic Development: \$150,000-500,000

Vehicle Rotation: Up to \$1,000,000

Admin Services Staff: \$80,000

Leisure/Library Customer Service Improvements: \$110,000

Capital (Facilities) Maintenance: \$1,100,000

Total cost of full service upgrades: \$4,948,000-5,298,000

Scenario #1**Revenue**

Release CIF: \$1,284,000

Increase Retail Tax by .2: \$1,220,000

Increase Bar/Restaurant Tax by .3: \$221,000

Fee Increases: \$100,000

Cove/Library Cuts: \$75,000

Total additional revenue available: \$2,900,000

Expenditure Increases

Class/Comp Implementation: \$1,000,000

Vehicle Rotation: \$500,000

Streets: \$600,000

Capital Maintenance: \$600,000

Tourism/Economic Development: \$250,000

Total expenditure: \$2,950,000

The Citizens Advisory Commission — A Comprehensive Process

Background

Over the past six years, the City has done its share of belt tightening in responding to the impacts of the Great Recession. Since 2008, the city has reduced its workforce via attrition by about 70 positions, equating to nearly a quarter of its staff. Despite maintaining a high level of service, the impacts of this reduction are starting to show.

A study recommending salary adjustments to long-frozen employees and a sudden surge in Public Safety Personnel Retirement System contributions has added unique pressures to the City of Sierra Vista's budget. Coupled with the anticipated loss of shrinking state shared revenue expected to follow the 2020 census due to higher growth rates in other Arizona communities, the situation demanded a comprehensive review of what the city does and how it continues to pay for it.

What is certain is that the City cannot continue with the status quo. Difficult decisions to cutback essential programs and services, or generate additional revenue to cover the demands is necessary. A fundamental review of these issues is required to present the Sierra Vista City Council with options moving forward. That's where the Citizens Advisory Commission comes in.

The Task at Hand

The Sierra Vista City Council has tasked the Citizens Advisory Commission (CAC), a group of private citizens, to review the revenue streams under council control and the needs of every city department to meet community demands. Every department head has made a presentation to the commission, outlining recent trends in service levels and top challenges moving forward. Over the course of its subsequent discussions, the CAC has identified some of its top priorities and has considered options to help pay for those vital services.

Services and Taxes

The commission's top service priorities include: street maintenance, police department staffing, competitive compensation, economic development, marketing and neighborhood enforcement. Other areas, like Leisure and Library Services, garnered mixed opinions from members of the commission.

On the revenue end, the commission has agreed that freeing up dollars currently restricted to capital projects and maintenance would make sense during the upcoming tight budget years. In addition, members have expressed interest in increasing the city's retail sales tax rate, which is among the lowest in the state at 1.75 percent. The City of Sierra Vista currently has the lowest combined tax burden of any municipality in Arizona. Since the city's property tax only accounts for a very small amount of its dollars and is capped, barring a vote by the public, local sales taxes offer the most opportunity to impact the budget, while sharing the burden with people who use city services but live outside city limits.

The Public Input Process

Starting Tuesday, March 31, and running through Friday, April 3, the City of Sierra Vista will be posting two to three daily questions to the public via a CAC-specific Facebook page and www.SpeakUpSierraVista.com. Input will also be gathered at two public meetings:

- Thursday, April 2, 6:00 p.m. at Fire Station 363, located at 675 Giulio Cesare Avenue
- Saturday April 4, 10:00 a.m. at the Sierra Vista Public Library's Mona Bishop Room

What's Next?

The comments gathered through social media and public meetings will be summarized in a report to the Citizens Advisory Commission, which will meet on Tuesday, April 7, at 1:00 p.m. inside the Sierra Vista Police Department Training Room. The commission will tweak and finalize its recommendations before presenting them to the Sierra Vista City Council at a work session on April 16 at 4:00 p.m. in City Hall.

This presentation will inform the council's upcoming deliberations tied to next fiscal year's budget, which will take effect July 1.

CAC Community Engagement Questions

1. Street maintenance was identified as a top priority by the CAC, especially since the condition of local roads can help attract or scare away companies looking to locate in Sierra Vista. Streets are the city's largest asset and available state funding for their maintenance has declined over recent years. The commission would like to see additional investment to bring streets up to standard and maintain them at a higher level, using longer-lasting, but sometimes more costly, materials and techniques.

How do you feel about the condition of city streets? Should street maintenance be a top priority? Why or why not?

2. The CAC had varied opinions on Leisure and Library Services. On the one hand, facilities like the Cove, library and parks can help economic development efforts. On the other hand, many of these services and facilities are naturally subsidized by tax dollars. Multi-use paths present a similar question, as their construction will require more city dollars in the future but they are used daily by local residents.

What local leisure services and amenities do you use most? How important do you feel these programs and facilities are to the community and its future?

3. Public safety is very important to the CAC and the police staffing levels have not increased since 2007—with several civilian positions actually being left unfilled—despite increasing demands. The CAC feels it's vital to have enough officers on the streets to offer quick response times, while also having personnel to conduct proactive police work.

How important is a fully-staffed, highly-responsive police force? What are your thoughts on the local police coverage?

4. Despite having a low turnover rate in recent years, the Sierra Vista Police Department anticipates losing many officers to retirement and other departments in the region soon. A compensation study has found Sierra Vista's cops are being paid below the average in the region, making it difficult to attract and retain highly qualified officers.

How much do you value an experienced, stable police force? Do you support strategies and investments that would help the City recruit and retain quality officers in the future?

5. The CAC wants to see more money go toward economic development and marketing, as these areas can offer a high return on investment. These efforts could include attracting new businesses, expanding the city's tourism outreach and focusing on redevelopment on Fry Boulevard.

Do you feel that additional investments in these areas would be beneficial to the community? Why or why not?

6. The CAC has made responsive government a priority and sees the impact the reduction of roughly 70 positions, representing nearly a quarter of the workforce, has had on the city over the last six years. The CAC is concerned that the city is no longer able to respond to issues in the community as effectively as it could in the past, particularly in the following areas: property maintenance, neighborhood enforcement, customer service and police officer response.
Do you feel the City should prioritize filling some positions that would improve responsiveness? If so, what areas would you want to see improved first?

7. The CAC considers the following issues to be among the most pressing to address over the next 2-5 years:

- Maintaining city streets.
- A competitive compensation system that would ensure quality employees can be recruited and retained, especially at the police department.
- Investing in economic development and tourism marketing, because it has a high return on investment.
- Filling vacated positions that would improve City responsiveness and proactivity, especially in neighborhood enforcement, police, and customer service.
- Balancing availability of recreational and quality of life amenities and programs to help support economic development.

Which has the most value to you? Which has the least?

8. Sales taxes provide the primary revenue source for most city services. The city sales tax rate is second lowest in the state at 1.75%, while surrounding areas range from 1.5% to 3.5%. The CAC is considering recommending the rate be increased to meet priority community demands because it would mean people not living in Sierra Vista would help pay for city services that they also use, versus placing the full burden of higher taxes on city residents alone.

What are your thoughts on that idea?

9. The CAC is considering recommending the removal of restrictions placed on 0.5% of the city sales tax rate currently dedicated only to capital. Although this would help in operations, it limits the city's ability to fund future capital projects such as a future city center, additional ball fields, park improvements and new multi-use paths. To try to address this, the CAC is also giving some thought to recommending that those types of major projects be presented to voters to decide whether they should be paid for through a property tax bond.

Do you think major capital projects should be decided by voters through a bond election? Why or why not?