

Sierra Vista City Council
Special Meeting Minutes
July 26, 2021

Mayor Mueller called the July 26, 2021, City Council Special Meeting to order at 4:30 p.m., City Hall Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona.

Roll Call:

Mayor Rick Mueller – present
Mayor Pro Tem Rachel Gray – present
Council Member William Benning – present
Council Member Gregory Johnson - present
Council Member Angelica Landry – present
Council Member Mark Rodriguez- present
Council Member Carolyn Umphrey - present

Others Present:

Chuck Potucek, City Manager
Victoria Yarbrough, Assistant City Manager
Jon Kosmider, Deputy Police Chief
Brad Dever, Deputy Fire Chief
Laura Wilson, Parks, Recreation and Library Director
Jennier Osburn, Budget Officer
Tony Boone, Economic Development Manager
Nathan J. Williams, City Attorney
Jill Adams, City Clerk
Judy Hector, Marketing and Communications Manager

Item 1 Acceptance of the Agenda

Council Member Landry moved that the agenda for the Special City Council Meeting of July 26, 2021, be approved. Mayor Pro Tem Gray seconded the motion. The motion unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray and Council Members Benning, Landry, Johnson, Rodriguez, and Umphrey voting in favor.

Public Hearing

Item 2 Discussion: Proposed Fiscal Year 2021/2022 Property Tax Levy

Mayor Mueller opened the public hearing and stated that the city is required per Arizona State Law to have a public hearing. There was no response.

Ms. Osburn stated that per State Law, the city is holding a public hearing on the property tax levy. The proposed primary property tax levy rate is \$0.1108 per \$100 of assessed value, generating an estimated \$377,145 this fiscal year. This is a slight increase from \$372,034 in FY21 and \$364,370 in FY20. The slight increase in total property tax revenue is due to new construction.

The Arizona Department of Revenue provided the FY22 property tax levy rate and total collection amount to the city. The rate was adjusted slightly higher in FY22 due to a decrease in valuation of taxable property. The amount paid by citizens in FY22 remains the same as amount

paid in FY21. State law refers to the actual total property levy collection amount and not the city's property tax rate when determining a property tax increase and whether truth in taxation requirements need to be met. The City is not required to publish truth in taxation notices for the property tax levy at this proposed new rate.

Mayor Mueller stated that it is based on the two-year old evaluations and added that the rate may go up slightly, but the total cost to the property owner is the same. Ms. Osburn stated that he is correct and explained that it is curious as to how that happened, but the data is two years old because the State lags in the budget.

Mr. Potucek stated there are two components to how much somebody pays in property taxes, the evaluation, and the rate. As mentioned, there is a lag and because of that, the city was seeing steady declining assessed valuations leading up into this fiscal year. This may be seen again because of COVID. The rates have been staying around the same and as a result, based on housing prices and properties currently going up in a couple of years, rising valuations will probably be seen that will then result in lower rates at that time. This is what the city can expect going forward.

Mayor Mueller stated that he wants to make sure that procedurally Council is doing this right. He noted that this item does not call for a vote and explained that the Council will vote on the actual budget in the next item, and at next regular meeting, Council will vote on the property tax.

Council Member Umphrey thanked Mr. Felix for his explanation on the property tax levy. She added that she did not understand how the price changed overall because some changes cause change in the rate.

New Business

Item 3 Resolution 2021-053, Discussion and Possible Action of the Final Budget for FY 2021-2022 – Tabled Item

Council Member Umphrey moved that Resolution 2021-053, adoption of the Final Budget for FY 2021-2022, be removed from the table. Council Member Bening seconded the motion. The motion unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray and Council Members Benning, Landry, Johnson, Rodriguez, and Umphrey voting in favor.

Mayor Pro Tem Gray moved that Resolution 2021-053, adoption of the Final Budget for FY 2021-2022, be approved. Council Member Bening seconded the motion.

Ms. Osburn stated that the resolution before Council is for the adoption of the Fiscal Year 2021-2022 operating budget for the city for the final amount of \$115,711,558. The tentative budget, as well as all state budget forms have been posted on the city's website. The city received one phone call from a citizen with questions concerning the budget. The final step for the budgeting process will be on the Council Meeting of August 12, 2021 at 5:00 p.m. to vote on the primary property tax levy for fiscal year 2021-2022.

The motion to approve Resolution 2021-053, adoption of the Final Budget for FY 2021-2022 unanimously carried, 7/0. Mayor Mueller, Mayor Pro Tem Gray and Council Members Benning, Landry, Johnson, Rodriguez, and Umphrey voting in favor.

Call to the Public – There was no response.

Comments and Request of Council

Council Member Landry wished all the teachers and students a great school year and encouraged people to let them know that they are greatly appreciated because a lot of times it is a thankless job, but they make such a big difference.

Council Member Umphrey had nothing to report.

Council Member Johnson had nothing to report.

Council Member Rodriguez echoed Council Member Landry's comment about supporting teachers and student athletes this year.

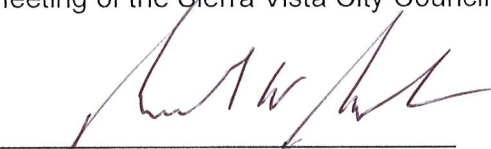
Council Member Benning also wished teachers and administrators a good school year.

Mayor Pro Tem Gray had nothing to report.

Mayor Mueller reported on Rotary, where they had a good briefing. He stated that everyone is looking forward to a very active/participatory school year, at least within the district, and he hopes that it is the same way with the private schools. He further stated that somebody was phishing in the morning through an email asking people to get gift cards and send them out to an email that is not his. Someone is using his name and a default Gmail address to try to get gift cards for whatever reason. He cautioned people about fraud and asked people to disregard these emails with his name because it is complete trash. Lastly, he thanked staff, and added that everyone knows the pleasures of being in public office.

Adjournment

Mayor Mueller adjourned the July 26, 2021, meeting of the Sierra Vista City Council at 4:39 p.m.




Mayor Frederick W. Mueller

MINUTES PREPARED BY:

ATTEST:



Maria G. Marsh, Deputy Clerk

Jill Adams, City Clerk