

SPECIAL "BUDGET" SESSION MEETING NOTICE

WORKSHOP #5

TOWN COUNCIL OF DEWEY-HUMBOLDT

Tuesday, June 17, 2014, 2:00 P.M.

**COUNCIL SPECIAL "BUDGET" SESSION MEETING
2735 S. HWY 69**

**COUNCIL CHAMBERS, TOWN HALL
DEWEY-HUMBOLDT, ARIZONA**

AGENDA SUMMARY

1. **Call To Order.** The meeting was called to order at 2:02 p.m. Mayor Nolan presided.
2. **Roll Call.**
 - 2.1. **Town Council.** Town Council Members Jack Hamilton, Mark McBrady, Dennis Repan, Sonya Williams-Rowe (absent at roll call), Nancy Wright; Vice Mayor Arlene Alen; and Mayor Terry Nolan were present.
3. **FY 2014-15 Budget Deliberation.** Legal Action can be taken. Council deliberation and possible action to modify Preliminary Budget content.

3.1. Review of Preliminary Budget by Funds and Departments (General Fund – Revenues, Expenditures: Town Council and Management, Town Clerk, Finance, Legal, IT, Magistrate Court, Public Safety, Engineering, Public Works, and Community Development, non-Departmental; HURF – Revenues, Expenditures: Engineering, Public Works; Grant Fund).

Town Manager Kimball reviewed where the Council left off at the last budget workshop (Community Development – 10-465-6590). Council agreed to support the museum rent for one year (\$7200) and the Agua Fria Festival (\$5k) with Town Branding (\$5k) and Town-wide Survey (\$7500) still pending.

Council started with the items the Town Manager is recommending with the other discretionary issues discussed afterward if monies are still available.

Raises for Staff: Ms. Kimball explained she had budgeted for up to 2% raises but is asking for 3% with additional \$5k contingency for Community Development Department with the Town taking Building Safety back in-house.

There was discussion on whether to allow a certain dollar amount for raises leaving the discretion to the Town Manager who gets what type of raise, or whether to just allow up to a 3% raise for each employee. When Ms. Kimball was asked how she felt about that type of flexible discretion she explained it was easier for her to plug the 3% in for budgeting purposes. The COLA amount would go in July 1st.

Councilmember Hamilton made a motion to approve up to 3% raises for staff with \$5000 contingency for Community Development, seconded by Councilmember Wright. It was approved by a 6-0 vote in favor, Councilmember Williams-Rowe being absent for this vote.

Ms. Kimball explained this was all she had for budget related personnel issues.

Clean-up Programs/Community Development: Town Manager Kimball reviewed what the Town did last year under this program and explained she is recommending the same programs. She would recommend a community based clean-up day but can't afford it in this budget if sticking with the same programs as last year.

There was discussion on the Household Hazardous Waste program and the high cost per user. Councilmember Hamilton recommended having a voucher program for people where most of the cost is covered but people pay something (1 voucher per family per year).

Councilmember Williams-Rowe arrived at 2:22 p.m.

There was continued discussion on a possible voucher program and what type of burden that would put on staff, and other options such as adding an additional clean-up day with Prescott Valley.

Councilmember Hamilton made a motion to approve \$9k for a “dump” voucher program that staff oversees, seconded by Councilmember Wright.

Town Manager Kimball spoke on a voucher program being difficult to implement and manage. She recommended doing another clean-up day in D-H, but during the week so more employees available to help.

Councilmember Hamilton withdrew his earlier motion, seconder agreed. He made a motion to set \$9k aside now with a later determination on how to utilize it. Councilmember McBrady suggested keeping it at \$10k. Councilmember McBrady made a motion to allocate \$10k toward the “Clean-up” services, with determination later on for the program details. Mayor Nolan noted that the earlier motion was withdrawn and the seconder agreed. The motion on the table is to allocate \$10k. There was discussion on deciding on the dollar amount to spend for this program. Councilmember McBrady agreed to change the motion to \$12k, receiving a second from Councilmember Williams-Rowe. There was more discussion on what that dollar amount is set at in the budget. Town Manager’s Narrative in the budget says 10k. The motion was changed back to allocating **\$10k** toward the clean-up services with determination later on the programs. A vote was taken on the motion, which passed unanimously.

Facility Needs Study (\$12,822): Town Manager Kimball spoke on initiating this when Council was considering whether to renew the lease for town hall. This amount is just to determine the need not the design. There was discussion on considering the possible donated land for a new town hall and which fund this amount could come out of (one-time capital expense line item 10-431-7001).

Councilmember Hamilton made a motion to approve \$12,822 for a Facility Needs Study, seconded by Councilmember Repan. It was approved by a 6-1 vote in favor, Councilmember McBrady recusing himself from the vote.

Branding for the Town (\$5000): Vice Mayor Alen spoke on only needing \$3500 next year with the \$2500 carried over from this fiscal year since only one sign was put up. There was discussion on the sign and location of the sign.

Councilmember Hamilton made a **motion** to approve \$5k in the budget for Town Branding (\$2500 carried over from current fiscal year to next and adding \$2500 in the next fiscal year), seconded by Vice Mayor Alen.

There was discussion on how to balance the budget with the Facility Needs Study approved putting the budget about \$13k in the red. Councilmember Hamilton suggested increasing the anticipated revenue (profit from investments) from \$5k to \$15k. There was discussion on this suggestion as well as discussion on waiting until the next year for branding and survey.

Councilmember McBrady made a **motion** to eliminate the branding and community-wide survey amounts to balance the budget. The motion failed for lack of a second.

Councilmember Wright made a **motion** to cut the Agua Fria Festival grant amount to \$2500 and putting \$2500 in for Meals on Wheels, seconded by Councilmember McBrady.

There was discussion on the accountability of those asking for town funds; using the old survey to see what trends in community have changed; needing to see the old survey.

Vice Mayor Alen made a **motion** to approve leaving the survey line item at \$5k and determine the survey contents later. The motion was withdrawn by the maker of the motion.

The motion to cut the Agua Fria Festival grant amount was withdrawn by the maker of the motion.

The motion to fund the branding for the town was withdrawn by the maker of the motion.

Councilmember Repan made a motion to approve allocating those items as they stand (branding \$5k, Meals on Wheels \$2500, Surve3y \$5k) and any deficit in the total amount in the budget be taken out of savings to pay for the truck and balance the budget, seconded by Vice Mayor Alen. It was approved unanimously.

Town Manager Kimball clarified the truck purchase would come out of savings anyway and this is just an accounting issue.

Vacant Property Purchase: Councilmember McBrady spoke on looking at a property as a group before deciding on a purchase. CM Wright spoke on only looking at the Zeigler property parcel that connected to BLM with a gate with access to a trailhead. There was discussion on this property and it currently being used to graze cattle. It was suggested the Open Space and Trails Committee look into the property and whether they could recommend pursuing the purchase for a trailhead use.

It was recommended this come before the Council at a regular meeting with a possible Executive session. Councilmember Wright suggested lowering the proposed cost from \$80k to \$30k.

Fee Study: Councilmember Hamilton explained his reasons for requesting a new Fee Study – to justify the impact fees; concern with new development of the farming land; study could be done internally by adjusting fees.

Councilmember McBrady made a motion to remove the Professional Fee Study in this budget, seconded by Councilmember William-Rowe. It was approved unanimously.

Councilmember Williams-Rowe made a motion to approve reducing the property purchase to \$30k and make it for “just a purchase of property” not identified as a specific property, property to be determined. The motion was seconded by Councilmember Repan. It was approved unanimously.

Water Study: Vice Mayor Alen gave an overview of her request for water study, explaining it is over a period of time to determine what the citizens’/town’s needs are so planning can start – a placeholder with the understanding that there will be some assistance on this study from the WAC (Water Advisory Committee). There was discussion on this study being for the entire town, not just one part of the community – those with wells, those without wells, those on a private water company; do the study while the WAC assistance and data is still available; create a baseline for future planning; short and long-term infrastructure, etc.; existing data and options for the future; assets as a community; plan to meet needs and funding.

Councilmember McBrady made a motion to leave the water study in the budget, seconded by Councilmember Williams-Rowe. The motion passed by a 4-3 vote in favor, Councilmember Hamilton, Repan and Wright voting against.

There was discussion on whether money needed to be budgeted to match grant funds for a fire-break the town submitted a grant for. Mayor Nolan explained they did not get the grant.

There was discussion on HURF funds and whether additional funds should be budgeted with anticipated rise in materials costs for road maintenance.

Councilmember Hamilton made a motion to approve the HURF budget as presented with the \$20k increase proposed by Staff, seconded by Councilmember Wright. It was approved unanimously.

Town Manager Kimball spoke on the modifications approved at this meeting will be made to the budget book.

3.2. Future meeting scheduling and additional budget-related discussion topics.

Mayor Nolan spoke on Council already having scheduled a special June 24th 6:30 regular meeting to approve the budget.

Town Manager Kimball spoke on the next steps for the budget: Staff to research clean-up events; those programs budgeted under contingency fund will be addressed by CAARF to come back to Council for decision (property purchase and Water study).

4. **Comments from the Public.** None.

5. **Adjourn.** The meeting was adjourned at 4:53 p.m.