

**SPECIAL BUDGET MEETING NOTICE
TOWN COUNCIL OF DEWEY-HUMBOLDT
Tuesday, May 22, 2012, 10:00 A.M.**

**COUNCIL SPECIAL STUDY SESSION
2735 S. HWY 69**

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

AGENDA SUMMARY

1. **Call to Order.** The meeting was called to order at 10:04 A.M.
2. **Roll Call.**
 - 2.1 **Town Council.** Town Councilmembers David Hiles, Dennis Repan, Denise Rogers, Nancy Wright; Vice Mayor Mark McBrady; and Mayor Terry Nolan were present. Town Councilmember John Dibble was absent.
3. **Special Budget Agenda.**
 - 3.1. **Proposed FY2012 Budget and Council Acknowledgement.** Council acknowledgement of the preparation of the Tentative FY2013 Budget, as prepared by Town Manager (beginning the required publishing process before the Council's further deliberations and adoption of the Final FY2012 Budget). Also the approval of the "Fiscal Year 2012 Revised Budget Schedule".

Town Manager Yvonne Kimball spoke about the proposed tentative budget, explaining the statutes requiring the advertisement and approval for publishing.

Councilmember Rogers made a motion to acknowledge the preparation of the Tentative FY2013 Budget as prepared by the Town Manager, beginning the required publishing process before the Council's further deliberations and adoption of the Final FY2013 Budget, seconded by Mayor Nolan. The motion passed by a unanimous vote.

There was discussion about the budget schedule, adding additional meetings, scheduling meetings closer together and the Council agreed to postpone this discussion until the end of the meeting.
 - 3.2. **Council Deliberation of FY2012-13 Tentative/Draft Budget.** Discussion and possible action.

Town Manager Kimball spoke on providing a new summary sheet for the budget showing a zero balance in funds. The Town Council reviewed this information. Town Manager Kimball reviewed those areas reduced.

Mayor Nolan spoke on extending the maintenance program on the roads.

Councilmember Wright spoke on the Principles of Sound Financial Management being the guide for the budget.

Town Manager Kimball spoke on operational expenditures, making a list of all in-house Public Works projects with approximate cost for Council review.

There was discussion about staff being certified to grade roads.

Public comment was taken on this item.

Jack Hamilton spoke against removing the \$125,000 for chip seal.

Councilmember Repan spoke on Dewey-Humboldt being a road program, finding a formula to cut the budget across the board, and looking at roads separately.

Councilmember Hiles commended the Town Manager for her work on balancing the budget and spoke on postponing the chip seal project if not intended for this year.

Town Manager Kimball spoke on the HURF fund reduced throughout the year significantly. She spoke in support of Ed's work in Public Works and the reasoning for suggesting the chip seal project this year, and her job being to implement Council's priorities and policies.

Councilmember Wright spoke on recurring road work and the inability to use unassigned funds.

Town Manager Kimball spoke on moving salaries from HURF to General Fund (Public Works/Engineer). She spoke on whether she would need to hire a second accountant, and explained possible lower insurance costs.

Councilmember Rogers left the dais at 11:18 A.M.

Councilmember Wright spoke on having the insurance broker provide accurate information on insurance costs; Town Manager Kimball offered to schedule the broker to speak with Council.

Councilmember Rogers returned to the dais at 11:20 A.M.

Councilmember Wright spoke on contingency being something that can be pulled for one-time purpose and requested detail of the budget.

There was discussion about the newsletter, the Council, Mayor and Management budget, training and the roving dumpster program.

Councilmember Hiles made a motion to approve reducing the dumpster program to one time per year, seconded by Councilmember Wright. The motion passed by a 2-4 vote, Councilmembers Hiles, Repan, Rogers and Wright voting in favor and Councilmember Dibble absent.

Mayor Nolan spoke on other local municipality dumpster programs and how often they occur. There was discussion about the most recent dumpster day and collaborating with other local municipalities.

Councilmember Wright made a motion to remove Box City and Citizen's Academy from the Neighborhood Outreach Program, seconded by Councilmember Rogers. The motion passed by a unanimous vote.

Town Manager Kimball spoke on grant monies, and the Citizen's Academy being a good program but since usually a small group going through, those interested can meet with the Town Manager.

Councilmember Repan spoke on Citizen Academy graduates with the Town.

Mayor Nolan made a motion to delete the newsletter. The motion failed for lack of a second.

There was discussion about publishing the newsletter quarterly, monthly with fewer pages, sending via email, advertising, ability to reach more people via newsletter and the response from the attorney about the newsletter.

Councilmember Rogers made a motion to waive the confidentiality of the Attorney's newsletter response, seconded by Councilmember Hiles. The motion passed by a unanimous vote.

Councilmember Rogers spoke on the Attorney's response, noting there can be advertising. Town Manager Kimball spoke on creating a policy, the cost of asking for Attorney opinion on policy may be equal to amount saved, even if policy created in-house. Councilmember Wright suggested going by the guidelines the Attorney suggested in the response.

Vice Mayor McBrady made a motion to cut the newsletter budget to \$10,000 and accept advertisements, seconded by Mayor Nolan. The motion failed by a 2-4 vote, Councilmembers Hiles, Repan, Rogers and Wright voting against and Councilmember Dibble absent.

There was discussion about scheduling future budget meetings. Mayor Nolan made a motion to approve scheduling a meeting on May 29, 30, 31st from 10 A.M. – 12 P.M., seconded by Vice Mayor Mark McBrady. The motion failed by a 3-3 vote, Councilmembers Hiles, Repan and Wright voting against and Councilmember Dibble absent.

Councilmember Wright chaired the meeting beginning at 11:57 A.M. as the Mayor left the meeting and the Vice Mayor was scheduled to leave shortly.

Town Council decided to go through the budget department by department, line item by line item.

There was discussion about Engineering with Town Manager Kimball noting that roads fall under HURF.

Councilmember Wright made a motion to move \$9,000 of OSP Engineering into OSP Professional, seconded by Councilmember Repan. The motion failed by a 0-5 vote, Councilmembers Hiles, Repan, Rogers, Wright and Vice Mayor McBrady voting against and Councilmember Dibble and Mayor Nolan absent.

Councilmember Nancy Wright made a motion to reduce OSP Engineering to \$1,000, seconded by Councilmember Hiles. The motion passed by a unanimous vote.

Vice Mayor McBrady left the meeting at 12:15 P.M.

Councilmember Hiles spoke on reducing budget line item 10-431-7001 Road Facility Acquisition.

Councilmember Hiles made a motion to change the \$25,000 figure in 10-431-7001 Road/Facility/Acquisition to \$2,000, seconded by Councilmember Rogers. The motion passed by a unanimous vote.

Public comment was taken on this item.

Jack Hamilton spoke on raising the contingency fund to use for buying something when the time comes.

Town Manager Kimball spoke on giving direction on whether to raise contingency fund if considering property purchase.

There was discussion on the set amount to put in contingency versus the reserve fund.

Councilmember Hiles spoke on not granting funding for the Strategic Community Partnership Grants applications for this year.

There was discussion about the Strategic Community Partnership Grants program, expectations, intent, philosophy, and fiduciary responsibility.

Councilmember Hiles made a motion to not fund the Strategic Community Partnership Grants this year, seconded by Councilmember Repan. The motion passed unanimously.

Councilmember Wright spoke on the agreement with the Agua Fria Festival Committee and the responsibility of the Town. There was discussion on the Agua Fria Festival, repercussions of returning the money, how much to return, and how to support and participate in Agua Fria Days in the future.

Public comment was taken on this item.

Jack Hamilton spoke on Agua Fria Days and how to handle the funds.

Councilmember Hiles made a motion to pay back the \$7,500 to the Agua Fria Festival Committee and inform them that they are responsible to manage the fund for the park, amended to include paying the amount out of the current budget, seconded by Councilmember Repan. It was approved unanimously (4-0 vote)

There was discussion on the neighborhood outreach program and reductions made.

Councilmember Hiles made a motion to reduce 10-465-6950 to \$7,000, seconded by Councilmember Repan. The motion passed unanimously (4-0 vote).

There was discussion on the OSP Planner Consultant. Town Manager Kimball spoke on contractual services, not hiring a certified Planner so having a need for a number in the consultation column. She also spoke on expectations, suggesting Council expand the RFQ to get a pool of consulting firms.

Councilmember Repan spoke on the \$20,000 budgeted and asked for clarification. Town Manager Kimball explained it would be for code changes and other services as needed. She also spoke on the County's intent to adopt the 2012 building code and the repercussions if the Town does not adopt it.

There was discussion about the 2012 International building code and the IGA with the County for building services. Town Manager Kimball will talk with County officials to provide a document showing proposed changes.

There was discussion on the Town Manager's spending limit, with clarification by Councilmember Wright that the limit was changed to \$5,000 last year.

Councilmember Repan made a motion to approve 10-465-5002 OSP P&Z Assistant reducing to \$5,000, seconded by Councilmember Hiles. The motion passed unanimously.

Councilmember Rogers spoke on 10-465-5002 OSP P&Z Assistant and the title is misleading as it appears it is a staff person. There was discussion and Town Manager Kimball changed the line item to reflect OSP P&Z Planning Consultation.

Councilmember Wright spoke on salary and wages in Community Development being high and historical numbers. Town Manager Kimball reviewed the detail list noting it includes a full-time person in that department, a part-time Code Enforcement/Community Outreach Coordinator and 60% of an Administrative Assistant.

4. **Comments from the Public.** Jack Hamilton complimented the Council on how much was accomplished at the meeting, WAC dues to be considered and consider switching the court back to Mayer to save money.

5. **Adjourn.** The meeting adjourned at 1:01 P.M.