

**TOWN OF DEWEY-HUMBOLDT  
TOWN COUNCIL  
SPECIAL “BUDGET” SESSION WORKSHOP #2 MINUTES  
TUESDAY, APRIL 29, 2014, 9:00 A.M.**

**A SPECIAL “BUDGET” SESSION OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON TUESDAY, APRIL 22, 2014, AT TOWN HALL AT 2735 S. HIGHWAY 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR TERRY NOLAN PRESIDED.**

1. **Call To Order.** The meeting was called to order at 9:04 a.m.
2. **Roll Call.**
  - 2.1. **Town Council.** Town Council Members Mark McBrady, Dennis Repan, Nancy Wright; Vice Mayor Arlene Alen; and Mayor Terry Nolan were present. Councilmembers Jack Hamilton and Sonya Williams-Rowe were absent.
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).**

Council picked up with the budget where they left off at the last meeting. Town Manager Kimball spoke on the changes made at the last workshop and explained the General Fund Revenue is in excess of expenditures by \$26k.

Town Clerk/Public records: Town Clerk Morgan explained the reason for the increase in election costs with the Yavapai County Elections Department. Town Manager Kimball explained the reasons for the building permitting software carryover from last year’s budget.

Finance and Budget: Town Manger Kimball answered questions on the Travel and Training for Finance’s Annual Conference and the reason for Open Books costs being reduced from last year.

Legal: Town Manager Kimball suggested increasing legal counsel costs due to some anticipated projects. There was discussion on whether to budget to have the attorney attend some or all regular council meetings. It was recommended that this subject come back when there is full council attendance.

Information Technologies (IT): Council considered whether to purchase electronic devices for council members. Councilmember Wright suggested upgrading the microphones and adding something so council could plug in their laptops. It was decided that this should come back for a full council vote.

Ms Kimball spoke on staff coming up with a good option for a remote backup for the town (\$200/year). She added some money to this budget item for website repair in case the site gets hacked.

Magistrate Court: Utility costs have been separated out, everything else is the same. There was discussion on wages and court time increases. No modifications were made by council.

Public Safety: There was discussion on increased utility costs and their office using electric heat. Councilmember McBrady will look into the cost to install a programmable thermostat.

Engineering: No changes were made.

Public Works: There was discussion on the second public works operator costs; upgrading the Public Works yard; carpet cleaning; increased liability insurance due to the Yarnell 19 incident.

Ms. Kimball spoke on the need for a phone for inspection scheduling and field use. There was discussion on the personal cell phone use policy and not using an employee's personal phone for a call in/inspection number; consideration of replacing the existing phone system; consideration of an additional truck rather than a new phone system.

There was discussion on a possible real property purchase brought forward by CM Wright and if they move forward with it using reserve funds for the preliminary work (appraisal, title search, etc.). This line item will be reduced to \$8k and using the rest under the vehicle purchase line item.

Parks and Rec. - \$10k is the same what was budgeted in last year's budget, with \$2k for the Butte Street Park.

Community Development: Town Manager Kimball spoke on staffing this department with bringing the plans review and inspections back in-house, with a possible Outside Service Provider (OSP) for commercial permit inspections. Yavapai County B.S. will finish out the permitting/inspection process with all active permits.

Library – The Library District Director has been in contact on possible changes for next year, with the town's IGA due to expire on June 2017. Costs are anticipated to rise, rental property is good until 2017 but building is anticipated to have increased costs for repairs.

Outreach Programs – Council reviewed the proposed programs: Funding the museum rent (\$7200); Lock Boxes for the Elderly (\$1k); Agua Fria Festival (\$5k); Funding for Branding of Town (\$5); Community-wide survey (\$5). Council reviewed each of these going down the list.

Funding for the Museum - David Nystrom spoke to the council on behalf of the Dewey-Humboldt Historical Society regarding the request for \$7200 in funding for the museum rent. There were questions on fundraising, expenditures versus revenues, expanding exhibits and outreach/advertisement. The D-H Historical Society was asked to provide the Council with their budget/financial numbers prior to Council making a decision on whether to fund the museum rent.

Public comment was taken on this.

Jerry Brady spoke on 501C3 Corporation status, standards, etc. He recommended they engage the IRS in this process.

Lock Boxes for the Elderly – Mayor Nolan spoke on his request to provide lock boxes for the elderly to be used for emergency response purposes. There was discussion on social services providing this service rather than government; potential problems with lock boxes. Lock Box project funding will be removed due to council consensus not to fund for this purpose.

Agua Fria Festival – Mayor Nolan gave an overview on the history of funding the festival and the return on the investment. He explained the Lions Club has taken over the festival this year. There were questions on the budget/plan. This information could be provided at

a future meeting. Council reviewed the money that came back to the town and then used for the Butte Street Park, providing a gazebo, playground equipment, ground cover, etc. Council will wait to make a decision after they have a chance to review the festival budget/plan.

Community-wide Survey – Councilmember Wright gave an overview on the request for this funding. She spoke on asking specific questions, going through NAU’s survey program. There was discussion on possible options for handling it in-house and problems if doing so, keeping it intimate with this community and possibly budgeting \$7500 as a ceiling to get the best survey.

Vice Mayor Alen made a motion to approve doing a survey of the town to determine the will of the people, with the questions to be determined later, budgeting \$7500 and allowing the Town Manager to bid out the job; seconded by Councilmember Wright. It was approved by a 5-0 vote in favor.

Branding – Vice Mayor Alen gave an overview on this budget item. She spoke on the sign that is up along Highway 69, south of town and this being part of this year’s branding budget. She suggested next year they could put up another sign and consider t-shirts and a trifold. She is working with non-profits and members of the community to do a signature event late in 2015, with no town financial commitment. There was discussion on whether to include “branding” as a survey question; moving forward with budgeting for the second sign; funding a non-profit instead. Mayor Nolan recommended they bring this to the full council for a vote.

Contingency – Per policy 10% of fund balance to go toward this. Council reviewed those items listed in this section: Water Study, town-wide (\$25k)- VM Alen; Fee Study (\$30)-CM Hamilton; Property Acquisition (\$200k) CM Wright.

Property Acquisition - There was discussion on what can come out of contingency. CM Wright explained she had not intended \$200k be budgeted for her “Property Acquisition” but \$80k. She spoke on the location of the vacant property; legalities surrounding the property; ingress/egress to property and location to BLM and Highway 69; whether this is a good location to land bank; location of to superfund site and remediation costs. CM Wright suggested putting \$5k toward exploring the property and start to fix the lot split issue. There was discussion on what order to pursue the legal and possible purchase of these properties and who should contact the seller.

Town Manager Kimball suggested if the town is interested in these properties she will put \$80k from contingency with \$3k additional for legal fees and \$5k for preparatory work and environmental study. She will not do anything (contact anyone) unless she hears further direction from Council.

Town Water Study – VM Alen gave an overview explaining there has not been an overarching water study of the area. There are groups the town can utilize such as WAC for a baseline. There was discussion on what information they would hope to obtain from a study; fund the WAC or the water study. The study will be left in the budget for now, but council consensus will have to be reached before moving forward.

Town Manager Kimball reviewed other council decisions that will still need to be made regarding budget items: phone system; vehicle purchase; town attorney at all/most meetings; electronic devices for council; annual rent for museum; Agua Fria Festival funding; branding; property purchase (reduced to \$5k). Lock boxes were removed from the budget.

**3.2. Future meeting scheduling and additional budget-related discussion topics.**  
(suggested: next discussion at 9 a.m., May 6, 2014; topics: Public Works Department third employee justification presentation, Old Black Canyon Hwy. situation as it relates to FY 14-15 Budget)

Town Manager Kimball reviewed the next budget discussion is scheduled for May 13<sup>th</sup> at 9:00 a.m. Council agreed they did not need to schedule an earlier budget meeting. She will give a summary of the budget workshop decisions at the regular meeting under the TM report.

**4. Comments from the Public.**

Jerry Brady spoke on liabilities for the town (management information systems, land acquisition, water)

**5. Adjourn.**

The meeting was adjourned at 12:50 p.m.

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Terry Nolan, Mayor

ATTEST:

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Judy Morgan, Town Clerk