

**Minutes of a Special Session of the Common Council of the Town of Clarkdale
Held on Tuesday, June 25, 2013**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, June 25, 2013, at 3:00 p.m. in the Clark Memorial Clubhouse, Men's Lounge, 19 N. Ninth Street, Clarkdale, Arizona.

CALL TO ORDER – Meeting was called to order at 3:00 P.M. by Mayor Von Gausig.

Town Council:

Mayor Doug Von Gausig
Vice Mayor Richard Dehnert

Councilmember Reynold Radoccia
Councilmember Curtiss Bohall (absent)
Councilmember Bill Regner

Town Staff:

Town Manager Gayle Mabery
Town Clerk Kathy Bainbridge
Community Development/Economic Director Jodie Filardo
Community Services/Human Resources Director Janet Perry
Utilities/Public Works Director Wayne Debrosky
Senior Planner Beth Escobar
Deputy Clerk Mary Ellen Dunn

PUBLIC COMMENT – The Town Council invites the public to provide comments at this time. Members of the Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01(G), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date. Persons interested in making a comment on a specific agenda item are asked to complete a brief form and submit it to the Town Clerk during the meeting. Each speaker is asked to limit their comments to five minutes.

There was no public comment.

CONSENT AGENDA - The consent agenda portion of the agenda is a means of expediting routine matters that must be acted on by the Council. All items are approved with one motion. Any items may be removed for discussion at the request of any Council Member.

- A. **Reports** - Approval of written Reports from Town Departments and Other Agencies
 - Building Permit Report – May, 2013
 - Capital Improvements Report – May, 2013
 - Magistrate Court Report – May, 2013
 - Clarkdale Fire District Report and Mutual Aid Responses Report – May, 2013
 - Police Department Report – May, 2013
 - NAIPTA Transit Report – May, 2013
- B. **Verde Valley Humane Society Impound Animal Agreement** – Approval of a 2013-2014 Verde Valley Humane Society Impound Animal Agreement.
- C. **Liquor License for Nate's Cowboy Café** – Approval of a recommendation to the Arizona Department of Liquor License and Control for approval of a Series #12 liquor

license application from Nathan Andrew Wagner, Agent for Nate's Cowboy Café, LLC, located at 1481 Palomar Way State Route, Clarkdale, Arizona.

Councilmember Radoccia moved to approve Consent Agenda items A – C as presented. Councilmember Regner seconded the motion. The motion was approved unanimously.

NEW BUSINESS

FACILITY REIMBURSEMENT AGREEMENT FOR USE OF TOWN FACILITIES BY THE CLARKDALE HISTORICAL SOCIETY AND MUSEUM – Discussion and consideration of a 2013-2014 Facility Reimbursement Agreement between the Town and the Clarkdale Historical Society and Museum.

In November of 2011 the Town executed the first Facility Reimbursement Agreement with the Clarkdale Historical Society and Museum (CHSM). This agreement includes the same regulations and minimal fees historically allowed for uses of Town facilities by local non-profit organizations (i.e. Clarkdale Lion's Club, and previously the Clarkdale Chamber of Commerce) in order to promote partnerships that provide benefit to the Clarkdale community at large. The fees imposed in these agreements are minimal in comparison with our standard user fees with the intention being to cover utility expenses and a minimum of administrative staff time.

It should be noted that the proposed Facility Reimbursement Agreement is specific to the use of Town facilities outside of the normal operations of the Museum. The Town of Clarkdale also has a separate Lease Agreement with the CHSM that was first approved in August, 2011 for use of the 2-story Town-owned facility at 900 First North Street where the CHSM is currently located. That agreement establishes that the Town will provide the building at no charge (and sets forth a value for the rent of \$13,188 - \$52,752 per year) to the CHSM, in consideration for the following:

- The CHSM will occupy the premises as a primary advocate and representative for Clarkdale's history and heritage, and in doing so shall:
 - Conduct regular events centered on the history and heritage of Clarkdale;
 - Have open to the public a museum depicting the history and heritage of Clarkdale;
 - Adhere to the terms of any Lease and/or Loan Agreements with Clarkdale; and
 - Adhere to other responsibilities as agreed upon by both parties.

The aforementioned Lease Agreement expires on March 31, 2014, but automatically renews in two year terms if neither party provides the other notice within 90 days of expiration.

As anticipated last year, this 2013-2014 renewal suggests an increase over the 2012-2013 discounted user fees. Because the fees in place last year were outdated and not realistic with current expenses, as part of the 12-13 renewal agreement negotiations with CHSM it was explained "while we are currently undertaking an analysis that will most likely lead to an amendment (an increase) in the daily fees paid by non-profits under such agreement, the CHSM will have the benefit of an agreement that secures the current rates through June 30, 2013." Staff has since analyzed the current, actual costs of daily expenses incurred which is the basis for increased rates proposed at this time. It is staff's intention that these increased figures be included with any proposed Facility Reimbursement Agreement with any entity in the future.

A comparison of financial impacts to CHSM based on the usage as noted in the agreement follows:

Facility	Days	Use	Total Days Incl. Setup &Takedown	Total Cost 12-13	Total Cost 13-14	Standard Fee (Resident)
Men's Lg. & Reading Rm.*	3 per yr.	Historic Building Tour event; Additional time for setup/takedown.	3	4.50 x 3 13.50	\$11.00 x 3 \$33.00	\$90.00 x 3 \$270.00
Auditorium, Kitchen** and Ladies' Lg.	5 per yr.	Heritage Dance events; Additional time for setup/takedown.	15	18.5 x 15 277.50	\$42.75 x 15 \$641.25	\$335.00 x 15 5,025.00
Men's Lg. & Reading Rm.*	1 per yr.	Living Legacy event; Additional time for setup/takedown.	3	4.50 x 3 13.50	\$11.00 x 3 \$33.00	\$90.00 x 3 \$270.00
Clark Memorial Clubhouse	TBD by TOWN	Building Tours (each event to be scheduled prior to occurrence).				
Clarkdale Town Park	TBD by TOWN	Various Recreational or Educational events.				
Total for known/scheduled events			21	\$304.50	\$707.25	\$5,565.00

*This reflects \$11.00 for the Men's Lounge and no charge (as in the past) for the Reading Room.

**Prior to the 13-14 renewal there have been no charges imposed for use of the Kitchen; the 13-14 costs reflect \$24.00 for the Auditorium, \$10.00 for the Kitchen, \$8.75 for the Ladies' Lounge.

For the upcoming renewal year, fees due from CHSM for the 21 days of use as anticipated in their agreement would be \$707.25. Under a standard, resident customer rental agreement these same fees would be \$5,565.00, representing an approximate 87.3% reduction in fees. While this reduction is significant, it does represent an increase over the fees paid last year by CHSM (which reflected a 90% reduction). However, staff believes that the 87.3% reduction continues to afford a strong statement of support for the relationship and the community benefits provided by the CHSM, while also moving to more realistically cover basic costs incurred as a result of facility uses.

The Town of Clarkdale has had the opportunity to form mutually beneficial partnerships with several non-profits in Clarkdale over the years. We've traditionally used Facility Reimbursement Agreements as a significant tool in those partnerships because they allow the flexibility to weigh the costs to operate and maintain our municipal facilities along with recognizing the many benefits to the community brought by the efforts of the non-profit entity.

The attached Facilities Reimbursement Agreement renewal draft shows proposed edits italicized and underlined, and deleted text struck through. Areas of note:

- In 'Rules for Use' (Page 2), Item 4 is added to include a deposit requirement for approved alcohol events. While this has been practiced, it was not previously included in the verbiage.
- In 'Consideration' (Page 4) a utility/administrative charge is added for use of the Kitchen and other fees are amended to reflect updated charges.
- In 'Insurance' (Page 5) a clarification is added to require receipt also of the Additional Insured endorsement in conjunction with the Certificate of Insurance. This is a requirement of the Town's insurer.

Community Services/Human Resources Director Janet Perry presented information on this renewal agenda item. Perry noted that a change recommended by staff would be to replace "Building Tours" (page 3 of agreement) to "Various Tours and/or Museum Events".

Vice Mayor Dehnert moved to approve the 2013-2014 Facility Use Agreement between the Town and the Clarkdale Heritage Society and Museum as presented by staff replacing "Building Tours" with "Various Tours and/or Museum Events". Councilmember Regner seconded the motion. The motion was approved unanimously.

CLARKDALE-JEROME LIONS CLUB FACILITIES USE AGREEMENT – Discussion and consideration of the 2013-2014 Reimbursement Agreement for the use of Town Facilities by the Clarkdale-Jerome Lions Club.

The Clarkdale-Jerome Lions Club (hereinafter referred to as "Club") has supported Clarkdale Parks and Recreation activities for many years. The Club provides volunteer support at Concerts in the Park, Santa Comes to Clarkdale, Caroling in the Park and, when offered, New Year's Eve Celebration. In addition, the Club has made generous donations to the Concerts in the Park (annually), Clarkdale Pool and the Clarkdale Police Department. In addition, the Club organized and hosted a car show fundraiser to benefit the Clarkdale Pool in 2011.

The Clarkdale-Jerome Lions Club has contracted with the Town since 1997 for the use of Town facilities at the minimal rates imposed for other, similar local non-profit organizations. The Club uses the facilities for their monthly business meetings, annual Officers' Training, Car, Truck and Bike Show, and food/refreshment sales table.

In addition to the minimal rates paid through this agreement, the Clarkdale-Jerome Lions Club is provided a vendor booth at no charge at the following events: Concerts in the Park (7-8 each year), Old-Fashioned 4th of July, and Halloween on Main. At these events they have available for purchase baked goods, water, soda, and at the Halloween event, hot chocolate and cider. The Clarkdale-Jerome Lions Club's annual Car, Truck and Bike Show is held in the Town Hall complex. They are provided the use of the Town Hall Parking Lot, Centennial Plaza and electricity at no charge.

As stated in the preceding agenda item, this 2013-2014 renewal suggests an increase over the 2012-2013 discounted user fees. Staff has analyzed the current, actual costs of daily expenses incurred which is the basis for increased rates proposed at this time.

A comparison of financial impacts to the Clarkdale-Jerome Lions Club based on the usage as noted in the agreement follows:

Facility	Days	Use	Total Days	Total Cost 12-13	Total Cost 13-14	Standard Fee (Resident)
Ladies Lounge	12 / yr.	Monthly Business Meeting	12	2.00 x 12 \$24.00	\$8.75 x 12 \$105.00	\$50.00 x 12 \$600.00
Clarkdale Town Park	1 day/yr.	4 th of July Sales Table	1	\$0.00	\$0.00	\$15.00
Clarkdale Town Park	1 day/yr.	Halloween Sales Table	1	\$0.00	\$0.00	\$15.00
Clarkdale Town Park	9 days/yr.	Concert Sales Table	9	\$0.00	\$0.00	\$15.00 x 9 \$135.00
Men's Lounge / Auditorium	1 day/yr.	Officers' Training	1	\$4.50	\$11.00	\$60.00
Town Hall Parking Lot & Centennial Plaza	1 day/yr.	Car, Truck & Bike Show	1	\$0.00	\$0.00	Not available for private use
Electricity	1 day/yr.	Car, Truck & Bike Show	1	\$0.00	\$0.00	\$30.00
Total for scheduled events			25	\$28.50	\$116.00	\$855.00

For the upcoming renewal year, fees due from the Clarkdale-Jerome Lions Club for the 25 days of use as anticipated in their agreement would be \$116.00. Under a standard, resident customer rental agreement these same fees would be \$855.00, representing an approximate 86.4% reduction in fees. Please note, these figures do not include use of the Town Hall Parking Lot & Centennial Plaza as they are not available for use for private events. Therefore, fees have not been established for use of these facilities. Staff believes that the 86.4% reduction continues to afford a strong statement of support for the relationship and the community benefits provided by the Clarkdale-Jerome Lions Club, while also moving to more realistically cover basic costs incurred as a result of facility uses.

The attached Facilities Reimbursement Agreement renewal draft shows proposed edits italicized and underlined, and deleted text struck through. In trying to maintain consistency, the Facility Reimbursement Agreement renewal draft has been updated with language that has been incorporated into the Town's Facility Reimbursement Agreement form. Areas of note:

- In 'Facility/Days/Event' matrix (Page 1), Centennial Plaza was included for the Car, Truck & Bike Show. The Club has been authorized to use Centennial Plaza in both 2012 and 2013.
- In 'Rules for Use' (Page 2), Item 4 is added to include a deposit requirement for approved alcohol events.
- In 'Consideration' (Page 4) a utility/administrative charge is added for use of the Kitchen and other fees are amended to reflect updated charges.
- In 'Insurance' (Page 5) a clarification is added to require receipt also of the Additional Insured endorsement in conjunction with the Certificate of Insurance. This is a requirement of the Town's insurer.

Community Services/Human Resources Director Janet Perry presented information on this renewal agenda item. Perry noted that the permit requirement has been waived in consideration for all the Lion's Club does for the Town.

Mayor Von Gausig opened the discussion to public comment:

Dave Andrews, President, Clarkdale-Jerome Lion's Club: Feels the Club has donated a great deal to the Town and would ask that the Town find a way to avoid his writing a monthly check to the Town for the use of the facility.

Mayor Von Gausig closed the public comment.

Perry agreed that allowing the Lion's Club to write an annual check rather than a monthly check would be an appropriate accommodation.

Vice Mayor Dehnert moved to approve the 2013-2014 Facility Use Agreement between the Town and the Clarkdale-Jerome Lions Club as presented by staff. Councilmember Radoccia seconded the motion. The motion was approved unanimously.

CLARKDALE SUSTAINABLE COMMUNITY & ECONOMIC DEVELOPMENT PLAN –
Discussion and consideration of the Clarkdale Sustainable Community & Economic Development Plan.

In the spring of 2012, the Town of Clarkdale began discussions on ensuring a sustainable future for the Town, under the guidance of the Focused Future II Program sponsored by Arizona Public Service in collaboration with community leaders and business owners. The result is a plan to direct decision making; to provide a road map for Clarkdale's economic and sustainability future; and to monitor progress and measure success.

To start the project, a group of community leaders were asked to work on this project and heartily agreed. Thanks in large part to their efforts and those of Sally Odette, APS, and the consulting teams hired by APS, a series of meetings were held through which the community's desired direction was determined.

Staff wishes to acknowledge the following Action Team participants and consultants in particular:

Focused Future Action Team

Steve Biasini, Linda Buchanan, Andy Dall, Richard Dehnert, Beth Escobar, Wayne Ferguson, Jodie Filardo, Gayle Mabery, Becky O'Banion, Jorge Olguin, Cliff Pollay, Nancy Pollay, Robyn Prud'homme-Bauer, Bill Regner, Janet Regner, Ray Selna, Teal Sullivan, Colleen Tobias, John Tobias, and Mike Zemke

Focused Future Technical Support

Sally Odette, APS, Peggy Fiandaca, Partners for Strategic Action, Inc., Sara Murley, Applied Economics, Inc., Judie Scalise, ESI, Corporation

In addition to the ten Action Team meetings, four community outreach sessions were held: the Economic Development 201 training, Economic Development Mini Summit, Focus Groups, and the Economic Development Town Hall. Overall, approximately 120 folks participated in the creation of this plan.

As a key part of the process, at the Mini Summit an analysis of Clarkdale's Strengths, Weaknesses, Opportunities, and Threats (SWOT) was created. While not intended to be exhaustive in nature, this

summary captures the plan's key focus areas. Building from the SWOT analysis, the community identified four overall economic development strategic opportunities aligned with the community's sustainability philosophy. These broad areas can attract both basic and non-basic businesses – those bringing new money into Clarkdale versus those circulating money around which is already here.

The strategic opportunities are:

- The Sustainable Clarkdale Initiative,
- Creative Clarkdale,
- Business Development, and
- Healthy Community.

Keying in on these strategic opportunities, a five-year plan was developed identifying focus areas and listing short-term goals (0-2 years) and mid-term goals (2-4 years). The Community Development Department of the Town of Clarkdale will take the lead in implementing the plan once it is accepted by Town Council. The support of partners such as Yavapai College, regional and community leaders, and local businesses will be critical to the accomplishment of the identified strategies. Several members of the Focused Future II Action Team are committed to working on the implementation of the plan.

In addition, a standard set of community indicators, a quantitative measure of activities that are important to the Town, have been identified. These indicators, including employment by sector, tax collections and average wage, will be tracked and measured to gauge the success of the plan.

The plan, once accepted by Council will be used to guide our economic development efforts and to communicate the economic direction of Clarkdale to residents and businesses interested in moving here. APS graciously has offered to print the report for us.

Community Development/Economic Director Filardo presented information on this agenda item.

More in-depth discussion followed regarding the strategies indicated in the plan and supplementing the plan to include work the department is already doing. Mayor Von Gausig noted that under "Advance tourism opportunities" a reference to the river trips would be appropriate.

Filardo noted that as chair-elect of the Verde Valley Regional Economic Organization and the officer at large of the NACOG Economic Development committee, the Town has access and relationship building opportunities with federal funding.

Filardo stated that this becomes a work plan for her office and once accepted by Council 250 copies of this Plan will be distributed at will. Then work will begin implementing the plan. APS recommends a community report and a gathering/showcase for the Plan.

Councilmember Regner moved to accept the Clarkdale Sustainable & Economic Development Plan for distribution and implementation. Vice Mayor Dehnert seconded the motion. The motion was approved unanimously.

INVESTMENT POLICY - Discussion and consideration regarding creation of an Investment Policy for the Financial Operations Guide of the Town of Clarkdale.

Arizona Revised Statutes §35–323 authorizes the Town to invest public monies in the State Treasurer's investment pool; U.S. Treasury obligations; specified state and local government bonds; and interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories. The statutes require collateral for demand deposits certificates of deposit and repurchase agreements at 101% of all deposits not covered by federal depository insurance.

The Town has not formally adopted deposit and investment policies that limit the Town's allowable deposits or investments and which address the specific types of risk to which the Town is exposed such as interest rate risk, credit risk and custodial risk. The Governmental Accounting Standard Board (GASB) requires auditors to comment on investment procedures in their Notes to Financial Statements, and Colby & Powell have noted in our Financial Statement that Clarkdale has not formally adopted a policy.

The purpose of this policy is to establish policies and procedures for the investment of Town of Clarkdale funds, and establish guidelines for the priorities and outcomes of those investments. This policy is designed to apply to the investment needs of the Town.

The policy enables the Town to consolidate cash and reserve balances from all funds in order to maximize investment earnings and to increase efficiencies with regard to investment management pricing, safekeeping costs and administration costs, except for cash in certain restricted and/or special funds, which are exempted from this policy. Investment income is allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

The performance of an actively managed portfolio on behalf of the Town will be expected to at least match the performance of the Local Government Investment Pool during any one-year period.

The Town does not have an abundance of funds that would allow for intricate investments. We currently use the Local Government Investment Pool (LGIP), Pool 7 and Wells Fargo savings accounts in conjunction with our checking account in order to stay liquid and meet anticipated cash flows.

LGIP Pool 7 is a short term fund that invests only in products backed by the full faith and credit of the US Government. The State Board of Deposit provides oversight for the State Treasurer's pools and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The shares are not identified with specific investments and are not subject to custodial credit risk. The Town's local sales tax, State Sales Tax, Urban Revenue Sharing, Vehicle License Tax and Highway User Revenue Tax (about \$175,000 monthly) are automatically deposited in the LGIP by the State monthly. We usually transfer those amounts every few months to Well Fargo Savings since the LGIP current rate jumps between .09% and .05%. We do have to take into consideration that we have to pay electronic transfer fees, so we do not make transfers monthly.

The Wells Fargo Saving accounts interest are currently at .25%. We currently have eight savings accounts which account for about 25 different pools of money valued at between \$3,500,000 - \$4,000,000. Funds are moved between the checking account and the savings accounts in order to meet cash flows and help keep the checking account bank fees of about \$500.00 - \$600.00 per month as low as possible.

The Town currently has a Collateral Agreement with Wells Fargo so that all of our funds are collateralized in the name of the Town and receive a monthly Collateral Analysis from Wells Fargo.

Town Clerk/Finance Director Bainbridge presented information on this agenda item. Discussion followed about what types of funds the Town has that would be available for other investment risks. Bainbridge stated that she would be uncomfortable investing in anything more volatile than our current, relatively safe accounts with the small amount of funds we have.

The Council agreed that the following changes should be added to the policy:

- 1) Authority to manage the investment program of the Town internally is granted to the Finance Director. The delegation of the management of the investment program of the Town to an external manager is granted to the Finance Director upon approval of the Council;
- 2) Any funds that may be determined eligible for investments outside of the secured LGIP and Wells Fargo Savings account shall come from contingency funds.

The agenda item was tabled pending changes.

FISCAL YEAR 2012-2013 BUDGET TRANSFERS – Discussion and consideration regarding authorization for fund transfers within the fiscal Year 2012-2013 budget.

Each year the Council adopts a balanced budget based on projections of local revenue as well as projections from the State of Arizona revenue (State Shared Revenues and State Sales Tax). Staff uses these projections to budget for expenses expected to be incurred in the following year. During the year, Council may make changes to a budget based on economic factors by authorizing additional transfers when needs are identified.

Exact amounts available for the requested budget balancing transfers will not be available until well after June 30th, when final sales tax collections are distributed by the State of Arizona and yearly closing entries have been completed. The following transfer totals are based on current projections of year end funds available. For audit purposes, these adjustments need to take place before the June 30th end of the Fiscal Year. Actual transfer amounts may differ due to changes in actual revenue received for the remainder of the year and amounts required to balance the General Fund, HURF Fund, Capital Projects Fund, Water Fund, Wastewater Fund, Sanitation Fund, and Cemetery Fund.

Proposed transfers are as follows and are based on total dollars available:

<u>Transfers out of:</u>	<u>Transfers into:</u>	<u>Amount:</u>	<u>Current Budget</u>
<u>Construction Tax Transfer to Capital Projects Fund and General Fund offset amount</u>			
General Fund – Construction Tax	Capital Projects Fund	\$ 120,000.00	\$55,000.00
<u>General Fund Transfer to HURF Fund</u>			
General Fund – Street Funding	Street (HURF) Fund	\$100,000.00	\$83,000.00
<u>Administration Fee Fund transfers to General Fund</u>			
Streets Fund	General Fund	\$37,727.28	\$37,727.28

Wastewater Fund	General Fund	\$30,402.84	\$30,402.84
Water Fund	General Fund	\$54,541.48	\$54,541.48
Sanitation Fund	General Fund	\$23,629.42	\$23,629.42
Grants Fund	General Fund	\$ 6,363.64	\$ 6,363.64
Cemetery Fund	General Fund	\$ 3,835.92	\$ 3,835.92

<u>Transfers out of:</u>	<u>Transfers into:</u>	<u>Amount:</u>	<u>Current Budget</u>
Sanitation Fund	Streets Fund	\$40,000.00	\$40,000.00
Perpetual Care Fund	Cemetery Fund	\$15,500.00	\$15,500.00
Water Fund (Equipment Rental)	Streets Fund	\$ 3,000.00	\$ 3,000.00

Town Clerk/Finance Director Bainbridge presented information on this agenda item.

Vice Mayor Dehnert moved to authorize the staff to make the necessary budget balancing fund transfers within the Fiscal Year 2012-2013 budget. Councilmember Regner seconded the motion. The motion was approved unanimously.

ALLOCATION OF FUND BALANCE – Discussion and direction to staff to allocate \$30,300.00 of projected fund balance prior to June 30, 2013.

Through a combination of conservative budgeting, control of expenses, and higher than expected local sales tax generation, Finance Director Kathy Bainbridge is projecting an approximate \$140,000 positive balance in the General Fund for the Fiscal Year and \$92,800 in the Capital Improvements Project Fund ending June 30, 2013. Without any further Council action, any unrestricted funds that remain at the end of the Fiscal Year are credited to the Fund Balance of the General Fund, and serve as an unrestricted reserve (also described as a contingent or rainy day fund).

A “Funding Sources Worksheet” was established for FY 2013-2014 which collected some previous designated funds along with projected remaining FY 2012-2013 fund balances for the council to designate as projects in FY 2013-2014. The Council designated \$284,680 towards those projects which are included on the Designated Funds Spreadsheet which will be brought to council at a July meeting for approval.

With Council action, some of the projected \$232,800 available could be directed to fund expenses before the end of the Fiscal Year.

Direction was given to our IT Staff to move forward with purchases that would improve our technological abilities and move towards returning to our maintenance routine which had been deferred due to severely reduced revenue in the amount of \$15,300 for ten PCs.

Direction was also give to our Public Works Department to move forward with purchases a chipper and a new OSHA required lift for the Public Works shop totaling \$15,000.00.

Town Clerk/Finance Director Bainbridge presented information on this agenda item.

Vice Mayor Dehnert moved to direct staff to allocate \$30,300.00 of the projected \$232,800 fund balance in the General Fund and Capital Improvement Project Fund prior to June 30, 2013 for IT and capital equipment purchases. Councilmember Radoccia seconded the motion. The motion was approved unanimously.

FY 2013-2014 PRELIMINARY BUDGET – Discussion and consideration of adoption of a Preliminary Budget for Fiscal Year 2013-2014.

A PowerPoint presentation will review the total expenditures and revenues for each fund. The preliminary budget must be fully itemized in conformance with forms supplied by the Arizona Auditor General’s Office and entered as a public record in the council meeting minutes when it is adopted.

As part of the required State budget adoption process, the Town will publish the preliminary budget in the local newspaper and have the budget available for public viewing before the final budget hearing and approval on July 23rd. After the preliminary budget is approved, adjustments may still be made prior to when the Final Budget is adopted, but only if those adjustments reduce revenues and/or expenditures. In light of that, the adoption of the Preliminary Budget sets the expenditure limitation for the Town of Clarkdale for FY 2013-14.

The Preliminary Budget on the State Auditor General forms and the PowerPoint presentation are expected to be completed at the Council meeting.

Town Clerk/Finance Director Bainbridge presented information on this agenda item. The following represents the Summary Schedule of Estimated Expenditures for Fiscal Year 2014 which result in a 15.875% decrease from last fiscal year:

<u>Fund</u>	<u>Expense</u>
General Fund	\$ 3,993,519
Special Revenue Funds	\$ 8,077,078
Capital Projects Funds	\$ 722,020
Permanent Funds	\$ 46,265
Enterprise Funds Available	\$ 7,467,697
TOTAL ALL FUNDS	\$20,306,579

Councilmember Radoccia moved to adopt the Preliminary Budget for Fiscal Year 2013-2014 as presented. Councilmember Regner seconded the motion. The motion was approved unanimously.

FUTURE AGENDA ITEMS - Listing of items to be placed on a future council agenda.

ADJOURNMENT – without objection, Mayor Von Gausig adjourned the meeting at 4:55 P.M.

APPROVED:



 Doug Von Gausig, Mayor

ATTESTED/SUBMITTED:



 Kathy Bainbridge, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of the Town of Clarkdale, Arizona held on the 25th day of June, 2013. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 10 day of July, 2013.

SEAL

Kathy Bairbridge
Kathy Bairbridge, Town Clerk

TOWN OF CLARKDALE
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2014

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2013	ACTUAL EXPENDITURES/EXPENSES** 2013	FUND BALANCE/ NET POSITION*** July 1, 2013**	PROPERTY TAX REVENUES 2014	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2014	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014		TOTAL FINANCIAL RESOURCES AVAILABLE 2014	BUDGETED EXPENDITURES/EXPENSES 2014	Proposed Budget Summary Spreadsheet (Green)
						SOURCES <USES>	<OUT>	IN	<OUT>			
1. General Fund	\$ 3,456,888	\$ 2,632,371	\$ 392,027	\$ 438,220	\$ 3,114,465	\$	\$	\$ 204,407	\$ 145,600	\$ 3,993,519	\$ 3,993,519	General Fund & Donations
2. Special Revenue Funds	12,006,675	1,406,991	1,154,002	Secondary:	6,876,260			90,600	43,774	8,077,078	9,077,078	Streets, Developer Reimb, Grants, Impact Fees, Court Enhancement
3. Debt Service Funds Available												
4. Less: Amounts for Future Debt Retirement												
5. Total Debt Service Funds												
6. Capital Projects Funds	650,463	67,020	67,020		600,000			56,000		722,020	722,020	Capital Projects
7. Permanent Funds	56,485	16,600	67,125		4,840				15,600	46,265	46,265	Perpetual Care
8. Enterprise Funds Available	7,929,062	8,211,877	2,722,517		3,220,313			15,500	160,632	7,467,888	7,467,697	Water, Wastewater, Sanitation, Cemetery
9. Less: Amounts for Future Debt Retirement												
10. Total Enterprise Funds	7,929,062	8,211,877	2,722,517		3,220,313			15,500	160,632	7,467,888	7,467,697	
11. Internal Service Funds												
12. TOTAL ALL FUNDS	\$ 24,138,673	\$ 12,233,760	\$ 4,362,690	\$ 438,220	\$ 13,616,668	\$ 1,670,000	\$	\$ 365,507	\$ 365,506	\$ 20,306,579	\$ 20,306,579	Budgeted Expenses + Transfer Out

Designated Funds Spreadsheet (Violet)

Schedule B

Schedule C

Schedule D

Schedule E

EXPENDITURE LIMITATION COMPARISON

- Budgeted expenditures/expenses
- Add/subtract: estimated net reconciling items
- Budgeted expenditures/expenses adjusted for reconciling items
- Less: estimated exclusions
- Amount subject to the expenditure limitation
- EEC or voter-approved alternative expenditure limitation

	2013	2014
1. Budgeted expenditures/expenses	\$ 24,138,673	\$ 20,306,579
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	24,138,673	20,306,579
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 24,138,673	\$ 20,306,579
6. EEC or voter-approved alternative expenditure limitation	\$	\$

15.875% DECREASE

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.
 ** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
 *** Amounts in this column represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

TOWN OF CLARKDALE
Tax Levy and Tax Rate Information
Fiscal Year 2014

	2013	2014
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 448,486	\$ 461,666
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$	
3. Property tax levy amounts		
A. Primary property taxes	\$ 412,391	\$ 438,220
B. Secondary property taxes		
C. Total property tax levy amounts	\$ 412,391	\$ 438,220
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 397,426	
(2) Prior years' levies	11,692	
(3) Total primary property taxes	\$ 409,118	
B. Secondary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies	\$	
(3) Total secondary property taxes	\$	
C. Total property taxes collected	\$ 409,118	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	1.3333	1.6000
(2) Secondary property tax rate		
(3) Total city/town tax rate	1.3333	1.6000
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating zero special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

TOWN OF CLARKDALE
Revenues Other Than Property Taxes
Fiscal Year 2014

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 885,000	\$ 1,120,000	\$ 961,000
Public Safety Sales Tax			
Licenses and permits			
Business & Home Occupational Licenses	6,500	7,000	7,000
Building Permits	20,000	22,000	40,000
General Planning and Zoning	500	2,000	500
Intergovernmental			
County Motor Vehicle Licenses	208,500	208,500	208,900
Yavapai County Library District	30,613	30,613	31,000
State Sales Tax Revenue Sharing	335,740	335,740	346,932
State Income Tax Revenue Sharing	418,462	418,462	457,082
Charges for services			
Facilities Rentals	3,000	8,800	5,500
Animal Control	1,500	1,500	1,500
Museum Utility Reimbursement	1,700	2,300	2,000
Police Special Project Reimbursement		350	
Parks & Recreation Revenue			
Fines and forfeits			
Magistrate Court Fines	20,000	20,000	23,000
Forfeitures and Auctions	25,000		25,000
Interest on Investments			
LGIP Interest	300	800	400
Wells Fargo Interest		50	500
Donations			
Library	7,000	2,500	7,000
Parkss & Recreation	95,800	4,905	15,900
Police	19,700	4,700	16,700
Yavapai Apache Nation	25,000	13,750	12,250
Other Donations	500,000	8,341	500,000
Miscellaneous			
Franchise Royalties	90,000	90,000	90,000
Miscellaneous Revenue	10,404	5,815	9,801
Development & Grwoth	100,000		100,000
Insurance Dividends		1,100	
Excise Tax Refunds	3,000	2,200	2,500
Contingency Revenue	50,000		250,000
Total General Fund	\$ 2,857,719	\$ 2,311,426	\$ 3,114,465

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

TOWN OF CLARKDALE
Revenues Other Than Property Taxes
Fiscal Year 2014

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 885,000	\$ 1,120,000	\$ 961,000
Public Safety Sales Tax			
Licenses and permits			
Business & Home Occupational Licenses	8,500	7,000	7,000
Building Permits	20,000	22,000	40,000
General Planning and Zoning	500	2,000	500
Intergovernmental			
County Motor Vehicle Licenses	208,500	208,500	208,900
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Museum Utility Reimbursement	1,700	2,300	2,000
Police Special Project Reimbursement		350	
Parks & Recreation Revenue			
Fines and forfeits			
Magistrate Court Fines	20,000	20,000	23,000
Forfeitures and Auctions	25,000		25,000
Interest on investments			
LGIP Interest	300	800	400
Wells Fargo Interest		50	500
Donations			
Library	7,000	2,500	7,000
Parkss & Recreation	95,800	4,905	15,900
Police	19,700	4,700	16,700
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Miscellaneous			
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Miscellaneous Revenue	10,404	5,815	9,801
Develoipment & Grwoth	100,000		100,000
Insurance Dividends		1,100	
Excise Tax Refunds	3,000	2,200	2,500
Contingency Revenue	50,000		250,000
Total General Fund	\$ 2,857,719	\$ 2,311,426	\$ 3,114,465

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

TOWN OF CLARKDALE
Revenues Other Than Property Taxes
Fiscal Year 2014

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
SPECIAL REVENUE FUNDS			
Highway User - Streets	\$ 282,000	\$ 282,000	\$ 283,220
Interest	500	625	350
Equipment Rental Fees	9,500	3,000	6,500
Total Highway User Revenue Fund	\$ 292,000	\$ 285,625	\$ 290,070
Other Special Revenue Funds			
Developer Reimbursables	\$ 1,100,030	\$ 312,200	\$ 1,950,000
CDBG	379,728	304,230	
Grant Fund	5,487,470	468,268	4,633,300
ARRA Grants	4,000,000		
Impact Fee Fund			380
Court Enhancement Fund		1,250	2,500
Total Other Special Revenue Funds	\$ 10,967,228	\$ 1,084,698	\$ 6,586,180
Total Special Revenue Funds	\$ 11,259,228	\$ 1,370,323	\$ 6,876,250
CAPITAL PROJECTS FUNDS			
CIP	\$ 583,073	120,010	600,000
Total Capital Projects Funds	\$ 583,073	\$ 120,010	\$ 600,000
PERMANENT FUNDS			
Cemetery Perpetual Care	4,500	5,140	4,640
Total Permanent Funds	\$ 4,500	\$ 5,140	\$ 4,640
ENTERPRISE FUNDS			
Water			
Customer Usage and Account Fees	\$ 1,241,089	\$ 1,174,135	\$ 1,208,551
Conneciton Fees - Type A	25,000	2,150	25,000
Connection Fees - Type B	100,000	3,000	
Tap Fees	10,000		10,000
Water Capacity Fee	125,050	4,664	232,215
Water Resource Development	76,000	76,000	85,344
Water Conservation	4,500	4,500	5,334
Gila River Adjudication	7,300	7,300	8,748
Water Advisory Committee	5,700	5,700	5,700
Investment Interest	1,100	1,930	1,580
Water Fund Revenue Total	\$ 1,595,739	\$ 1,279,379	\$ 1,582,472
Wastewater			
Wastewater O&M Revenue	\$ 476,977	\$ 396,556	\$ 505,892
Wastewater Sludge Removal	30,300	41,073	50
Wastewater Line Replacement Revenue	30,800	41,023	33,310
Wastewater Development Project Revenue	50,800		
WW Plant & Equipment Improvements	4,577,600	4,500,000	685,640
WW Reserve Fund			
WW Capacity Fees			91,211
Wastewater Lift Station	50	107	100
Wastewater Fund Revenue Total	\$ 5,166,327	\$ 4,978,759	\$ 1,316,203
Cemetery			
Lot Sales, Internments, Dome Sales	\$ 26,695	\$ 42,430	\$ 29,888
Prepaid Revenue			
Investment Interest		110	
Cemetery Fund Revenue Total	\$ 26,695	\$ 42,540	\$ 29,888
Sanitation			
Sanitation User Fees	\$ 276,500	\$ 280,500	\$ 291,500
Interest Income	23	250	250
Sanitation Fund Revenue Total	\$ 276,523	\$ 280,750	\$ 291,750
Total Enterprise Funds	\$ 7,065,284	\$ 6,581,567	\$ 3,220,313
TOTAL ALL FUNDS	\$ 21,769,804	\$ 10,388,466	\$ 13,815,668

TOWN OF CLARKDALE
Other Financing Sources/⟨Uses⟩ and Interfund Transfers
Fiscal Year 2014

FUND	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014	
	SOURCES	⟨USES⟩	IN	⟨OUT⟩
GENERAL FUND				
General Fund to Streets Fund	\$	\$	\$	\$ 90,600
General Fund to CIP Fund				55,000
Water Fund Admin Fee Transfer			58,273	
Wastewater Fund Admin Fee Transfer			33,545	
Street Fund Admin Fee Transfer			34,606	
Cemetery Fund Admin Fee Transfer			4,126	
Grants Fund Admin Fee Transfer			9,168	
Sanitation Fund Admin Fee Transfer			24,688	
Sanitation Fund Transfer to GF for Streets			40,000	
Total General Fund	\$	\$	\$ 204,407	\$ 145,600
SPECIAL REVENUE FUNDS				
Street Fund from General Fund	\$	\$	\$ 90,600	\$
Street Fund Admin Fee Transfer to GF				34,606
Grants Fund Admin Fee Transfer to GF				9,168
Street Fund from Sanitation Fund				
Total Special Revenue Funds	\$	\$	\$ 90,600	\$ 43,774
DEBT SERVICE FUNDS				
	\$	\$	\$	\$
Total Debt Service Funds	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS				
General Fund Transfer to CIP Fund	\$	\$	\$ 55,000	\$
Total Capital Projects Funds	\$	\$	\$ 55,000	\$
PERMANENT FUNDS				
Perpetual Care Transfer to Cemetery Fu	\$	\$	\$	\$ 15,500
Total Permanent Funds	\$	\$	\$	\$ 15,500
ENTERPRISE FUNDS				
Water Fund Admin Fee Transfer to GF	\$	\$	\$	\$ 58,273
WW Fund Admin Fee Transfer to GF				33,545
Water O&M Transfer to Water P&E				
Water P&E from Water O&M				
WW OM transfer to WW P&E				
WW P&E transfer from WW O&M				
Cemetery Fund Admin Fee Transfer to GF				4,126
Sanitation Fund Admin Fee Transfer to GF				24,688
Sanitation Fund Transfer to GF for Streets				40,000
Cemetery Fund from Peperual CareFund			15,500	
Sanitation Fund to Streets				
WW Plant & Equipment Improvement	1,020,000			
Water Equipment Improvement	650,000			
Total Enterprise Funds	\$ 1,670,000	\$	\$ 15,500	\$ 160,632
INTERNAL SERVICE FUNDS				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 1,670,000	\$	\$ 365,507	\$ 365,506

TOWN OF CLARKDALE
Expenditures/Expenses by Fund
Fiscal Year 2014

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
GENERAL FUND				
Contingency	\$ 352,441	\$	\$ 34,000	\$ 715,290
Administration	244,507		248,940	273,672
Town Clerk	95,376		92,991	101,702
Human Resources	62,340		55,638	64,887
Town Wide Services	292,561		351,534	352,471
Library	61,739		63,933	61,203
Community Development	270,473		295,177	331,837
Community Services	108,962		110,085	117,719
Parks & Recreation	12,950		12,725	14,050
Court	96,322		74,701	85,179
Police	811,197		782,155	812,478
Public Works	385,182		387,862	440,143
Donations	702,938		22,630	622,887
Total General Fund	\$ 3,496,988	\$	\$ 2,532,371	\$ 3,993,519
SPECIAL REVENUE FUNDS				
Streets	\$ 643,056	\$	\$ 646,355	\$ 636,042
Development Reimbursement	1,406,030		36,250	2,256,030
CDBG	378,728		304,230	
Grants	5,540,727		418,156	4,701,654
ARRA Grants	4,000,000			
Court Enhancement Fund	2,856		2,000	2,500
Impact Fee Fund	34,278			480,852
Total Special Revenue Funds	\$ 12,005,675	\$	\$ 1,406,991	\$ 8,077,078
DEBT SERVICE FUNDS				
	\$	\$	\$	\$
Total Debt Service Funds	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS				
Capital Projects	\$ 650,463	\$	\$ 67,020	\$ 722,020
Total Capital Projects Funds	\$ 650,463	\$	\$ 67,020	\$ 722,020
PERMANENT FUNDS				
Cemetery Perpetual Care	\$ 56,485	\$	\$ 15,500	\$ 46,265
Total Permanent Funds	\$ 56,485	\$	\$ 15,500	\$ 46,265
ENTERPRISE FUNDS				
Wastewater O&M	\$ 304,030	\$	\$ 340,004	\$ 335,453
Wastewater Sludge Removal	40,649		10,349	42,866
Wastewater Line Replacement	427,926		2,320	470,752
Wastewater Development Project	395,609		8,000	
WW Plant & Equipment Improve	6,708,345		5,155,705	2,598,596
Wastewater Reserve Fund				70,755
WW Capacity Fees				91,211
Wastewater Lift Station	52,503			52,660
Total Wastewater Funds	\$ 7,929,062	\$	\$ 5,516,378	\$ 3,662,293
Water O&M	\$ 1,321,546	\$	\$ 1,179,520	\$ 1,144,858
Water Capital Improvement	1,213,718		1,154,000	2,059,755
Water Capacity Fee	135,606			236,859
Total Water Fund	\$ 2,670,872	\$	\$ 2,333,520	\$ 3,441,472
Sanitation	\$ 334,002	\$	\$ 306,704	\$ 322,670
Total Sanitation Fund	\$ 334,002	\$	\$ 306,704	\$ 322,670
Cemetery	\$ 38,359	\$	\$ 55,275	\$ 41,262
Total Cemetery Fund	\$ 38,359	\$	\$ 55,275	\$ 41,262
Total Enterprise Funds	\$ 10,972,295	\$	\$ 8,211,877	\$ 7,467,697
Internal Service Funds				
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 27,181,906	\$	\$ 12,233,760	\$ 20,306,579

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

TOWN OF CLARKDALE
Full-Time Employees and Personnel Compensation
Fiscal Year 2014

FUND	Full-Time Equivalent (FTE) 2014	Employee Salaries and Hourly Costs 2014	Retirement Costs 2014	Healthcare Costs 2014	Other Benefit Costs 2014	Total Estimated Personnel Compensation 2014
GENERAL FUND	28	\$ 1,186,153	\$ 183,934	\$ 268,040	\$ 88,985	\$ 1,727,112
SPECIAL REVENUE FUNDS						
Streets Fund	2	\$ 105,876	\$ 12,218	\$ 25,797	\$ 40,147	\$ 184,038
Grants Fund	1	63,210	12,043	13,566	3,060	91,879
Total Special Revenue Funds	3	\$ 169,086	\$ 24,261	\$ 39,363	\$ 43,207	\$ 275,917
DEBT SERVICE FUNDS						
		\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
		\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
		\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
Wastewater Fund	3	\$ 114,528	\$ 13,217	\$ 27,122	\$ 15,808	\$ 170,675
Sanitation Fund (Shared Cemetery)	1	15,694	1,811	3,868	35	21,408
Cemetery Fund		17,287	1,995	6,443		25,725
Water Fund	4	198,691	22,929	49,577	19,401	290,598
Total Enterprise Funds	8	\$ 330,506	\$ 38,141	\$ 83,142	\$ 35,209	\$ 486,998
TOTAL ALL FUNDS	39	\$ 1,685,745	\$ 246,336	\$ 390,545	\$ 167,401	\$ 2,490,027