

**Minutes of a Special Session of the Common Council of the Town of Clarkdale
Held on Tuesday, June 10, 2014**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, June 10, 2014, 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 3:03 P.M. by Mayor Von Gausig.

Town Council:

Mayor Doug Von Gausig
Vice Mayor Richard Dehnert

Councilmember Reynold Radoccia
Councilmember Curtiss Bohall
Councilmember Bill Regner

Town Staff:

Town Manager Gayle Mabery
Town Clerk/Finance Director Kathy Bainbridge
Finance Supervisor Kathy Cwiok
Community Development/Economic Director Jodie Filardo
Community Services/Human Resources Director Janet Perry
Community Services Supervisor Dawn Norman
Utilities/Public Works Director Wayne Debrosky
Utilities Supervisor Ellen Yates
Sergeants Troy Smith and Bill Relyea
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.

NEW BUSINESS

FISCAL YEAR 2013-2014 BUDGET TRANSFERS – Discussion and consideration regarding authorization for fund transfers within the fiscal year 2013-2014 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	\$ 50,000.00	\$55,000.00
<u>General Fund Transfer to HURF Fund</u>			
General Fund – Street Funding	Street (HURF) Fund	\$81,540.00	\$90,600.00
<u>Administration Fee Fund transfers to General Fund</u>			
Streets Fund	General Fund	\$34,606.33	\$34,606.33
Wastewater Fund	General Fund	\$33,545.24	\$33,545.24
Water Fund	General Fund	\$58,272.50	\$58,272.50
Sanitation Fund	General Fund	\$24,688.33	\$24,688.33
Grants Fund	General Fund	\$10,919.00	\$ 9,167.69
Cemetery Fund	General Fund	\$ 4,126.21	\$ 4,126.21

<u>Transfers out of:</u>	<u>Transfers into:</u>	<u>Amount:</u>	<u>Current Budget</u>
Sanitation Fund	General Fund for Streets	\$40,000.00	\$40,000.00
Perpetual Care Fund	Cemetery Fund	\$15,500.00	\$15,500.00
Water Fund (Equipment Rental)	Streets Fund	\$ 2,000.00	\$ 2,000.00

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 2013-2014 budget. Councilmember Regner seconded the motion. The motion was approved unanimously.

REALLOCATION OF DESIGNATED FUNDS – Discussion and consideration of reallocating \$25,000 of the 2013-2014 Designated Funds to the General Fund for building repairs. The 2013-2014 line item budgets for Building Maintenance and Building Improvements totaled \$16,020.00. The unexpected building repairs during the year of re-roofing the shop, purchasing and installing a new air conditioner unit for the Administration/Library building and purchasing and installing a new air conditioner unit for the Community Development building were not able to be funded by the General Fund in the amount of \$25,000.

Council approved special project designated funds for fiscal year 2013-2014 in the amount of \$40,000 for the streetscape project on Main Street between Broadway and Ninth Street. That project

has yet to be started this current fiscal year and staff is requesting that \$25,000 of those funds be reallocated to the General Fund Public Works Budget as follows:

<u>Account Number</u>	<u>Description</u>	<u>Current Budget</u>	<u>Reallocation</u>	<u>New Budget</u>
01-5-3101-7503	Building Maintenance	\$ 6,020.00	\$12,000.00	\$18,020.00
01-5-3101-7600	Building Improvements	<u>\$10,000.00</u>	<u>\$13,000.00</u>	<u>\$23,000.00</u>
		\$16,020.00	\$25,000.00	\$41,020.00

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

Councilmember Regner moved for the approval of reallocating \$25,000 of the 2013-2014 Designated Funds to the General Fund for building repairs:

<u>Account Number</u>	<u>Description</u>	<u>Current Budget</u>	<u>Reallocation</u>	<u>New Budget</u>
01-5-3101-7503	Building Maintenance	\$ 6,020.00	\$12,000.00	\$18,020.00
01-5-3101-7600	Building Improvements	\$10,000.00	\$13,000.00	\$23,000.00
		\$16,020.00	\$25,000.00	\$41,020.00

Vice Mayor Dehnert seconded the motion. The motion passed unanimously.

FISCAL YEAR 2014-2015 PRELIMINARY BUDGET WORKSESSION – A worksession with Council regarding the Preliminary Budget for the 2014-2015 Fiscal Year Budget.

At the April 22 and May 13, 2014 council meetings, presentations of the 2014-2015 Fiscal Year Preliminary Budget were reviewed for the Major Operational Funds of the General Fund, HURF (Streets) Fund, Sanitation Fund, Wastewater Fund, Water Fund, Cemetery Fund, and Capital Improvement Fund and the Non-Operational Funds of the Development Reimbursement Fund, Grant Fund and Donation Fund.

This session will be an overall review of the budgets for all funds with discussions regarding property tax, water utility rates and special designated fund projects in order to get direction from Council regarding the Official Preliminary Budget which is scheduled for action on June 24, 2014.

Town Clerk/Finance Director Bainbridge presented information on this agenda item and indicated there were four areas staff require Council direction:

- 1) Water rate increase
- 2) WWTP additional payment
- 3) Designated project funding
- 4) Property tax levy

WWTP ADDITIONAL PAYMENT:

Council directed Finance Director Bainbridge to make the additional payment of \$660,000 toward the WIFA debt service from the future wastewater treatment plant funds paid to the Town by developers, BC Land Group (Mountain Gate).

WATER RATE INCREASE:

Utilities Supervisor Ellen Yates presented Council with four possible options for the increase.

- 1) Twenty percent (20%) increase over the tiers leaving base rate the same;
- 2) Twenty-two percent (22%) increase on the base rate leaving the tiers the same;
- 3) A six percent (6%) increase to the base rate and a fifteen percent (15%) increase to the tiers;
- 4) A twelve percent (12%) increase to the base rate and a nine-and-a-half percent (9 ½%) increase to the tiers.

Council directed staff to apply the third option (6% increase to base, 15% increase to tiers) to the budget for the water rate increase.

DESIGNATED PROJECT FUNDING:

Finance Director Bainbridge informed Council there was \$95,250 in unspent project funds from 2013-2014 that would carry over to the 2014-2015 budget. Staff recommendations were presented to Council:

Microphones/IT upgrades in Men’s Lounge	\$25,000
Mongini Park master plan/study	\$15,000
Main Street Park improvements	\$25,000
Code Recodification	\$13,000
Economic Development/Marketing:	
VVREO	\$500
AZ Tourism Show	\$2000
League Giveaways	\$2500
Marketing	\$2500
VV Geo-Tourism Marketing	\$2500
Projects	\$7250
	<u>\$17,250</u>
	<u>\$95,250</u>

Other recommendations included streetscape development, way finding signage, and a parking study.

Councilmember Bohall reported that following neighbor complaints about improving the Mongini Park ball field, and subsequent improvements made, very few people make use of the field, possibly due to hot weather. A lot of children use the playground area, but no one has made use of the ramadas in a long time.

Council directed staff to move the \$15,000 for Mongini Park improvements into the Economic Development/Marketing Projects to be used toward way finding signage.

PROPERTY TAX LEVY:

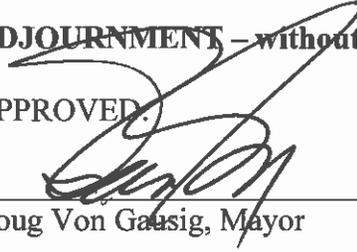
Mayor Von Gausig stated that implementing the property tax levy would not be worth the risk to the Home Rule election coming up in August. Council agreed with that assessment and directed staff accordingly.

This is a worksession only and no action by Council is required.

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

ADJOURNMENT - without objection, Mayor Von Gausig adjourned the meeting at 6:00 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 10th day of June, 2014. I further certify that meeting was duly called and held and that a quorum was present.

Dated this 21 day of July, 2014.

SEAL



Kathy Bainbridge, Town Clerk