

**Minutes of a Special Meeting of the Common Council of the Town of Clarkdale  
Held on Tuesday, June 3, 2008**

A Special Meeting of the Common Council of the Town of Clarkdale was held on Tuesday, June 3, 2008, at 3:00 PM. in the Men's Lounge of the Clark Memorial Clubhouse, 19 North Ninth Street, Clarkdale, Arizona.

Town Council:

Mayor Doug Von Gausig  
Vice Mayor Jerry Wiley

Councilmember Patricia Williams  
Councilmember Curtiss Bohall

Town Staff:

Town Manager Gayle Mabery  
Public Works Director Steve Burroughs  
Finance Director Carlton Woodruff  
Town Clerk Kathy Bainbridge

Assistant Town Manager Janet Perry  
Community Development Director Sherry Bailey  
Police Chief Pat Haynie  
Utility Director Wayne Debrosky

**CALL TO ORDER** - Mayor Von Gausig called the meeting to order at 3:00 PM and noted that all Council members were present except Councilmember Sa.

**PUBLIC COMMENT – Mayor Von Gausig informed the audience that the Council could not reply to comments on items that were not on the posted agenda per state law. The Council is interested in the public's comments, but may not be able to respond other than to offer clarification or direct staff.**

*Christine Schwab, Clarkdale, was present to comment on the location of engine braking signs, the Mountain Gate sale sign located on private property, and non-notification of water utility work with possibility of water being turned off to the residents. Ms. Schwab was informed to contact Town Manager Mabery for additional information on the items.*

**NEW BUSINESS**

**BUDGET WORKSESSION – A Worksession to discuss the 2008-2009 Fiscal Year Budget.**

Finance Director, Carlton Woodruff, presented a power point presentation on the 2008/2009 General Fund Budget revenue, General Fund department expenses, contingency planning, and HURF revenues and expenses.

Finance Director Woodruff explained the line item revenues to the Council. Building Permit revenues were budgeted at the base of four to five years ago with a decrease of \$260,000 from 2007, leaving a budget of \$70,000. Sales tax and property tax revenues are the major revenues in the General Fund. Local sales tax was budgeted with an 11% decrease from the total expected 2007 revenue. Property tax was budgeted at \$290,479 which reflects a .71 levy, the same as in 2007. The levy rate could be statutorily raised which would show approximately \$100,000 of additional revenue, but the recommendation of Town Manager Mabery and Finance Director Woodruff was to hold the same levy as 2007.

General Fund department expenditures were budgeted at below base levels. The Administration Department budget had a 29.22% reduction from the 2007-2008 budget, the Clerks Department had a 31.57% reduction, and the ICT Department had a 49.76% reduction. The Town Wide budget, which includes the municipal attorney, audit services, liability and property insurance, along with League dues and leadership development was budgeted with a 9.11% reduction. The Library had a 14.90% reduction in the budget for a total budget of \$50,519, Yavapai County Library District funds \$24,859 of the Library budget. Community Development was budgeted with a 21.71% reduction, Police a 9.21% reduction, Parks & Recreation a 30.06% reduction, Court a 4.75% reduction, and Heritage Conservancy Board a 52.38% reduction. The Pool had a 21.21% increase, which was mostly due to readjustments of salary costs. Buildings had an increase of 6.14%.

The Streets or HURF Fund was budgeted with a 49.41% reduction in expenses with the largest cut in the street improvement and road materials line item. There was a cash carryover of approximately \$78,000.

Mayor Von Gausig questioned Community Development Director Bailey how the cuts in training expenses would affect her department. The Community Development Department will continue trainings to keep up their certifications and will do a lot of their own training in the department and take advantage of Web trainings. The Mayor also questioned Public Works Director Burroughs how the reductions would affect his department. Director Burroughs explained that they should be able to maintain the buildings and streets unless there is a major breakdown and that chip sealing the streets would wait until the fall so revenues could be monitored.

COLA, Merit raises, and the PTO Buyback program are not included in the budget. Any vacancies that occur in positions (through resignations or terminations) will be held vacant, unless approved by the Town Manager as a critical position. Nine of our 64 budgeted positions for FY 08 are frozen at this time and will not be filled in FY 09. Police Department overtime has been reduced by 50% from last year's budget (\$9,000). There is no other budgeted OT in other departments.

Items not funded in next year's budget include: Renovation of Selna Ballfield, signage for ballfield, Phase II of Dorothy Benatz Trail, painting/patching of Clark Memorial Clubhouse, 1 Police Vehicle and Town Hall Building Improvements. The cash Reserve Fund, which was budgeted at 5-10% over the past 2 years will be at 0%. Neighborhood/Community Projects have been eliminated from the budget which are comprised of Council Community Projects (Non-Profit Funding \$4,500), Community Development Neighborhood Projects (\$3,600), and Police Department Neighborhood Projects (\$3,500).

Town Manager Mabery explained future considerations in the event that revenues were less than the projected levels. The current economic slowdown has made it difficult for all government entities, including Clarkdale, to accurately project revenues. If the revenues come in lower than projected, additional cost saving steps will need to be taken next year. This is what was done this year when projections fell short. The difference

next year will be that there will be fewer options for cutting expenses (because we've already reduced so significantly). A list of items that will have to be considered next year if revenues fall short are:

- Closing the Pool for the May-August, 2009 season (estimated savings \$20-25,000)
- Eliminate line item funding for July-October, 2008 Concerts in the Park (may be funded through an existing donation account, \$3,000)
- Eliminating the "temporary" building that houses Public Works and Utilities (estimated savings \$2,900 per month) and absorbing the 6 staff members into other buildings.
- Reducing the transfer of local sales tax revenues from the General Fund to the Streets fund (we currently transfer 40% and would realize \$40,000 in the General Fund for each 5% change in the transfer percentage) Such an action would require eliminating the annual chip seal program for the 2008/2009 budget year (Upper Clarkdale, Paz & Cota and Centerville are scheduled).
- Reducing hours of operation at the Clark Memorial Library.
- "Leave without Pay" option which will have a variety of savings options.
- Reduction in force (RIF)

Town Manager Mabery stated that even in the face of the budget proposed which cuts all departments down to a very basic operating budget, we don't believe that our citizens will notice a significant reduction in their services. However, we do know that our employees will see the effects of the budget cuts every day.

After studying all the cuts, and seeing the options that were presented for dealing with further declines, the Council all stated that any Reductions in Force (RIF's/layoffs) or mandatory unpaid time off would be the absolute last resort that they would consider. In fact, they all stated that before they approved either of those options, they would give up their Council salaries. They also noted extreme appreciation about all the efforts that the staff have put in place to control expenses, and expressed that our employees are among the most important "capital" that the Town has. The Mayor noted that he knows that we've spent years building up to the staff that we now have, and he knows we can not afford to lose any of them.

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

None

**ADJOURNMENT** - With no further business before the Council and without objection the meeting adjourned at 4:55 PM.

APPROVED:

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Doug Von Gausig, Mayor

ATTESTED:

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Kathy Bainbridge, Town Clerk

SUBMITTED:

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Walt Good, Deputy Town Clerk