

**TOWN OF DEWEY-HUMBOLDT
TOWN COUNCIL
SPECIAL BUDGET WORKSHOP MINUTES
APRIL 30, 2015, 9:00 A.M.**

A SPECIAL BUDGET WORKSHOP OF THE DEWEY-HUMBOLDT TOWN COUNCIL WAS HELD ON THURSDAY, APRIL 30, 2015, AT TOWN HALL AT 2735 S. STATE ROUTE 69, DEWEY-HUMBOLDT, ARIZONA. MAYOR NOLAN PRESIDED WITH VICE MAYOR HAMILTON PRESIDING FOR HIS ABSENCE DURING THE MEETING.

1. **Call To Order.** The meeting was called to order at 9:06 a.m. Vice Mayor Hamilton presided from 9:06 a.m. to 11:34 a.m. and 1:50 p.m. to 1:54 p.m. Mayor Nolan presided from 11:34 a.m. to 12:40 p.m. and 1:54 p.m. to 4:51 p.m.
2. **Roll Call.** Town Council Members Arlene Alen, Mark McBrady (arrived late at 9:17 a.m.), Dennis Repan, Doug Treadway, Nancy Wright; Vice Mayor Jack Hamilton; and Mayor Terry Nolan (arrived late at 11:34 a.m.) were present.
3. **FY2015-16 Budget Deliberation.** Legal Action can be taken. Council Deliberation and possible action to modify Preliminary Budget content.

3.1. Overview of Proposed FY 2015-16 Preliminary Budget. (Possible discussions about Public Works Level of Service and staffing situations.)

Town Manager Kimball spoke on the preliminary budget worksheets and this being the third version with modifications. Both Public Works Supervisor Ed Hanks and Accountant Deni Thompson were in attendance. Mr. Hanks would review with Council the 5-year dirt road plan and the updated 6-year paved road plan.

3.2. 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).

HURF fund and Public Works Department review: Council asked questions regarding manpower for this department (seasonal work); \$65k in flood control monies coming in for drainage; approximately \$300k from CDBG for roadwork and drainage.

Councilmember McBrady arrived at 9:17 a.m.

There was discussion on the HURF funds; the funding stopping in the future, therefore, using this aggressive but reasonable schedule while the funding exists. These monies can be used for either dirt or paved roads as long as they address drainage issues. There was discussion on the order in which to address problem roads.

There was discussion on Old Black Canyon Highway, previous decisions on this road and if or when it would be on the maintenance plan. Public Works Supervisor Ed Hanks indicated they would address drainage first then hot-patching of the roadway at a later time.

Councilmember Repan made a motion to give tentative approval on budget line items 20-100-3340 through 22-430-3400 (see page 7-8 preliminary budget worksheets in

meeting packet), as presented, seconded by CM Alen. It was approved by a 5-1 vote in favor, CM McBrady voting against and Mayor Nolan being absent for this vote.

General Fund Revenues: Council reviewed the General Fund Revenues and discussed the conservative philosophy for projection of revenues the Town Manager utilized. Council considered other investment options besides the LGIP fund for the town's money; considered whether to bring in LGIP representative to talk on the investments as well as bankers to give a different viewpoint. No official direction was given for presentations.

Insurance Benefits: Council discussed the health insurance increase and reasons for it; different options to consider for employee benefits; discussed whether to have a presentation from the insurance agent at a Council meeting.

Salary and wages: There was discussion on whether to offer merit raises or merit bonuses, with the bonus being a one-time amount that wouldn't increase the staff's salary base; factoring in the cost of insurance increase when looking at the salary package.

Vice Mayor Hamilton suggested a COLA increase of 1.75% with a bucket amount of \$7500 for merit bonuses (excluding Court personnel and Town Manager), with a \$1500 separate bucket for the Town Manager merit bonus.

Mayor Nolan arrived at 11:34 p.m. and proceeded to preside over the meeting, replacing VM Hamilton in this role.

Town Manager Kimball spoke on wanting to offer up to a 5% increase for personnel as there is money in the budget for this, no shortage.

Council looked at other benefits such as retirement and discussed the Council's decision to not participate in the Social Security system.

Vice Mayor Hamilton made a motion to give a 1.75% COLA increase with a bucket of \$7500 for merit bonuses to be disbursed by Town Manager as she sees fit to employees, with a bucket of \$1500 for the Town Manager's merit bonus, seconded by Councilmember Wright. The motion passed by a 5-2 vote in favor, CM McBrady and Mayor Nolan voting against.

There was discussion on the Magistrate personnel's merit considerations.

Vice Mayor Hamilton made a motion to give to the Magistrate Court personnel a 1.75% COLA increase with a bucket of \$500 for merit bonus to the Court Clerk and a merit bonus of \$1000 for the Judge, for the Council to decide. CM Wright seconded the motion. The motion passed by a 5-2 vote in favor, CM McBrady and Mayor Nolan voting against.

Council discussed whether address the consideration proposed by the Mayor to eliminate the magistrate court in-house. Mayor Nolan stated he wished to withdraw the proposal.

Councilmember Wright made a motion to discuss the magistrate court elimination issue, seconded by CM Repan. The motion passed by a 5-2 vote in favor, CM McBrady and Mayor Nolan voting against.

There was discussion on why this came up and how it has come up before.

Judge Kelley spoke on the costs to the town for Magistrate Court services whether in-house or contracted out and wanted to point out to all that this service has not and will not be free. She indicated she would like to see a raise for her Court Clerk but she is not asking for a raise for herself. Council spoke on their support for the Court department and personnel.

Councilmember Repan made a motion to recess for lunch, seconded by VM Hamilton. The motion passed by a 5-2 vote in favor, CM McBrady and Mayor Nolan voting against. Council recessed for approximately one hour at 12:41 p.m.

Council reconvened at 1:50 p.m. Mayor Nolan being absent, Vice Mayor Hamilton presided.

VM Hamilton spoke on the merit increase approved for the court clerk and explained he had assumed it was a full-time position. He wanted to change the merit bonus down to \$350 from \$500 to reflect the part-time status adjustment.

Vice Mayor Hamilton made a motion to approve reducing the court clerk's bucket amount for a merit bonus down to \$350, seconded by CM Repan. The motion passed by a 5-1 vote in favor, CM McBrady voting against and Mayor Nolan being absent from the vote.

TM Kimball adjusted the salary amount voted on and stated the net balance for the budget is now \$10,656.

Town Council Dues and Membership and Travel and Training: Council discussed the GPREP membership, WAC membership and Mayor/Manager Breakfasts.

CM Repan, as the Town representative for GPREP, spoke on the changes to the board and the town having no voting ability with GPREP, and whether the town sees a benefit for the membership.

Mayor Nolan arrived at 1:54 p.m. and presided over the meeting.

Council continued discussing the GPREP membership pros and cons. They discussed whether the Town could offer less to be a member, than the amount GPREP dictates for the Town's membership.

Vice Mayor Hamilton made a motion to approve allotting \$2,000 for GPREP membership, seconded by CM Alen. It was approved by a 6-1 vote in favor, Mayor Nolan voting against.

Dumpster Day: Town Manager Kimball address Dumpster Day and explained Council gave direction at the April 14th meeting to bring dumpster day back. There is \$20,000 for that line item (10-465-6950), which includes 1 annual Dumpster Day, (approximate cost of \$5000-\$6000 for each event). Council discussed how to man the event. Mr. Hanks explained the problems with holding this event are insufficient manpower and inadequate locations, which causes safety issues. Council discussed the current partnership with Prescott Valley on their "Clean-Up" event.

TM Kimball suggested they could delete \$5000 from that line item (10-465-6950), removing the 1 D-H dumpster day.

Museum: Council will hold off on this discussion until they look at the "Capital" section of the budget.

Town Council Management: There was discussion on the Newly Elected Official (NEO) training and who should be allowed to attend, OSP Elections budgeting or using contingency in the event of an election need.

Vice Mayor Hamilton made a motion to approve allotting \$4500 for OSP Elections (10-414-5300), seconded by CM Repan. It was approved by a 6-1 vote in favor, Mayor Nolan voting against.

CM Repan stated he doesn't ask for reimbursement for attending the YRMC Medical Council or GPREP attendance/travel, so that reimbursement consideration can be zeroed out.

Council looked at the Mayor Travel/Training line item. Mayor Nolan spoke on the benefits to the Town by his attendance at the GAMA, CYMPO, RTC, Quad Cities Mayor/Manager breakfast, and as a NACOG alternate. There was discussion on who attends the breakfasts; whether to reimburse the alternate representative if both the primary and alternate attend a meeting.

Vice Mayor Hamilton made a motion to only pay for the primary representative to go and if they can't make it then pay for the alternate to go, seconded by CM Repan. It was approved unanimously.

Councilmember Repan made a motion to change the Mayor Travel/Training line item to \$2000, seconded by CM Alen. It was approved by a 6-1 vote in favor, Vice Mayor Hamilton voting against.

Council looked at the surplus in the budget at that point (\$23k).

Museum: There was Council discussion on the museum benefits to the town; offering assistance by paying the museum building rent or consideration of buying the building for a Town asset. Vice Mayor Hamilton spoke on other options for the "museum" building (putting the magistrate Court, their offices and the Police/Sheriff Substation in it) and considering moving the museum down to Humboldt Station. Council discussed other options for the DHHS Museum such as charging entry and staying open more.

There was discussion on decreasing the rent amount paid by the Town to have the DHHS step up and work toward being self-sustaining in the long-term.

Council discussed the amount in the budget for a Citizen Survey being too light (\$5k) and needing to increase it.

Mayor Nolan made a motion to approve adding \$15k to the budget for the Citizen Survey, seconded by CM Alen. It was approved unanimously.

Town Clerk: There was a question about software which was answered. Council made no changes to this section of the budget.

Finance and Budget: There was discussion on the changed laws pertaining to ADOR's collection of TPT, cities and towns are now being charged for that collection service. There was discussion on the proposed additional employee shared between Finance and the Town Clerk's department. TM Kimball explained the current staffing and the proposed need for additional help.

Vice Mayor Hamilton made a motion to approve hiring a new Administrative Assistant under the wage scale of Administrative Assistant, seconded by CM Repan. It was approved unanimously.

Vice Mayor Hamilton made a motion to not increase the salary for the Community Development Coordinator position, seeing if they can fill the position under the range. It was seconded by CM Wright. It was approved by a 6-1 vote in favor, Mayor Nolan voting against.

Mayor Nolan made a motion to recess to a future meeting, seconded by CM Treadway. Vice Mayor Hamilton explained the budget item is on the May 5th, Tuesday meeting for further discussion. The motion was withdrawn.

3.3. Wrap up and potential future budget meeting discussion topics. Not addressed.

4. **Comments from the Public.** None.
5. **Adjourn.** The meeting was adjourned at 4:51 p.m.

Terry Nolan, Mayor

ATTEST:

Judy Morgan, Town Clerk