

**TOWN OF PAYSON  
TOWN COUNCIL MEETING  
MINUTES OF THE SPECIAL MEETING  
May 7, 2013**

**CALL TO ORDER**

Mayor Evans called the meeting to order at approximately 4:00 p.m. in the Town Hall Council Chambers, 303 North Beeline Highway, Payson, Arizona.

**PLEDGE OF ALLEGIANCE**

**PRESENT:** Kenny Evans - Mayor, Michael Hughes - Vice-Mayor, Ed Blair - Council Member, Fred Carpenter - Council Member, Su Connell - Council Member, Rick Croy - Council Member, and John Wilson - Council Member.

**STAFF PRESENT:** Debra Galbraith - Town Manager, LaRon Garrett - Assistant Town Manager, Tim Wright - Town Attorney, Marty deMasi - Fire Chief, Silvia Smith - Town Clerk, Cameron Davis - Parks, Recreation and Tourism Director, Emily Linkey - Library Director, and Tanner Henry - Water Division Manager.

**OTHERS PRESENT:** Tracie Bailey - Deputy Town Clerk, Hope Cribb - Finance Manager, Tammy Enlow - Budget Analyst, Sheila DeSchaaf - Zoning Administrator, Tomi Huddleston - Human Resources Manager, Ray LaHaye - Chief Building Official, Mark Keeney - Water Systems Supervisor, Linda Jilk - Utility Customer Service Representative, and Colin Walker - Water Superintendent.

**PURPOSE OF MEETING**

1. Discussion re: FY 2013/2014 Budget including, but not limited to Projected Revenue and Expenditure Estimates.

Hope Cribb, Finance Manager, gave a presentation of the fiscal year 2013/2014 budget. Ms. Cribb went over the schedule of budget meetings.

Ms. Cribb noted this budget included a three percent merit increase for all employees. Council Member Carpenter asked if it was budgeted as if everyone would get a three percent increase. Ms. Cribb replied yes.

Ms. Cribb stated the medical insurance would retain the 60/40 split with two choices of coverage. The Fire Reserves program had to be eliminated due to a requirement of Obamacare. Council Member Carpenter asked if the Town no longer had the core plus plan would that leave only the high deductible plans. Ms. Cribb replied yes, with the savings plan. Council Member Carpenter asked how many Paid on Call Fire Fighters there were. Ms. Cribb believed there were ten. Marty deMasi, Fire Chief, responded yes there were ten. Council Member Carpenter asked how many hours they worked a day. Chief deMasi replied at least twenty-four hours a month, but they cover several shifts a month.

Ms. Cribb went over all balances for the General Funds. Council Member Carpenter

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asked if any of the three million dollars for water was restricted. Ms. Cribb replied about one million dollars was restricted.

Mayor Evans noted the budget was down two percent for two years. Ms. Cribb agreed. Council Member Carpenter asked if that was because of the economic stimulus money. Ms. Cribb replied yes.

Ms. Cribb went over the Financial Policy which stated the reserve shall be maintained at an amount that represents five percent of the total General Fund operating budgeted revenues. Council Member Connell believed the Town was moving forward with the reserve.

Ms. Cribb reviewed revenues by function. Council Member Carpenter asked what the projected percentage increase in building permits would be. Ms. Cribb responded it was reduced because some expected projects did not come through.

Ms. Cribb went over tax revenue and the property tax revenue. Council Member Carpenter asked if this was the primary and secondary tax. Ms. Cribb replied it was only the primary tax because the Town paid the secondary tax off.

Ms. Cribb reviewed expenditures. Council Member Connell asked what the amounts for the Chamber and Senior Center were. Ms. Cribb stated it was \$34,000 for the Chamber and \$80,000 for the Senior Center. Council Member Carpenter asked if that included the money for the Senior Center van and transportation. Ms. Cribb replied no and explained that was no longer there. Council Member Carpenter asked if it was for operations. Ms. Cribb replied yes. Mayor Evans asked what the election expenditure was for. Ms. Cribb explained it was for any potential election. Debra Galbraith, Town Manager, responded the Town had money budgeted every year in case there was some kind of election to be called. Tim Wright, Town Attorney, explained if someone referred something it would call for a spring election. Council Member Carpenter asked how much more or less would it cost for the County to run the election. Silvia Smith, Town Clerk, replied that was unknown at this time. Council Member Carpenter asked if there was enough money to fund the slurry program for streets. Ms. Cribb replied no.

Ms. Cribb went over capital expenditures. Council Member Blair asked if the grant for Bonita Street was assured or just hoped for. LaRon Garrett, Assistant Town Manager, explained the grant was assured through the design phase. Council Member Blair asked if the 1033 money was from the military surplus money. Ms. Cribb replied yes. Mayor Evans asked if the Town had to take the grant money for Bonita Street to move forward with the project. Mr. Garrett responded no, the Town can cut it off. Mayor Evans asked Mr. Garrett to red flag it for when it approached. Mr. Garrett replied yes he would do that. Council Member Carpenter asked if the Green Valley Lake shore line would be carried forward for another year. Colin Walker, Water Superintendent, believed it may be carried for a few more years. Mayor Evans asked if there was money for the States operation of the filtration plant. Mr. Walker replied yes, in the regular budget. Council Member Carpenter asked if the big C.C. Cragin project was planned for a future year. Mr. Walker explained the big project was not in the budget yet.

Council Member Blair thanked the Budget Committee.

Council Member Croy asked what the property tax was for a \$180,000 house. Ms. Cribb believed it would be around \$30. Mayor Evans noted the assessed value has gone down so it would be a net of \$30.

Council Member Connell believed one of the most important budget issues was to find a compensation for all of the staff. Council Member Connell was proud that the team could make that happen and felt good about this budget.

Council Member Carpenter asked if the new employees at the front desk reported to the Clerk's Office or the Manager's Office. Ms. Galbraith explained that currently they reported to the Clerks Department, and would do other various work for other departments. Mayor Evans noted they can be used by other departments.

Mayor Evans thought the Town was getting back to better circumstances, but was disappointed. The Mayor thanked Ms. Galbraith and her team for their hard work. Mayor Evans was concerned that the economy was not recovering faster and asked staff to look at ways to increase the \$408,000 in reserves. The Mayor asked Mr. Wright if the Council could look at key staff positions and see if those staff positions were needed. Mr. Wright believed Ms. Galbraith and Ms. Cribb would be the key people to create a Council Decision Request for the May 21, 2013 Special Council meeting. Mayor Evans asked what would the impact be if the Town eliminated the Fire Marshal position and could those duties be shifted to another fire fighter. Mr. Wright suggested that to see what the financial impact was Council could have staff put together a memo stating the impact. Mayor Evans asked how can Council do that and not violate the open meeting law when Council has a request like this. Mr. Wright explained Mayor Evans could mention it to staff tonight or provide the positions to staff at another time.

Council Member Carpenter believed Council should look at other positions not only the Fire Marshal position. Council Member Connell supported trying to bolster the \$408,000 and believed only about a half a dozen positions fit into the category of that larger amount. Vice-Mayor Hughes noted the Budget Committee had done a lot of out of the box thinking and personnel shifting for the budget and believed most departments were at the bare minimum. Vice-Mayor Hughes felt that at this point anything Council did would hurt. Council Member Croy asked why the frozen positions were being unfrozen in this budget and if Council could not unfreeze those positions. Ms. Cribb explained they were low end positions and would not have a big impact on the budget. Council Member Carpenter asked how much the three percent merit increase would cost. Ms. Cribb stated it was a grand total of \$120,000. Ms. Galbraith noted it was calculated for this year. Mayor Evans believed there was a sense from Council that Council needed to look at these positions. Ms. Galbraith responded if Council had any positions in mind now Ms. Cribb had the total cost. Council Member Blair felt that would be helpful. Mayor Evans asked to look at a titled position not what an employee was making and if it was significant enough for Council to look at. Council Member Wilson believed anything under \$75,000 was not significant enough to look at. Ms. Galbraith suggested the Council look at it with salary and benefits and noted that included quite a few positions. Vice-Mayor Hughes felt Council should look at it from \$90,000 to \$100,000 with salary and benefits. Mr. Wright noted staff did not have to look at all positions only positions that would make a significant difference. Mayor Evans recommended that this be

brought back for the May 21, 2013 Special Council meeting.

2. **Council Decision Request** filed by Silvia Smith, Town Clerk, requesting to cancel the Special Council Meeting/Budget scheduled for May 9, 2013.

**Motion:** to cancel the Special Council Meeting/Budget scheduled for May 9, 2013. Moved by Fred Carpenter - Council Member, seconded by Su Connell - Council Member.

**Vote:** Motion carried 7 - 0

Yes: Kenny Evans - Mayor, Michael Hughes - Vice-Mayor, Ed Blair - Council Member, Fred Carpenter - Council Member, Su Connell - Council Member, Rick Croy - Council Member, and John Wilson - Council Member.

Mayor Evans asked if the salaries and benefits could be discussed at a regular Council meeting. Mr. Wright replied yes, it could be put on the agenda for the May 16, 2013 Council meeting.

3. **Council Decision Request** filed by Silvia Smith, Town Clerk, requesting to cancel the Special Council Meeting/Budget scheduled for May 21, 2013.

Council Member Blair asked Council if they wanted to wait on canceling the Special Council meeting on May 21, 2013 in case something came up at the May 16th meeting.

**Motion:** to cancel the Special Council Meeting/Budget scheduled for May 21, 2013.

Moved by John Wilson - Council Member, seconded by Su Connell - Council Member.

Mayor Evans noted Council could call another special meeting if needed and called for the vote.

**Vote:** Motion carried 7 - 0

Yes: Kenny Evans - Mayor, Michael Hughes - Vice-Mayor, Ed Blair - Council Member, Fred Carpenter - Council Member, Su Connell - Council Member, Rick Croy - Council Member, and John Wilson - Council Member.

## ADJOURNMENT

Mayor Evans adjourned the meeting at approximately 4:52 p.m.

APPROVED:

\_\_\_\_\_ Date: \_\_\_\_\_

Kenny J. Evans, Mayor

ATTEST:

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Silvia Smith, Town Clerk

**Certification**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the Town Council of the Town of Payson held on this day the 7 of May, 2013. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2013.

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Tracie Bailey, Deputy Town Clerk