

**TOWN OF PAYSON  
TOWN COUNCIL MEETING  
MINUTES OF THE REGULAR MEETING  
January 23, 2014**

**CALL TO ORDER**

Mayor Evans called the meeting to order at approximately 5:30 p.m. in the Town Hall Council Chambers, 303 North Beeline Highway, Payson, Arizona.

**INVOCATION**

Council Member Ed Blair.

**PLEDGE OF ALLEGIANCE**

**PRESENT:** Mayor Kenny J. Evans, Vice-Mayor Michael Hughes, Council Member Ed Blair, Council Member Fred Carpenter, Council Member Su Connell, Council Member Richard Croy, Council Member John Wilson, and Emily Linkey - Library Director.

**STAFF PRESENT:** Debra Galbraith - Town Manager, LaRon Garrett - Assistant Town Manager, Tim Wright - Town Attorney, Don Engler - Police Chief, Silvia Smith - Town Clerk, and Cameron Davis - Parks, Recreation and Tourism Director.

**OTHERS PRESENT:** Tracie Bailey - Deputy Town Clerk, Hope Cribb - Finance Manager and Tammy Enlow - Budget Analyst.

**A. PUBLIC COMMENTS (SPEAKER'S REQUEST FORM SUBMITTED)**

1. There were no public comments.

**B. CONSENT AGENDA**

**Items listed on the agenda with an asterisk are considered to be routine in nature and will be enacted by one motion.**

**Motion:** to approve all items listed on the Consent Agenda.

Moved by Council Member John Wilson, seconded by Council Member Fred Carpenter.

**Vote:** Motion carried 7 - 0

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

**C. CURRENT EVENTS PRESENTATION BY THE TOWN MANAGER, MAYOR, AND/OR COUNCIL MEMBER**

1. Brief presentation of current events by the Town Manager, Mayor, and/or Council Members. The Arizona Open Meeting Law specifies that the Town Council may not discuss or take action on any matter mentioned during this presentation or on the attached materials unless the specific matter is properly noticed for legal action.

Cameron Davis, Parks, Recreation and Tourism Director, announced events for the upcoming year. There would be close to one hundred events in 2014. The Hashknife Pony Express Ride was the first event of the year. On February 1, 2014, the Tourism website would be completely updated. Mayor Evans asked if it would have video capability. Mr. Davis replied yes. Council Member Connell asked if it had links to other entities. Mr. Davis responded yes.

LaRon Garrett, Assistant Town Manager, stated a grant was approved in 2011 for new signs and as of today the new signs could be purchased with the Federal money through the State. Council Member Connell asked if the Town had to pay for the signs or just the erection of the signs. Mr. Garrett responded the Town would be reimbursed for the signs and had to pay to put them up. Council Member Carpenter asked what the purpose was behind this. Mr. Garrett replied Federal Law had changed the regulations on the signs. The deadline to change the signs was two years ago, but was shifted to 2015. Council Member Croy asked what would be done with the old signs. Mr. Garrett replied they would be sold for scrap and the good signs would be kept to replace damaged signs. Council Member Croy asked if the old signs could be sold for keep sakes. Mr. Garrett responded staff would keep the signs if they were not damaged.

Emily Linkey, Library Director, announced the Payson Area Advisory Youth Council (PAAYC) was sponsoring a youth art show. Ms. Linkey asked everyone to bring a can of food for admission to look at the artwork. The food would be donated to the Payson Area Food Drive. There would be a ceremony and prizes for the best artwork. Taste of Rim Tickets were on sale.

Council Member Wilson announced he had picked up a check today that put the food drive over \$50,000. Council Member Wilson believed there would be enough food for the rest of the year. The food drive does accept money for donations year round. Council Member Carpenter noted there was 4700-4800 pounds of food bagged in the storage building. Council Member Wilson noted food coming up from the Valley had not been coming up.

2. Documents, materials and information for Council review. (The Council will not discuss or take action on the attached; they are provided for information only)

There were no documents for Council review.

**D.**

**CEREMONIAL; ANNOUNCEMENTS; PRESENTATIONS;  
INTRODUCTIONS**

1. Comments, Commendations, and Presentations by Mayor, Council Members, and/or Town Staff.
2. **Proclamation.** Council Member Wilson read into the record a proclamation declaring January 29, 30, and 31, 2014, as Hashknife Pony Express Days. Cameron Davis, Parks, Recreation and Tourism Director, accepted the proclamation.
3. **Presentation** of the 2012 - 2013 Town of Payson financial audit by Dennis Osuch, CliftonLarsonAllen, LLP.

Dennis Osuch, CliftonLarsonAllen, LLP, gave a presentation on the results of the Town's 2012-2013 audit. Mr. Osuch explained there were two separate reports for the audit. A clean opinion was issued for the reports with some recommendations. The Town should receive an award for the 2013 year. Mr. Osuch noted pension obligations would be required in 2015 as a liability. Mr. Osuch thanked Debra Galbraith, Town Manager, and Hope Cribb, Finance Manager, and their staff for their hard work and help with the audit.

Council Member Carpenter asked if the pension investigation was due to a nationwide investigation. Mr. Osuch replied yes.

Council Member Blair noted the figure of 11 million dollars caught his attention and asked if that was what the Town would owe pensioners. Mr. Osuch explained it was for future years based on employees currently working for the Town. Council Member Blair asked what the Town paid out for pensions this year. Tim Wright, Town Attorney, responded the Town does not pay out pensions the Town paid into the State Retirement Fund and Public Safety Fund and they figured out the Town's contribution rate. Debra Galbraith, Town Manager, noted the number came from a formula of how long people lived. Mr. Osuch explained this was the Town's shortfall and that the police and fire contribution had gone up because of that shortfall. Mayor Evans noted there was about a 30 billion dollar obligation from the State and the Town's percent was about an 11 million dollar shortfall. Mr. Osuch wanted to present that ahead of time so the Council would know it would show up on the financial statements and that it would affect future contribution rates. Mayor Evans believed there had to be some assumption on the rate of return on the money and felt this was a good number. Mr. Osuch noted when it went on the books Ms. Galbraith would have to explain it to investors. Ms. Galbraith noted that was the big difference, it made the Town's financial statements look like the Town owed 11 million dollars. Council Member Wilson asked if it was discounted for future value. Mr. Osuch replied yes. Council Member Blair asked if every town had to have this. Mr. Osuch replied yes. Mayor Evans thanked Mr. Osuch for the presentation.

**E. MINUTES**

1. \*Council Meeting Minutes:

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**\*CONSENT\* APPROVED**

**F. HEARINGS AND APPEALS**

1. There were no items in this section.

**G. RESOLUTIONS AND ORDINANCES**

1. **Resolution No. 2748.** Mayor Evans opened discussion/possible action concerning Resolution No. 2748 captioned as follows: A RESOLUTION OF THE TOWN COUNCIL AMENDING THE PARKS AND RECREATION FEES INCLUDED IN THE TOWN'S FEES AND CHARGES SCHEDULE TO FUND A FACILITIES IMPROVEMENT FUND.

Tim Wright, Town Attorney, explained staff had gone through all of the State Statute requirements and it would take effect March 1, 2014.

Cameron Davis, Parks, Recreation and Tourism Director, explained this was a facility improvement fee for maintenance or capital improvements. The money could also be used as seed money to go after grants. Debra Galbraith, Town Manager, explained the idea originated from not having any money to do any parks improvements, it was a way to start to get some money to work on parks. Council Member Carpenter asked if it was in this budget. Ms. Galbraith replied no. Council Member Croy asked how much money could it built up. Mr. Davis estimated it could build up from eight to fifteen thousand dollars a year. Council Member Connell asked how long has it been since the Town had park improvements and if this would help. Mr. Davis believed it was a step forward and it would cover lighter, smaller projects such as the roof on the pool. Council Member Connell asked if the Parks and Recreation Commission was supportive. Mr. Davis replied yes. Council Member Carpenter asked if there were park impact fees being collected that were not being used for debt service. Mr. Galbraith responded the impact fees from the old group could be used.

**Motion:** to Approve Resolution No. 2748 captioned as follows: A RESOLUTION OF THE TOWN COUNCIL AMENDING THE PARKS AND RECREATION FEES INCLUDED IN THE TOWN'S FEES AND CHARGES SCHEDULE TO FUND A FACILITIES IMPROVEMENT FUND.

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

**Vote:** Motion carried 7 - 0

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

2. Second Public Hearing concerning **Ordinance No. 842** captioned as follows: AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING CHAPTER 33 (BOARDS, COMMITTEES, AND COMMISSIONS) OF THE TOWN CODE. (PART 6 OF THE SYSTEMATIC CODE REVIEW AND UPDATE) Memo to Ordinance No. 842

Mayor Evans opened the Public Hearing for Ordinance No. 842 and 843 and Resolution No. 2752. There were no public comments. Mayor Evans closed the Public Hearing.

**Motion:** to Approve Ordinance No. 842 captioned as follows: AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING CHAPTER 33 (BOARDS, COMMITTEES, AND COMMISSIONS) OF THE TOWN CODE. (PART 6 OF THE SYSTEMATIC CODE REVIEW AND UPDATE)  
Moved by Council Member John Wilson, seconded by Council Member Fred Carpenter.

**Vote:** Motion carried 7 - 0

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

3. Second Public Hearing concerning Part 7 of the Systematic Code Review and Update.

(A) **Ordinance No. 843** captioned as follows: AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING CHAPTER 35 (PURCHASING) OF THE TOWN CODE. (PART 7 OF THE SYSTEMATIC CODE REVIEW AND UPDATE)

(B) **Resolution No. 2752** captioned as follows: A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING FINANCIAL POLICY 201 PROCUREMENT AND REPEALING ADMIN POLICY A202. (PART 7 OF THE SYSTEMATIC CODE REVIEW AND UPDATE)

**Motion:** to Approve Ordinance No. 843 captioned as follows: AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING CHAPTER 35 (PURCHASING) OF

THE TOWN CODE. (PART 7 OF THE SYSTEMATIC CODE REVIEW AND UPDATE)

and

Resolution No. 2752 captioned as follows: A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, AMENDING FINANCIAL POLICY 201 PROCUREMENT AND REPEALING ADMIN POLICY A202. (PART 7 OF THE SYSTEMATIC CODE REVIEW AND UPDATE)

Moved by Council Member John Wilson, seconded by Council Member Richard Croy.

**Vote:** Motion carried 7 - 0

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

Tim Wright, Town Attorney, explained this was a different method to help the Town save money.

#### **H. UNFINISHED BUSINESS**

1. There were no items in this section.

#### **I. NEW BUSINESS**

1. There were no items in this section.

#### **J. CLAIMS**

1. \* **List of checks.** Council approved, on the Consent Agenda, a list of checks paid from January 3, 2014 through January 3, 2014 Check Nos. 024947 through 025006, and authorization to file the checks for audit.  
**\*CONSENT\* APPROVED**

#### **K. MISCELLANEOUS**

1. \* Council approved, on the Consent Agenda, the acceptance, with regrets, of the **resignation of Roger Donahoo** from the Parks and Recreation Commission with thanks for a job well done.  
**\*CONSENT\* APPROVED**

#### **L. PUBLIC COMMENTS**

1. There were no public comments.

#### **ADJOURNMENT**

Mayor Evans adjourned the meeting at approximately 6:06 p.m.

APPROVED:

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

Kenny J. Evans, Mayor

ATTEST:

\_\_\_\_\_

Silvia Smith, 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 Payson held on this day the 23 of January, 2014. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_

Tracie Bailey, Deputy Town Clerk