

# MINUTES

## TOWN OF MIAMI BUDGET WORK SESSION OF THE MAYOR AND COUNCIL WEDNESDAY, JUNE 17, 2015 AT 2:00 P.M.

### 1. CALL TO ORDER:

Mayor Dalley called the meeting to order at 2:05 p.m.

### 2. PLEDGE OF ALLEGIANCE/INVOCATION:

Mayor Dalley led the pledge and Councilmember Medina led the invocation.

### 3. ROLL CALL OF COUNCILMEMBERS:

**Present:** Mayor Dalley, Councilmember Black (arriving 2:20 p.m.), Councilmember Castaneda, Councilmember Gonzales, Councilmember Hanson and Councilmember Medina.

**Absent:** Vice Mayor Reiman.

**Staff Present:** Town Manager Heatherly, Town Clerk Norris, Finance Director Sanchez, Senior Center Director Highbaugh, Public Works Director Sukosky, Police Chief Gillen and Librarian Hayward.

### 4. BUSINESS:

**A. Information, Discussion and Possible Direction to Staff:** Open discussion between the staff and Council regarding the 2015-2016 proposed budget.

Finance Director Sanchez presents the draft budget to Council. Mrs. Sanchez explains that the budget is not balanced, it is experiencing a shortfall. Council needs to come together to balance the budget. Mrs. Sanchez states that she has provided a summary that shows the departmental revenues and expenditures. Mayor Dalley asks if there is a breakdown of the budget by departments. Mrs. Sanchez provides Council with the budget breakdown and explains the separation of the general fund and the enterprise funds. Mrs. Sanchez states the general fund is supporting some of the enterprise funds. Councilmember Gonzales asks if the report contains actual figures or estimates. Mrs. Sanchez states that they are actual figures. Councilmember Castaneda asks if Council is going to have to make budget cuts. Open discussion regarding making budget cuts and inflating revenues. Brief discussion as to why this was not given to Council earlier, so that they could review it before the work session.

Review of revenues for the Administration Department.

Review of revenues for the Magistrate.

Mrs. Sanchez explains that Transit, Senior Center and the Library are set up as enterprise accounts.

Review of revenues for the Parks and Recreation Department.

Review of revenues for the Facilities Management.  
Brief discussion and explanation of unclassified revenue.

Councilmember Black arrives at 2:20 p.m.

Open discussion and comments regarding miscellaneous revenues. It is explained that miscellaneous revenues are monies that were transferred in to meet payroll expenses.

Brief discussion regarding the drop in the property tax revenue. This is something that will need to be reviewed and verified.

Review of expenditures for the general fund.  
Review of the Administration expenditures. Brief discussion regarding the attorney fees expenditures. Discussion regarding breakdown of the salaries and where they are coded to.

Review of the executive (Council) Expenditures

Open discussion and comments regarding the correct number for actual salaries. Brief discussion regarding the general ledger coding. Discussion regarding issues that keep coming up and interfering with the record keeping from the time when Casselle was initially set up. Mrs. Sanchez explains that she has talked to Casselle about these issues and they can come and clean it up for a fee. The difficulty is that she has to work with what was created when the program was set up.

Review of the Magistrate expenditures.  
Review of the Development Services expenditures. Mrs. Sanchez explains that she has combined the engineering expenses in this department. Brief discussion regarding a line item for fuel for this department. Discussion regarding salaries for the Development Services Department.

Town Manager Heatherly comments regarding developing a budget and presenting it to Council in a manner that they will be able to understand it. Discussion regarding the Town's expenditure limit and the Town cannot exceed that limit. Brief discussion regarding the Permanent Base Adjustment not being approved and the Town is still operating under Home Rule; Home Rule will be going to the voters again at the 2016 Town election.

Open discussion and comments regarding labor expenditures.

Discussion and explanation of the distribution of the legal expenses.

Review of the Streets Department: HURF Funds. Discussion regarding HURF monies having its own enterprise so that it can be tracked and not be used inappropriately.

Review of the Police Department expenditures. Discussion regarding the number of salaried employees in the Police Department. Discussion and clarification of the contract service amount for the copy machine at the Police Department. It is explained that their machine is paid for and the Town pays just \$1,000 per year for the maintenance agreement. Mrs. Sanchez states that she will

make that adjustment. Open discussion regarding the uniform allowance for the police officers. Open discussion and comments regarding the increase in the Police Department budget.

Review of the Library expenditures. Open discussion regarding where the Library funds come from. Most of it comes from County tax revenues that are divided up between the libraries. Also money is donated from Friends of the Library, miscellaneous donations and Hall of Fame. Brief discussion regarding building maintenance for the library. Librarian Delvan Hayward states that she is requesting Council to consider a pay increase for her library assistant.

Open discussion and comments regarding salaries and departments that are running efficiently. Town Manager Heatherly comments regarding working on creating wage surveys, salaries/wage scales and policy for the Town to follow when a wage increase is due.

Council takes a 10 minute break. 3:59 p.m.  
Council returns at 4:10 p.m.

Review of the Parks and Recreation Department expenditures. Open discussion regarding the seasonal employees for the swimming pool. Discussion regarding \$15,000 budgeted for cleaning supplies. Mrs. Sanchez explains that the pool chemicals have been being charged to that line item. Discussion regarding that the chemicals should most likely be charged to line item of Operating Supplies instead of cleaning supplies. Discussion regarding how many full time employees are working at the swimming pool. Open discussion and comments regarding the pool renovations and costs. Discussion regarding possibly separating the pool budget within the Parks and Recreation Department budget.

Vice Mayor Reiman arrives at 4:41 p.m.

Review of the Fleet Services expenditures. Open discussion and comments regarding allocating the mechanics time in regards to the different department vehicles he is working on.

Vice Mayor Reiman excuses himself at 4:56 p.m.

Open discussion and comments regarding this being a tentative or proposed budget for Council to review and give direction to staff as to how they want it written. Discussion regarding the need for Council to make some tough decisions on what they are willing to do without; staff is giving Council the data in order to make sound decisions. Adjustments will be made to the proposed budget and will be back before Council on Monday for further review.

Finance Director Rachelle Sanchez announces her resignation and informs Council that her 2 week notice begins today.

Town Manager Heatherly asks Council how they feel about raising the property tax rate. Town Manager Heatherly states that he advises against it but wants Council to know that is something they can look at if they want to opt for that.

5. **ADJOURNMENT:** Meeting adjourned at 5:58 p.m.

**CERTIFICATION:**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the budget work session of the Town Council of the Town of Miami, AZ held on the 17th day of June 2015.

I further certify that the meeting was duly called and that a quorum was present.

DATED this 13th day of July 2015.



Karen Norris, Town Clerk

**APPROVED:**



Darryl Dalley, Mayor