



MINUTES OF SPECIAL WORK SESSION OF THE COMMON COUNCIL OF YOUNGTOWN, AZ

TUESDAY, MARCH 29, 2011, TOWN HALL CONFERENCE ROOM, 12030 CLUBHOUSE SQUARE

1. Call to Order Mayor LeVault called the meeting to order at 5:45 p.m.
2. Roll Call Council present: Mayor Michael LeVault, Vice Mayor Jacob Duran, Councilmembers Margaret Chittenden, Dorena Mello, Shirley Oglesby, and Susan MacKay. Excused: Councilmember Judy Johnson.
Staff present: Town Manager Lloyce Robinson, Finance Officer Jackie Hoffman, and Town Clerk/Treasurer Letty Goldberg.
3. Pledge and Invocation Pledge led by Councilmember MacKay. Invocation offered by Vice Mayor Duran.
4. Business

A. **Discussion re: Overview of Fiscal Year Budget 2010-11; 7 Months – General Fund Revenue and Expenditures (ROBINSON)**

Town Manager Robinson

- In analyzing our current budget, at the end of February we should be at 66.6% in revenues, we are at 64.3%. Our expenditures are below that because Department Heads have been keeping tight control. Personnel took the hit this year we had no COLA or Merit pay for employees. When the voters failed to approve a Primary Property Tax we took the necessary action and RIF'd five employees – four from the Police Department and one from Public Works. We changed some positions to part-time and looked for volunteers. Department Heads are looking at efficient and effective processes. Overtime expense is a huge cost.

Finance Officer Hoffman

- Each month, I run a report of budget vs. actual. I also run a detailed report for each Department so the Department Head can review expenditures and note any corrections that need to be made. Those postings are made the following month.

Mayor LeVault

- If the Town is only 2% off of budgeted revenues I think that is phenomenal. Staff has done a great job taking a conservative view of the process. We need to make the budgeting process as transparent as possible.

Town Clerk Goldberg

- Last year we raised our Fixed Asset threshold to \$1,000 from \$500. We still require a Department Head to obtain a purchase order from the Town Clerk even if the vendor doesn't require a purchase order number. This gives us a heads up that a major purchase is being made and that it gets added to inventory or fixed asset lists. This is part of the preparation we do for our audit each year.

B. **Discussion re: Revenue for FY Budget 2011-12; Anticipated Revenue Streams for \$4,151,901 Town Wide Budget – Including All Funds (ROBINSON)**

Town Manager Robinson

- I will be coming to Council with proposed personnel changes on April 7th. I am estimating an increase of \$47,000 to accomplish the reorganization of positions and responsibilities. Again there will be no COLA and no Merit pay. We won't receive our health insurance rates until the beginning of May. Finance Officer Hoffman has used 14.5% increase in calculating health insurance costs. Our broker has been seeing rate quotes from 15 to 20% over last year's rates.
- Revenue sharing is getting smaller. Now with the new Census, Towns like Maricopa which grew from 2,000 to 40,000 between 2000 and 2010 will get more of the Revenue Sharing pie. We only lost 7 people in the 2010 Census but the pie isn't as big as it used to be. Time is running out. I've

had 10 years of doing budgets for Youngtown. If we don't get more revenue that is locally controlled we are in deep trouble.

- Mayor LeVault and I met with our attorneys regarding creation of the NYT SLID, a Street Lighting Improvement District (SLID) north of Agua Fria Ranch. Council can approve a Resolution creating the SLID. The Town would hire Scott Ruby, a municipal and bond attorney, to take the Town through the SLID formation process. Currently the \$75,000 for electricity for streetlights north of Peoria Avenue is doubly booked in the budget. If we establish SLID before the statutory deadline for tax levies this year, we won't have to use the HURF funds. The other option is to shut off the streetlights. We are not obligated to provide streetlights. Paradise Valley doesn't have streetlights. They have a lot of "dark skies" proponents.

Councilmember MacKay

- What about converting the streetlights to solar?

Mayor LeVault

- That would require a different kind of SLID for infrastructure. Besides solar, switching to LED would be a cost savings.
- We have to be serious where we are going. How are we going to pay for some of these services?
- As a policy making body we have to be focused and know what is the true decision.
- We have to look at revenue generating amenities. What does it cost to run a program? We have to look at resources, including staff time, to have the most positive impact.
- We need to ask residents to consider a property tax. We understand that some of our residents are on fixed incomes. The Town needs a level of revenue. If we continue to take from savings over the next four years, the Town will be broke.

Finance Officer Hoffman

- You have in your budget packet a graph of State Shared Revenue Fiscal Year Comparisons. It starts with Fiscal Year 2006-07 because that is when we got the midterm Census numbers and Agua Fria Ranch was completed.

Mayor LeVault

- Economic development and the idea of rezoning 111th Avenue and parts of Peoria Avenue from Residential to Commercial would have a direct impact on our Town. I could kick the can down the road for the next two years and let the next Mayor worry about it. But I would much rather do something now.

Vice Mayor Duran

- We need a reality check. We have a resident whose solution is to fire the Town Manager and have employees punch a time clock and all the Town's problems will be solved.

Councilmember Mello

- There has been talk about extending Peoria Avenue through the riverbed to El Mirage. Just remember it is a two-way street and that our crime level will increase.

Mayor LeVault

- The Town can use the Peoria river crossing as leverage to get the Salt River Pima- Maricopa Indian Community to develop the riverbed for commercial and recreational uses.

Councilmember MacKay

- Perhaps land that doesn't have other suitable uses could be used for solar.

Town Manager Robinson

- The Town isn't required to provide police services, but what would the Town be like without it? El Mirage went to the Sheriff's Office but are back to having their own Police Department. We have to find a way to continue to go on, but we're almost out of time.

4. Public Comments

Mike Fehlig, Youngtown resident

- If you are going to ask the residents to approve a property tax, you are going to have to have people willing to work to get out the vote. They have to be educated about why the property tax is needed, not scare tactics like we could be annexed to El Mirage or Peoria. You need to find 60 people who are smart and educate them about Town finances. They in turn would educate 10 residents.
- We don't have a utility. I think the Town should focus on solar – spend your time on that. Most of the Visionaries' ideas require a lot of time.

Amanda Wright, Diaz and Associates, Public Relations Consultant for West Maricopa County Regional Association of Realtors (WEMAR)

- WEMAR's legislative policy is to always oppose property taxes. You could put together a presentation for the Government Affairs Committee showing what additional changes the Town has undergone since the Mayor last spoke with the committee. Put together a presentation explaining what would happen if they Town became part of Peoria or El Mirage. I suggest any month but July when the committee will be interviewing Surprise City Council candidates.
- WEMAR is concerned about affordability of housing.

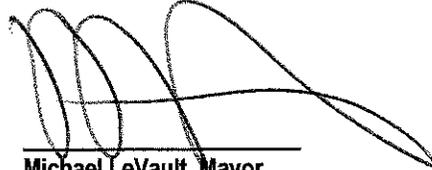
Work Session and Regular Council Meeting: Thursday, April 7, 2011.

Adjournment.

Motion to adjourn – Councilmember Mello

Second – Vice Mayor Duran

Meeting adjourned at 8:02 p.m.



A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Michael LeVault, Mayor

Attest:



A handwritten signature in black ink, appearing to read 'Letty Goldberg'.

Letty Goldberg, Town Clerk/Treasurer

Minutes approved at the April 7, 2011 Regular Meeting.