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TOWN OF JEROME, ARIZONA

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MINUTES

SPECIAL MEETING OF THE JEROME TOWN COUNCIL JEROME CIVIC CENTER - 600 CLARK STREET - COUNCIL CHAMBERS MONDAY, JUNE 24, 2013 AT 3:00 P.M.

ITEM #1:	<p>CALL TO ORDER/ROLL CALL</p> <p>Mayor/Chairperson to call meeting to order. Town Clerk to call and record the roll.</p> <p><i>Mayor Check called the meeting to order at 3:07 p.m.</i></p> <p><i>Town Manager/Clerk Candace Gallagher called roll. Present were Mayor Nikki Check, Vice Mayor Lew Currier and Councilmembers Anne Bassett and Bill Phinney. Councilmember Randall Hunt was not present.</i></p> <p><i>Other staff in attendance at roll call included Municipal Magistrate Joan Dwyer, Finance Director Rebecca Cretti, Finance Clerk Joni Savage and Deputy Town Clerk Rosemarie Shemaitis.</i></p>
ITEM #2:	<p>2013-14 BUDGET</p> <p>The Mayor and Council will continue their work on the 2013-14 municipal budget, and may schedule additional budget sessions at this time. Work will take place in roundtable format. During this discussion, Council may enter into executive session, pursuant to A.R.S. §38-431.03.A.1, for the purpose of discussing staff salaries.</p> <p><i>Ms. Gallagher reviewed the changes made to the draft budget following the previous budget meeting, and proposed a timeline for adoption: Adoption of the tentative budget at the regular July meeting (July 9), public hearing on the budget and tax levy on July 30, followed by final adoption of the budget at the same meeting; and adoption of the tax levy at the regular August meeting (August 13).</i></p> <p><i>Discussion ensued regarding the budget, the highlights of which follow (not necessarily in chronological order). A brief recess was taken between 4:30 p.m. and 4:38 p.m.</i></p> <p>Fund balances:</p> <p><i>Ms. Gallagher stated that she reviewed our fund balances with our auditor. In prior years, our previous auditors had reflected certain amounts as "restricted" fund balance, which our new auditing firm does not agree with. They have reflected those amounts as "unrestricted" fund balance. Because of this difference in philosophy, our Enterprise Fund no longer has a deficit.</i></p> <p><i>Council reviewed the use of fund balance in this budget. Currently, the budget as drafted would utilize \$72,000 (about 17%) of the over \$400,000 available. Those funds would be used toward various capital improvement projects and purchases that would save the town money in future years, including a dump truck.</i></p> <p>Litigation/Legal Fees:</p> <p><i>In anticipation of possible settlement of the Jerome Grand Hotel litigation, \$60,000 has been included in the budget line for litigation, down from \$100,000 in the prior year's budget. Much of that \$100,000 was not spent, as our Risk Pool covered the bulk of that expense.</i></p> <p>Chamber of Commerce:</p> <p><i>Liz Gale, President of the Jerome Chamber of Commerce, was present, and stated that she would like the Chamber to receive an amount equal to that which was given previously (\$2,500). They have</i></p>

been prudent with their money, she said, and have been proven to be a resource for the town.

Vice Mayor Currier explained that, in last year's budget, Council had preferred to use that money toward engineering for the walkway from the 300 Level, and that project is now moving forward. This is a project that should help our businesses.

It was noted that Council is not legally permitted to simply give money to the Chamber. The funds must be allocated for specific purposes that benefit the Town. Council discussed various projects, including:

- Needed repairs to the trolley building (visitor's center)
- Printing of maps (which include locations of AEDs)
- Signage directing visitors to parking areas, including the 300 Level lot
- Benches at the 300 Level parking lot
- Needed repairs to the Chamber kiosk located behind the drinking fountain at the parade steps
 - Ms. Gallagher noted that this would be a good investment by the Town, as we will be needing to post ADA information, and that would be a good location to do so.
- Expansion of hours for the Town shuttle and possible payment for its driver(s).
 - Ms. Gale said that this service is a great asset to our businesses.
 - Currently, hours of operation are limited to the availability of our volunteer drivers, who work only for tips.
- Development of a mobile app for smartphones that would include information about the Town and about the businesses. Ms. Gallagher had been contacted by a sales representative about this ... the app would be developed at no charge and the service would be free for six months, and \$600 per year after that.
 - Ms. Gale said that this would not be of interest to the Chamber.

Of the projects above, Ms. Gale said that she would most like to see signage for parking and the hours increased for the shuttle.

The shuttle was discussed, and there were questions regarding staffing, oversight, funding and shuttle routes. It was concluded that this idea needs more work.

Regarding the work needed on the trolley (visitor's center), Ms. Gale said that, with volunteers, they should be able to repair and re-paint the building for around \$800. Regarding the kiosk, Ms. Gale asked if Council would match the \$200 that the Chamber plans to expend for that project. They would like to hire a contractor and have new siding put on.

After discussion, it was generally agreed that between \$1,200 and \$1,500 would be provided in this budget toward parking signage, the kiosk and the visitors' center.

Salaries:

- Ms. Gallagher noted that the draft budget includes a 3% salary increase across the board. There have been separate requests from the Police Department, Court, Library and Fire Department that have not yet been included.
- Municipal Magistrate Joan Dwyer was present, and requested an increase of \$2.50 per hour for her court clerk, Ronda Brockman, to bring her up to a level that would reflect all that she does. She currently makes \$14.00 per hour. As a part-time employee, she does not receive benefits.
- Ms. Gallagher noted that Kathleen Jarvis has requested a 5% increase for all library staff.
- Police Chief Allen Muma had submitted recommended wages for his officers.
- Councilmember Phinney objected to ANY increase for any town employees, and suggested that the calculated increase in cost of living (for Social Security) is "fake." Councilmember Bassett strongly disagreed.

	<ul style="list-style-type: none"> • Ms. Cretti noted that FICA taxes have increased by 2%, which will reduce net wages. • There was discussion regarding the pros and cons of merit increases and tying performance evaluations to salary increases. It was also suggested that Council budget a particular dollar amount for wage increases, and leave it up to the Town Manager (and, in the police department, the Police Chief) to determine how it would be divided. Ms. Gallagher advised against that, and said that, in her experience, that can decrease morale. • It was generally agreed that staff is underpaid in Jerome. • After discussion, it was agreed that: <ul style="list-style-type: none"> ○ The court clerk's hourly wage will be increased to \$16.00. ○ In the police department, regular full-time officers will be budgeted at \$18 per hour, part-time officers at \$15 per hour, and a new, part-time police aid at \$11 per hour. ○ All other employees will receive a 2% increase. <p>Fire Department Pension Plan:</p> <ul style="list-style-type: none"> • Ms. Gallagher explained that Chief Blair would like to increase the Town's contribution to the Fire Department pension plan from \$8,000 to \$12,000. Mayor Check noted that it used to be at that level, but was reduced several years ago to \$8,000 during a time when the Town was facing financial troubles. This was discussed at some length. <ul style="list-style-type: none"> ○ Councilmember Phinney objected to any increase, and opined that the fund is being used as a savings plan rather than a retirement plan. He suggested that the name of the fund be changed accordingly. ○ It was noted that, in order to receive their share of the Town's contribution, members must attend a certain number of meetings throughout the year. ○ There was discussion regarding to what extent the Town should presume to tell people how to deal with their assets. It was generally agreed that, if the members wish to withdraw funds, and it is within the rules for them to do so, the Town should not interfere. ○ Ms. Cretti suggested that, rather than increase the Town's contribution to the fund, we increase the per call rate (currently \$12 per call). <p>After discussion, it was generally agreed that the Town's contribution to the pension fund would remain at \$8,000, but the Town would be willing to increase the per call rate from \$12 to \$13.50.</p> <p>Miscellaneous items:</p> <ul style="list-style-type: none"> • It was discussed and agreed that the Town's general fund should begin paying its utility fund for water, sewer and trash. Ms. Gallagher will put that into place and adjust the budget accordingly. • It was noted that the budget as drafted does not yet include funding for preserving the historic leaning wall across from the Spirit Room. <p>Ms. Gallagher will make the changes to the budget discussed at this meeting, and provide updated copies to Council. If any members then feel another meeting is warranted, it will be scheduled. Otherwise, the tentative budget will be adopted on July 9. It was noted that some changes could still be made to the budget after its tentative approval and prior to final adoption.</p>
<p>ITEM #3:</p>	<p>ADJOURNMENT</p> <p>Upon motion by Councilmember Bassett, seconded by Vice Mayor Currier and unanimously approved, the meeting was adjourned at 5:46 p.m.</p>

Edited by Town Manager/Clerk Candace Gallagher from minutes taken and transcribed by Deputy Town Clerk Rosemarie Shemaitis.

APPROVE:

ATTEST:

Nikki Check, Mayor

Candace B. Gallagher, CMC, Town Manager/Clerk

Date: _____