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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
WEDNESDAY, APRIL 27, 2016 AT 3:00 P.M.

<p>ITEM #1:</p>	<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 Currier called the meeting to order at 3:00 p.m.</i></p> <p><i>Town Manager/Clerk Candace Gallagher called roll. Present were Mayor Currier, Vice Mayor Freund, Councilmember Stewart, Councilmember Vander Horst and Councilmember Barber.</i></p> <p><i>Other staff present were Becky Cretti, Finance Director, and Joni Savage, Deputy Clerk.</i></p>
<p>ITEM #2: 3:01</p>	<p>ZONING ADMINISTRATOR</p> <p>Council may authorize an agreement with Al Sengstock for continued service as Zoning Administrator, to be provided remotely.</p> <p><i>Ms. Gallagher had been directed, at the prior meeting, to prepare an employment contract with Al Sengstock. She presented a draft agreement which included a salary of \$17,500 per year, no benefits, and a 30-day termination clause. The term would be for six months. The agreement states that he would be expected to attend by telephone or other electronic means all meetings of the DRB, P & Z, Board of Adjustment and Steering Committee. She noted that the agreement would be effective as of May 1, but in the meantime, he has been working with Ms. Savage and Ms. Julian. Mr. Sengstock has reviewed the agreement, she said, and is fine with the language.</i></p> <p><i>Discussion ensued, the highlights of which are presented below, not necessarily in chronological order.</i></p> <ul style="list-style-type: none"> <i>• It was agreed that the contract should refer to "Mr. Sengstock" rather than simply "Sengstock."</i> <i>• It was agreed that a provision stating that Mr. Sengstock would "bear ultimate responsibility for posting" would be removed.</i> <i>• The question arose as to who would be responsible for Mr. Sengstock's expenses if he were required to return for a court hearing. Ms. Gallagher said that, in the event that there were travel expenses we would certainly have to pay for those. She noted that he has not requested any clause regarding reimbursement for out of pocket expenses.</i> <i>• It was noted that \$17,500 represents half of Mr. Sengstock's prior, full-time salary, and the question arose as to how many hours he would be spending on this work. It was concluded that this is variable, and difficult to predict.</i> <i>• Councilmember Vander Horst asked if we had contacted any former employees. Ms. Gallagher said that she had contacted one, and that person was not interested. Mr. Vander Horst suggested that we contact other municipalities to see if they might have someone working part-time that could also work here. "I have to tell you, I don't like this idea," he said. He clarified that he has nothing against Mr. Sengstock. "I respect him," he said, "and I wish he was still here. I just don't see how he can do this job from Florida."</i> <i>• Council weighed the importance of having someone in this position right away. Ms. Cretti noted that there have been times when there was no one in the Zoning Department. "What happens," Mayor Currier said, "is nothing gets done. It builds up</i>

	<p>and becomes a serious problem." Ms. Cretti agreed.</p> <ul style="list-style-type: none"> • Councilmember Vander Horst wondered if Mr. Wolstencroft might be capable and willing to cover those duties for awhile. • Vice Mayor Freund said that he sees this arrangement as an experiment that is worth trying. "We will look at it very carefully after six months," he said. Mayor Currier agreed, and said that he looks at this as a stop-gap measure, however he believes we should continue to look for a permanent replacement. • Councilmember Stewart expressed concern about the added burden on staff (Ms. Savage and Ms. Julian) that this could create. Ms. Gallagher explained that she had included a provision in the draft budget for some additional hours by Ms. Julian. Mr. Stewart noted that Ms. Savage already has full-time duties and adding this would result in other things not being addressed. "I am making it work," Ms. Savage said. The Mayor commented that the Deputy Clerk's job is "to catch the ball, wherever it comes from." • Ms. Savage noted that she had scanned information to Mr. Sengstock for the Design Review Board meeting, which took her only 15 or 20 minutes. Within 24 hours, Mr. Sengstock had returned an agenda and his analysis. She further explained that Mr. Wolstencroft would continue to walk around the Town as he does now, and will notify Mr. Sengstock if he sees anything amiss. She added that she and Ms. Tovrea have been and would continue to accept applications and packet information. • Ms. Gallagher said that she can understand the concerns that are being expressed, but, from staff's perspective, this is already working. She believes it is important to not have an interruption in the service. She will continue to look for a replacement, she said, but she thinks this is a good idea in the interim, and will save the Town money. • Vice Mayor Freund said that he believes it is important to keep Mr. Sengstock involved with the Town during the current litigation. Councilmember Barber agreed. • Mayor Currier suggested that perhaps Ms. Julian could be trained to become more of a zoning functionary. <p>Motion: Vice Mayor Freund made a motion to authorize an agreement with Mr. Sengstock as amended.</p> <p>Ms. Gallagher recapped that the changes would be to add the word "Mr." before "Sengstock" and to remove "he shall bear ultimate responsibility for posting." It was briefly discussed and agreed that these would be the only two changes to the draft agreement, and that any arrangement regarding travel expenses would be at the discretion of the Town Manager rather than spelled out in the agreement.</p> <p>The motion was seconded by Mayor Currier. The motion passed, 3-2.</p> <p>Ms. Cretti asked how Mr. Sengstock is to be paid for work done between April 16th and 30th. Ms. Gallagher responded that he has been voluntarily working at no charge. His contract will begin May 1, she said, and he will be considered a part-time employee, rather than a contractor.</p>										
<p>ITEM #3: 3:24</p>	<p>TRANSFER OF CONTINGENCY REVENUES AND EXPENSES</p> <p>The Council may approve a transfer of funds in the 2015-16 budget (wildlands revenues and expenditures) from the General Fund Contingency to the General Fund.</p> <p>Ms. Gallagher explained that a motion is needed to transfer funds in the 2015-16 adopted budget from the contingency fund to the general fund, as follows:</p> <p>From:</p> <table border="0"> <tr> <td>Contingency Fund Revenues - Wildland Fire Fees</td> <td style="text-align: right;">45,000.00</td> </tr> <tr> <td>Contingency Fund Revenues - Other Contingency Revenues</td> <td style="text-align: right;">16,745.99</td> </tr> </table> <p>To:</p> <table border="0"> <tr> <td>General Fund Revenues – Wildland Fire Fees</td> <td style="text-align: right;">61,745.99</td> </tr> </table> <p>From:</p> <table border="0"> <tr> <td>Contingency Fund Expenses – General Fund Contingencies</td> <td style="text-align: right;">61,745.99</td> </tr> </table> <p>To:</p> <table border="0"> <tr> <td>General Fund Expenses – Fire Department</td> <td style="text-align: right;">61,745.99</td> </tr> </table>	Contingency Fund Revenues - Wildland Fire Fees	45,000.00	Contingency Fund Revenues - Other Contingency Revenues	16,745.99	General Fund Revenues – Wildland Fire Fees	61,745.99	Contingency Fund Expenses – General Fund Contingencies	61,745.99	General Fund Expenses – Fire Department	61,745.99
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Contingency Fund Expenses – General Fund Contingencies	61,745.99										
General Fund Expenses – Fire Department	61,745.99										

This is a recommendation from our auditor, she said, and what we will be doing is transferring to the general fund budget from the contingency fund budget \$61,745.99 of the wildlands revenues that have been received. We would be transferring just enough of that revenue to cover what has been spent. In the same way, we will be transferring the same amount from the budget for contingency fund expenses to the general fund budget. There are two transfers, one for budgeted revenue and one for budgeted expenses. Once those have been approved by Council, staff will reclassify the actual revenue and expenses as general fund revenues and fire department expenses.

Ms. Gallagher provided a list of monies that have been spent, which the transfers will cover. Included on the list were wages, food and lodging for our wildlands crews at the Kearny Fire, Lawyer 2 Fire, and Valley Fire, as well as fuel and supplies related to those events, and a payment of \$1,000 to Cottonwood for an Engine Boss for the Kearny Fire. Other expenses included on the list were the purchase of a new Polaris, replacement of the engine in the Chief's vehicle, tires for the brush truck, Firewise event signs and fuel abatement supplies.

Ms. Gallagher explained that some of these costs were charged to the contingency budget and others (including wildlands wages) to the Fire Department budget. She noted that the fire department is now over budget on salaries. When we make this transfer, it will cover that.

Mayor Currier clarified that this motion will be to amend the adopted budget. Ms. Gallagher agreed.

Discussion ensued, the highlights of which are presented below, not necessarily in chronological order.

- The transfer does not include all of the revenue received, just enough to cover what has been spent. We actually received about \$72,000, some of which was for prior year work, and is already in the general fund.
 - Councilmember Vander Horst asked when we recognize wildlands revenues. "When the cash comes in," Ms. Cretti replied.
- The Mayor asked if the remaining funds should be transferred, and to which department. Ms. Cretti suggested that, if an additional transfer is made, it go to the sewer department.
- There was brief discussion, sparked by Councilmember Stewart, regarding how future wildlands revenues should be budgeted. Ms. Gallagher said that it is up to Council during the budget process to decide if revenues should be anticipated in the General Fund or as contingencies.
- Mr. Stewart asked why the auditor feels this transfer is necessary. Ms. Gallagher explained that he said that the money should be transferred to the fire department budget so that the expenses are reflected in the proper department. Ms. Cretti added that this is part of the Generally Accepted Accounting Principles (GAAP).
- It was noted that if, in succeeding years, revenues and expenses are budgeted as contingencies, and then received and spent, we would need to take a similar action. Some monies, such as wages for wildlands personnel, would necessarily be spent prior to receiving the revenue or making the transfer.
- Mayor Currier said that, generally, it is up to Council to allocate contingency revenues. This year, money was spent before anyone had a chance to think about it. It was noted that, in prior years, wildlands revenues have been budgeted in the fire department (general fund).
- Councilmember Stewart asked why the Firewise event and banner signs are coming out of the wildlands monies and not the Firewise grant. Ms. Savage said that Bill Volk had told her that promotional materials could not be paid by the grant. Ms. Gallagher explained that the expense had to be charged somewhere, and Chief Blair asked that it be taken from the wildlands fees.
- Councilmember Stewart asked why we paid for an engine boss from the City of Cottonwood when he is being paid a wage. Mayor Currier asked Ms. Gallagher to look into that.
- Ms. Cretti explained that our Grants Fund should be used as a clearing fund. Only the expense and revenue that match would be going through there. If there is any additional expense it is charged to the department.

	<p>Motion: Mayor Currier made a motion to transfer funds in the 2015-16 adopted budget. It was seconded by Councilmember Vander Horst.</p> <p>Ms. Gallagher clarified that the motion is to transfer funds as listed on the sheet provided (and in the minutes above).</p> <p>The motion passed, 5-0.</p> <p>Ms. Gallagher requested that Ms. Cretti be directed to reclassify any wildland revenues and expenses that have been credited and charged to the contingency fund back into the general fund. The fire department is a part of the general fund, she said. Staff was so directed.</p> <p>It was agreed that the next budget meeting would take place on Thursday, May 12 at 3 p.m.</p>
ITEM #4:	ADJOURNMENT Upon motion by Vice Mayor Freund seconded by Councilmember Vander Horst and unanimously approved, the meeting was adjourned at 3:41 p.m.

Edited by Town Manager/Clerk Candace Gallagher from minutes taken and transcribed by Deputy Town Clerk Joni Savage.

APPROVE:

ATTEST:

Lew Currier, Mayor

Candace B. Gallagher, CMC, Town Manager/Clerk

Date: _____