

Minutes of the work session of the Winslow City Council held on May 4, 2021 at 2:00 P.M. in the main hall of the Winslow Visitor's Center, 523 West Second Street, Winslow, Arizona.

MEMBERS PRESENT:

Mayor Cano, Councilmember Boyd, Councilmember Crisp, Councilmember Jackson, Councilmember MacLean, Councilmember Nelson

MEMBERS ABSENT:

Councilmember Cake

STAFF:

John Barkley City Manager, Suzy Wetzel City Clerk, David Coolidge Assistant City Manager, Elias Jouen Finance Director, Ken Arend Police Chief, Kelleen Haney Police Office Manager, James Hernandez Fire Chief, Tim Westover Public Works Director, Brandee Leary Librarian, Kim Salazar Public Housing Manager, Marshall Larsen City Inspector

Mayor Cano called the meeting to order. The Pledge was given and the Invocation was offered by Councilmember MacLean. Roll call was taken and Councilmembers Boyd and Cake were absent. Motion: Moved by Councilmember MacLean, seconded by Councilmember Jackson, to excuse the absent members. Motion passed unanimously with Mayor Cano and Councilmembers Crisp, Jackson, MacLean and Nelson voting yes. Councilmember Boyd arrived at 2:10 p.m.

REVIEW AND DISCUSSION REGARDING FISCAL YEAR 20/21 BUDGET

The City Manager provided a PowerPoint Presentation regarding the proposed budget for Fiscal Year 21/22. The presentation consisted of the following:

- City Organizational Chart
- Budget Development Process including Development, Adoption, Implementation, Evaluation & Audit
- Fund Accounting:
 - General Fund (Major Fund), Highway User Revenue Fund, Housing Fund, Community Development Block Grant (CDBG), Capital Projects Funds, Internal Service Fund (Fleet)
 - Proprietary/Enterprise Funds: Airport, Water, Sanitation & Wastewater
- Revenues & Expenditures by Fund
- Revenues & Expenditures by Department

- Personnel Costs
- Community Support & Special Events
- Capital Lease/Purchase for Vehicles/Equipment
- Budget Timeline

During discussion regarding Community Support & Special Events, the City Manager stated that he will be increasing amount that is paid to the Chamber for tourism from \$90,000 to \$100,000. The increase is due to the fact that the monies paid to the Chamber come from the bed tax and there will most likely be an increase from the bed tax due to construction of the new hotel on North Park Drive. Staff was also directed to include the amount of \$5,000 for the 9/11 Memorial.

Following the PowerPoint presentation, the City Manager discussed the budget book that was provided to the Council and staff directors. Contents of the book included information regarding the following:

- Authorized Position List
- Expenditure Limitation information
- Proposed Fee Schedule changes
- Five Year Capital Improvement Plan

Throughout the discussion regarding the budget book information, the City Manager and appropriate staff responded to questions and comments from the Mayor and members of the Council.

There was a lengthy discussion regarding the proposed changes to the cemetery fees, specifically removing the fee of \$900 for non-resident adult lots within Navajo County and including them in the category of non-resident adult lots with a proposed increase from \$1,200 to \$2,000.

After the City Manager discussed projects and purchases that are included the Capital Improvement Plan, it was the consensus of the Council to increase the amount included for the Library Expansion project from \$50,000 to \$250,000. The Assistant City Manager also provided clarification regarding the fund balance shown on the CIP for Fund 13.

Councilmember Crisp left the meeting at 3:30 p.m. and returned at 3:50 p.m.

There was a brief discussion regarding options for public restrooms in the downtown area and the challenges that come with having a facility open 24/7. Councilmember MacLean stated that a playground in the downtown area might be a good option to consider for tourists with children. Councilmember MacLean also stated that maintenance of the parks is a priority for him wherein the City Manager stated that the majority of maintenance to the parks is considered an operational expense.

Councilmember Jackson referred to the recent increase in construction costs and asked if there is a certain percentage that the city keeps in reserves in the Capital Fund. The City Manager responded by stating that 3 months, or 23%, is standard for the operational budget but that also applies to the capital budget. The Finance Director also provided information regarding Fund 13 expenditures which come from the 1% sales tax.

There was further discussion regarding restrooms in the downtown area and staff stated that they will discuss the options and decide whether funds need to be included in the capital budget for fiscal year 21/22. In response to a question from Mayor Cano, the Assistant City Manager clarified that funds for facade improvements were included in the Slum and Blight line item. Additional information was provided regarding the facade program for buildings located in the Route 66 Corridor.

Councilmember MacLean referred to the pandemic and stated that he is excited to see the positive aspects of this budget going forward. Councilmember Boyd referred to reallocation of the 1% sales tax to capital improvements that was approved by the voters when the wastewater plant loan was paid off early and stated that made a huge difference with being able to complete various projects.

In response to a question from Councilmember Crisp, the City Manager and the Finance Director confirmed that the proposed rate increases are not factored into the projected revenues in the water and wastewater funds. The Public Works Director and the City Manager also responded to a question from Councilmember Crisp regarding CDBG funds.

Additional discussion included whether the city has plans to acquire private land for the airport runway extension, award of the 4FRI project in July and its impact on property located near the airport and the impact that CARES Act funding will have on the budget.

The City Manager referred to the annual audit documents and stated that they contain information showing all revenues and expenditures. At the request of Councilmember Crisp, the Finance Director and Assistant City Manager explained why the interest income shows a negative number on the budget worksheets for year to date revenues. The Finance Director and Assistant City Manager also provided additional information on other line item accounts that show a negative balance.

Councilmember Jackson referred to the lack of revenues in the Sanitation fund and asked if the city needs to do a better job at communicating information regarding solid waste collection rates to citizens so that they have a better understanding of the issues. The City Manager responded by stating that there has been discussion regarding this fund at a staff level and it has been

determined that solid waste services can be provided for another year at the current rate but there will need to be future discussion regarding a proposed increase to solid waste collection rates.

There was further discussion regarding the city’s recycling program and the impact that it has on solid waste rates. The City Manager also discussed the impact that the pandemic has had on Waste Management and language in their contract regarding extraordinary costs. The Finance Director commented on the CIP increase to Waste Management’s contract that takes place on an annual basis. Additional discussion included the service that is provided by Waste Management, the cost per household for solid waste services and the amount paid for Waste Management to pick up recycling material at the Transfer Station.

ADJOURNMENT

Motion: Moved by Councilmember MacLean, seconded by Councilmember Boyd, to adjourn at 4:40 p.m. Motion passed unanimously with Mayor Cano and Councilmembers Boyd, Crisp, Jackson, MacLean and Nelson voting yes.

Mayor

Attest:

City Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the work session of the Winslow City Council held on May 4, 2021 at 2:00 P.M. I further certify that the meeting was duly called and that a quorum was present.

Dated this _____ day of _____, 2021.

City Clerk