

Budget Committee Minutes
Town of Queen Creek
22358 S. Ellsworth Road
Queen Creek, AZ 85242

DRAFT

May 12, 2009

1. Call to Order

The meeting was called to order at 4:02 p.m. by Council Member Gordon Mortensen, Chair.

Committee members present: Council Member Gordon Mortensen, Council Member Jeff Brown, and Vice Mayor Gail Barney

Absent: None Also Attending: Town Manager John Kross, Assistant Town Manager Patrick Flynn, Budget Administrator Barbara Sena, Amanda Keim with the East Valley Tribune, Richard Dyer with the Queen Creek Independent, Chamber President Rustyn Sherer.

2. Items for Discussion and possible action

A. Consideration and possible approval of the April 21, 2009 minutes and the April 23, 2009 minutes.

The minutes are in draft form at this time and will be presented to the committee for approval at the next meeting.

B. Follow-up items from previous meeting

1. Queen Creek Chamber of Commerce FY 09-10 Budget Request

Economic Development Director Doreen Cott reviewed the three options. One option was for funding at \$65,000, the second option was for \$55,000 and the third option was for \$36,500. The full contract funded for Chamber of Commerce in FY 07/08 was for \$65,000. The FY 08/09 contract was for \$43,000. An additional \$7,200 was paid this fiscal year in \$1,800 installments over 4 months.

Council Member Brown wanted more detail with specific items in the Chamber of Commerce contract. He questioned if there were areas of duplication between Town and the Chamber of Commerce. He also questioned if there are areas the Town may take over for a reduction in cost.

Council Member Mortensen would also like to know what services are provided by the Chamber of Commerce and what services the Town could take over to reduce costs. He would like a list of services the Chamber of Commerce provides and a list of services the Town provides. Council Member Mortensen stated we value the Chamber of Commerce and the services they provide to our community. He would like to look at the list and see what we can do as in-kind services along with cash funding.

Vice Mayor Barney has not changed his position on the Chamber of Commerce funding.

Town Manager Kross said a staff report will be presented to Council at their June 3 meeting with a detailed review of the contracted services, any in-kind Town contributions, development projections over the next five years and how they dovetail here.

2. Town contribution for Kiwanis 4th of July Fireworks program

Parks and Recreation Director Debbie Gomez advised this item was brought back to the committee because of the timing issue for the 4th of July, which is less than 45 days away. The Kiwanis Club has already purchased and paid for this year's fireworks show. They are concerned with funding for future fireworks shows.

Town Manager Kross stated we have already absorbed with the Fire department \$1,400 of in-kind services for staff availability.

Council Member Brown moved that the Town match M&I Bank's donation of \$1,000 cash and \$1,400 of in-kind services. Motion fails due to no second.

Vice Mayor Barney suggested \$2,500 cash plus in-kind services. If M&I Bank pulls out of funding the fireworks show, then the Town should pull out also.

Council Member Mortensen would support \$2,500 cash plus \$1,400 of in-kind services for the 4th of July fireworks show.

Vice Mayor Barney moved to give the Kiwanis Club \$2,500 cash plus \$1,400 of in-kind services. If there is no 4th of July event, then we pull out. Council Member Mortensen seconded the motion. 2-1 voice vote with Council Member Brown opposed.

C. Review of Water Development Capital Improvement program

Assistant Town Manager Patrick Flynn stated that at the April 23 meeting the Budget Committee considered and approved the Town's 5 year Capital Improvement Program. We are currently in the process of developing a water development fee. Part of the state law is doing an infrastructure plan that supports this fee. We would like our capital improvement program to mirror this plan. There is no change to FY 09/10, it is mostly in the 5 year plan. In the 5th year of the program, assuming we see building pick up, we would contemplate a bond issue. The change adds \$11M in bonding in 2014 and a small change in the FY 2009/10 development fee revenue. This is to match the infrastructure plan.

D. Review of third quarter Town Financial Report

Assistant Town Manager Patrick Flynn advised that the packet contains the Town's financial statement for 9 months. He highlighted areas of the 9 month period. Revenues are at \$15.1M; expenses are at \$13.5M. We have a \$1.6M surplus in the general fund for this period. Sales tax is at almost 80%. We are 9% above a year ago. Building is at a decline from a year ago. It is important for the sales tax to be up to cover shortfalls in other areas. State shared sales tax is down from a year ago.

Revenues are in excess of expenditures.

3. Announcements

None

4. Adjournment

Council Member Gordon Mortensen adjourned the meeting at 4:29 p.m.

TOWN OF QUEEN CREEK

Council Member Gordon Mortensen, Chair

ATTEST:

Marsha Hunt, Sr. Administrative Assistant

I, Marsha Hunt, do hereby certify that, to the best of my knowledge and belief, the foregoing minutes are a true and correct copy of the minutes of the March 3, 2009, meeting of the Queen Creek Town Budget Committee. I further certify that the meeting was duly called and that a quorum was present.

Marsha Hunt, Sr. Administrative Assistant

Passed and approved on