

**MINUTES OF THE BUDGET TOWN HALL AND STUDY SESSION OF THE SHOW LOW CITY COUNCIL HELD ON THURSDAY, APRIL 4, 2019 AT 6:00 P.M. IN THE CITY COUNCIL CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA**

1. Call to Order.

Mayor Seymore called the meeting to order at 6:00 p.m.

2. Roll Call.

**COUNCIL MEMBERS PRESENT:** Mayor Daryl Seymore and Council members Rennie Crittenden, Brent Hatch, John Leech, Jr., Connie Kakavas (arrived at 6:14 p.m.), and Gene Kelley.

**COUNCIL MEMBERS ABSENT:** Vice Mayor Mike Allsop.

**STAFF PRESENT:** Ed Muder, City Manager; F. Morgan Brown, City Attorney; Justin Johnson, Administrative Services Director; Cari Bilbie, Accountant; Bill Kopp, Public Works Director (left the meeting at 7:06 p.m.); Rick Austin, Public Works Operations Manager (left the meeting at 7:06 p.m.); Shane Hemesath, City Engineer (left the meeting at 7:06 p.m.); Tom Bahr, Airport Manager (left the meeting at 7:06 p.m.); and Tamra Reidhead, City Clerk.

**GUESTS:** Brandon Woodward of Schneider Electric.

3. Invocation.

Mayor Seymore gave the invocation.

4. Pledge of Allegiance.

Councilman Leech led the Council and audience in the pledge of allegiance.

5. Budget Town Hall Session for Public Comments.

No citizens were in attendance.

6. Short Recess.

None taken.

7. Presentation and Discussion of Investment Grade Audit by Schneider Electric.

Brandon Woodward, Arizona Team Leader for Schneider Electric, said their capital recovery and reinvestment program leveraged the latest technology to

identify and capture energy and operational savings; reinvested those savings back into Capital Improvement Program (CIP) priorities, modernizing the City, and driving economic development; and provided the City with turnkey CIP solutions with guaranteed results. This project was a turnkey, self-funding project paid for by savings.

Mr. Woodward said the project's preliminary assessment was complete and was a high level assessment of the City facilities to identify needs, goals, and savings opportunities. The Investment Grade Audit (IGA) was an in depth audit of City facilities to identify energy efficiency and building modernization scope, cost, and guaranteed savings. The next step was to approve the final project and secure funding. The City Council would authorize a construction contract with Schneider and secure project funding at a subsequent board meeting.

Mr. Woodward said Schneider Electric would manage the entire project implementation and commissioning and provide training, support services, and measurement and verification of guaranteed project savings.

Mr. Woodward reviewed the project goals, including improving energy and operational efficiency, analyzing streetlight pole acquisition and LED retrofit, increasing economic development by modernizing City infrastructure, and developing a solution that demonstrated wise stewardship of City funds.

Mr. Woodward said the project would result in \$2.2 million in City modernization and efficiency upgrades, \$185,000 in annual energy and maintenance and operations savings, and \$5.2 million in lifecycle savings over the next 20 years.

Councilman Crittenden asked about the return on investment when the City purchased the Arizona Public Safety (APS) streetlights. Mr. Woodward said the City would purchase 418 poles and then take care of servicing them. There would be a lot of savings in the maintenance because LED lights had a 25+ year life span, so the City shouldn't have to replace very many of them.

Councilman Leech asked if Schneider Electric could guarantee a \$5.2 million savings over 20 years. Mr. Woodward said the guarantee was that if the City didn't meet the specified savings each year, then Schneider Electric would write the City a check at the end of each year to make up the difference. He said he could provide a reference list of all 40 out of 700 plus projects to whom they had written a check. City staff had already seen the list of references. Even though they were relatively new to Arizona, they were in 31 other states. They had closed a large deal with the City of Sierra Vista just last week.

Councilwoman Kakavas arrived at this time.

Mayor Seymore asked who would be performing the retrofit if the City moved forward with this project. Mr. Woodward said Schneider would use local electrical resources/subcontractors. They had subcontractors across the Valley that they bid the work out to.

Mayor Seymore asked how long the project would take. Mr. Woodward said eight months.

Mayor Seymore asked where the initial funding would come from. Mr. Muder said staff would work with Schneider and present a contract to the Council for approval. Funding would come from a bank loan or other financial institution, and it would be paid back through the guaranteed savings.

Councilman Kelley asked what percentage of cities they had worked with had received a check from Schneider. Mr. Woodward said with over 750 projects, they had written 41 checks. They preferred to do additional savings upgrades at their expense if they were out by \$20,000 or more.

Councilman Kelley said electric costs per kilowatt would not stay the same over a 20-year period and asked how they could estimate the costs of future electricity and savings. Mr. Woodward said they guaranteed the actual kilowatt per hour savings, which equated to \$140,000 today. If they guaranteed \$140,000 in today's dollars, ten years from now that would be closer to \$200,000 to protect the City.

Councilman Leech asked about the eight-month time frame for the project. Mr. Woodward said they made their expectations very clear to their subcontractors. They would have a site superintendent that would live here for eight months to make sure things were on track and on budget.

Mayor Seymore asked if Schneider had incurred any problems with APS regarding buying the streetlights. Mr. Woodward said no, not on purchase. As part of project, the streetlight subcontractor (who was not local) would be the expert and would double check against APS's numbers and quality and condition of the poles.

Councilman Hatch asked about replacement spares. Mr. Woodward said they would typically provide the City with extra stock, but the failure rate was very small.

Councilman Kelley asked about the Ameresco project the City did a few years ago. Mr. Muder said the Ameresco project exceeded the guaranteed savings. Even with the newer lights that were installed at city hall, the LEDs that would be included in Schneider Electric's plan would save the City much more money.

8. Discussion by the Show Low City Council of the Draft Recommended Budget for Fiscal Year Ending June 30, 2020.

Mr. Johnson said that tonight's meeting would begin overview and discussion of the budget for the Public Works department (Airport, Engineering, Streets/Highway User Revenue Fund, Water Services, and Wastewater) Special Revenue Funds, Administrative Services, and Administration. He said the next study session scheduled for April 18 would consist of detailed discussions of budgets for the Magistrate Court, Police, Planning and Zoning, Community Services, and Police Department. If needed, a study session on April 25 would be held to complete discussions. At the May 21 regular meeting, staff would provide an overview of the tentative budget changes.

Mr. Johnson began with the Public Works department. He said the first division was the Airport budget of \$2,020,607, a 64.56% decrease from the FY2019 budget or a 5.10% increase when adjusted for capital projects. The decrease was due to completion of the Runway 06/24 rehabilitation project. There were 5.5 FTEs. Cost drivers were fuel for resale (with offsetting revenues) and repairs and maintenance. The budget included capital expenditures of \$705,000, including a de-icing facility for \$300,000 (carried over from FY2019), rehabilitation of the south apron for \$185,000, updating the Airport Master Plan for \$150,000, and a south safety and security fence for \$70,000.

Discussion moved to the Engineering budget of \$711,157, an 8.54% decrease over FY2019. There were 6.0 FTEs, with the majority of the decrease attributed to a capital purchase for aerial and mapping that was completed in FY2019.

Discussion moved to the Parks and Facilities Maintenance budget of \$1,483,359, a 10.93% decrease from FY2019. The decrease was largely due to the projected completion of Nikolaus Homestead Park Lighting Phase IIA. There were 8.0 FTEs. Capital expenses for FY2020 totaled \$493,500, including \$170,000 for a new roofing at the city campus; \$19,500 for a swing set at Archibeque Park; \$50,000 for Old Pavilion improvements; \$50,000 for City Park streets and trails makeover; \$55,000 for replacing carpet at city campus gym; \$60,000 for a double zip line at City Park; \$25,000 for a new roof for the Butler Building; \$40,000 for a new tractor; and \$24,000 for a new turf sweeper.

Councilman Crittenden asked about liability on the zip line at City Park. Mr. Brown said the City generally had recreational immunity.

Mayor Seymore said he hoped the swings that were removed in July would be replaced soon. Mr. Kopp said the weather was finally dry enough that crews could do the work.

Councilwoman Kakavas asked what improvements would be made at the Old Pavilion. Mr. Kopp said they would be replacing block and old timbers with like material to preserve it rather than rebuilding it.

Mayor Seymore asked why there was a decrease in the maintenance and repairs budget. Mr. Muder said a lot of that work was moved to the Other Contractual line item. Mr. Johnson said funds were moved to Other Contractual for landscaping, so even though it appeared the number was down, the maintenance line item actually increased.

Councilman Leech said he would like to see more funds used for upgrades at Frontier Fields, which were used for several different events. Mr. Kopp said staff had cost estimates and details for the City's electrician to add 50 amp electric service to the light poles, which was in the budget to be done soon.

Councilman Leech added that there was no seating or shade at Frontier Fields for use during large events. He said people don't stay long if there is no shade or places to sit. Mr. Kopp said at the last Council retreat, master planning was discussed and getting the power set up was the first priority. Councilman Leech felt that picnic tables could come from somewhere else in the budget to provide comfort for people coming to the events at Frontier Fields.

Mr. Muder said the City bought a trailer that held tables and chairs for use at events, but they were purchased after July 1, which was after the events held at Frontier Fields last year.

Discussion turned to the Streets/HURF (Highway User Revenue Fund) budget of \$5,105,242, a 12.96% decrease from FY2019 or a 0.30% decrease when adjusted for capital. There were 11.0 FTEs. The majority of decrease was due to several capital project completions in FY19. Capital expenditures of \$3,979,800 included the R&R (rehabilitation and rejuvenation, such as slurry sealing) program of \$425,000, Scott Ranch Road (\$1,277,800), 16th Avenue improvements (\$40,000), Hall Street–CDBG project (\$200,000), lower power lines and install lights (\$100,000), sidewalk on North 16th Avenue from McNeil to Old Linden Road (\$160,000), downtown parking along East Cooley (\$60,000), Cooley improvements from Central to 4th (\$165,000), general improvements (\$100,000), Sierra Vista subdivision improvements (\$540,000), drainage on Owens and McNeil (\$80,000), Joe Tank Road improvements (\$500,000), mechanical sweeper (\$178,500—with the total cost split with streets and water), crack seal machine (\$46,500—with the total cost split with streets and water), asphalt laydown machine (\$80,000—with the total cost split with streets and water), trailered tack pot (\$13,000), and spreader with harness for deicing (\$14,000). There was a General Fund subsidy of \$1,245,960.

Councilman Crittenden asked about the grant process for Scott Ranch Road. Mr. Johnson said every year after the BUILD grant committee reviewed through the applications, staff held a debriefing with them where they provided help on ways to strengthen the application for the next year. The BUILD grant (which was federal money) process was difficult because the City was in competition with the state, e.g., Arizona Department of Transportation

Mr. Muder said the money included in this budget was funds the City set aside for a matching grant plus the money Navajo County committed to the Scott Ranch Road project.

Mayor Seymore asked what the funds shown for Sierra Vista subdivision would be used for. Mr. Hemesath said the funds would be used to mill and overlay the entire subdivision.

Councilman Crittenden asked why the water division was paying for some things the streets division used such as the mechanical sweeper, crack seal machine, and laydown machine. Mr. Johnson said those amounts were not split evenly, with streets paying the larger percentage. There were a lot of projects that required the City to do trenching in the streets and put patching back. The water and wastewater divisions used the equipment as well as streets.

Discussion turned to the Water Services fund of \$5,893,830, a 2.14% decrease from FY2019 or an 8.22% increase when adjusted for capital. There were 14.0 FTEs. Rate revenue was estimated at \$4,809,304, with a \$1.5 million reserve for a future water treatment plant, and \$800,000 in two months' operating reserve. Capital expenditures of \$2,911,465 included general improvements (\$150,000), SCADA (monitoring software) upgrades (\$130,000), water storage tank maintenance (\$200,000), backup generators (\$60,000), new well design (\$70,000), Fairway Park phase IV water project (\$830,000), South Cub Lake Road water line replacement (\$220,000), West Cooley improvements from Central Avenue to 8th Avenue (\$437,000), and 300K tank site improvements (\$200,000). Equipment purchases for the water division included a Ford F350 4x4 service truck (\$65,000), Ford F350 4x4 or equivalent with plow (\$65,000), crack seal machine (\$45,000—with the cost split between streets and water), asphalt laydown machine (\$82,500—with the total cost split between streets and water), Ford F150 4x4 or equivalent (\$40,000), and mechanical sweeper (\$76,500—with the cost split between streets and water).

Mr. Johnson said water capacity fees (one-time fees the City charged for new development to increase capacity) included revenue projections of \$35,000 and reserves of \$1,049,200 for future capacity projects.

Discussion turned to the Wastewater fund of \$3,075,434, a 53.95% decrease over FY2019 or a 3.39% increase when adjusted for capital. There were 12.0

FTEs. Rate revenue was estimated at \$3,351,028. Capital expenditures of \$841,000 included the manhole replacement program (\$200,000), general improvements (\$100,000), Show Low South land exchange (\$15,000), backup generators (\$100,000), West Cooley sewer improvements (\$346,000), and upgrade for TV camera (\$80,000).

Mayor Seymore asked if the City was replacing generators or if they would be used for backup. Mr. Kopp said the City had one trailered generator in use now. The City had purchased a backup generator for well no. 12 and one for a lift station. This year staff planned to purchase generators for well no. 4 and the Fools Hollow lift station.

Mr. Muder said these generators would not be portable but would be permanent. Mr. Kopp said the generators run about one hour per month. Staff is watching for grant programs for the generators. Since the backup generators are listed in Navajo County's regional hazard mitigation program, they are eligible for federal money.

Councilman Leech asked if the City was almost done with the manhole replacement program. Mr. Kopp said no, it was a perpetual program. Mr. Hemesath added that the City had 2,600 manholes in the system and ten were replaced at a time.

Mr. Johnson said for Wastewater Capacity/Impact Fees, staff anticipated \$150,000 in revenue from fees and a fund balance of \$483,354 for future projects.

Discussion moved to the portion of the General Operations budget of \$50,000 regarding relocating the Adams Cabins to city hall property.

Mr. Muder said there was an old cabin on 16th Place where Ross and Georgia Adams used to live. It was moved to the property 50 or 60 years ago and was in poor condition, but it looked like one of the first cabins in Show Low. The Adams family approached the City and met with staff and offered to donate it to the City if it could be relocated. Staff had discussed placing it near the historical jail on city hall property. Mr. Austin talked to the people that moved the jail and got a ballpark quote of about \$45,000 to relocate it to city hall property. Staff had added the cost to the budget but the Council wouldn't need to make a decision at this point.

Mr. Austin said the cabin was relocated from Pinetop several years ago. Mr. Muder added that it was in fairly poor condition. Mr. Kopp said staff had received some comments from community members who expressed interest in helping with the cost to move it.

Messrs. Kopp, Hemesath, Bahr, and Austin left the meeting at this time.

Discussion turned to Special Revenue Funds, beginning with the Debt Service Fund of \$1,413,038, an 8.24% increase from FY2019, mainly due to the Public Safety Building (principal payment increased from \$25,000 in FY19 to \$400,000 in FY20) and the final payment on the Butler property (\$199,500). The General Fund subsidy (transfer) would contribute \$1,049,715 and transportation development impact fees would transfer in \$109,906. Outstanding debt showed a continuing decrease, with some of the debt obligations getting closer to being paid off.

Discussion moved to the Self-Insurance Fund (for medical and dental insurance) of \$2,046,000, a 10.79% increase over the FY2019 budget mainly due to the Hospital Shared Saving Plan beginning in FY20 (\$200,000). The self-insurance fund was fully funded and in good shape.

Mayor Seymore noted the average cost to the City per employee was \$1,663 per month. Mr. Muder said the cost included medical, dental, and vision.

Mayor Seymore said the FY2020 budget of \$2,046,000 represented an increase of \$199,000 over FY2019, which was an increase directly related to the hospital savings program. Mr. Muder said in 2020, the City entered into an agreement with Summit Healthcare for a cost-shared savings program where City employees received preference to Summit's primary care providers. A baseline of three years was used, and if the City saw any savings the next year, the savings would be shared 50/50 with Summit. He looked at it as a bonus to the City.

Discussion moved to the Cemetery budget of \$85,000, the same as in FY2019. The major cost driver was \$70,000 for a cemetery expansion project in FY2020. Direct revenues were estimated at \$32,275 with a maintenance reserve fund of \$150,000.

Discussion moved to the Sanitation budget of \$1,037,000, a 5.47% decrease over FY2019 due to a decrease in contractual service fees. The CPI (Consumer Price Index) rate adjustment in July allowed for an adjustment in monthly fees, and staff anticipated receiving CPI information from Waste Management. The monthly FY2019 rate was \$14.80. Rate revenue was estimated at \$1,105,176 from 5,850 refuse customers. Sanitation budget did have a healthy balance and even if Waste Management's charge increased, the City might not need to increase rates to customers.

Councilman Leech asked how long the recycling contract with Waste Management was. Mr. Johnson said it ran concurrently with Waste Management's contract for trash collection. Mr. Muder said there was a good



chance the price wouldn't change until the contract was rebid. Mr. Brown said there was another five years remaining on the contract. The recycling component was added in 2014. It was a competitive bidding process, which helped with the bid prices. Mr. Johnson said the monthly fee of \$14.80 included the regular polycart plus a recycling cart.

Discussion moved to the Show Low Bluff Community Facilities District (CFD), a legally separate unit of government with its own budget. The CFD included two funds, one for the special assessment bond and the other for the general obligation bond/operations.

Mr. Johnson said the special assessment bond was issued in 2007 for \$2,014,000. Assessment billings were sent by the City to all property owners in the CFD in June (for principal and interest) and December (for interest only). The FY2020 budget was \$163,820, with an annual debt service payment of \$151,020 covering 227 parcels (of which Show Low Bluff Development owned 136 parcels, 60% of all parcels).

Mr. Johnson said general obligation bonds were issued in 2007 for \$480,000 and in 2011 for \$450,000. The general obligation bonds were paid in full in FY2019 with help from the developer. The tax rate of \$3.55 per \$100 of assessed valuation stopped as a result of the payoff of the bond.

Discussion turned to the Street Light Improvement District budget of \$235,000, a district that covered the entire City to pay for utility costs for street lights and park lights (it couldn't be used for maintenance). The maximum allowable tax rate was \$1.20 per \$100 of assessed valuation per state law. With increased valuations, staff recommended no rate increase for the third year in a row, keeping it at \$0.1401 per \$100 of assessed valuation. This equated to about \$17.86 a year for a home valued at \$150,000. The Street Light District was budgeted to be subsidized by \$15,000 from the General Fund.

Discussion moved to the Projects Fund (for capital projects and grants) of \$4,757,192, with \$4.0 million in unanticipated revenues and expenditures. This fund included a General Fund subsidy of \$176,667 for a range of capital projects, \$30,000 for the Court, \$54,000 for the Library, \$209,900 for Community Services, and \$22,000 for the Police Department to purchase a drone.

Discussion moved to the Administrative Services department, which included Human Resources, Information Systems, Finance, and Public Transportation. The Human Resources budget of \$324,554 was a 6.16% increase over FY2019. The department had three FTEs, with 88% for salaries and related expenses. Some of the increase in this budget was attributed to the increased cost of travel and training for city-wide supervisory training.

Discussion turned to the Information Services budget of \$379,436, a 1.28% decrease from the current fiscal year. This division had two FTEs, with 54.8% of the budget for salaries and related expenses. Other cost drivers included travel and training, rental/maintenance contracts, and capital purchase (switch replacement of 17-year-old equipment).

Discussion moved to the Finance budget of \$775,841, a 9.08% increase over FY2019. This department had seven FTEs, with 75% of the budget for salaries and related expenses. Other cost drivers included purchase of a vehicle for the city hall fleet.

Councilman Kelley asked about replacing or keeping the Ford Escape. Mr. Muder said staff intended to keep it for the information systems' use, but the older Impalas and Intrepid would be auctioned.

Discussion turned to the Public Transportation budget of \$1,068,024, a 4.47% increase over the FY2019 budget. The major cost driver was the contract with MV Transportation, the operators of the system. The system included the Four Seasons Connection and the White Mountain Connection, with Show Low contributing \$91,174, supplemented by federal grants of \$634,038 and partner funding of \$272,412. Capital monies of \$263,200 would be spent to purchase a new bus.

Mayor Seymore asked about selling more advertising on the buses. Councilman Crittenden said at one time, the buses were literally filled with ads. He felt a professional was needed to sell the ads or have someone from the City take the time to sell ads. Mr. Johnson said the Transit Advisory Committee would entertain any solutions.

Discussion then moved to the various budgets listed under Administration. The first was the City Council budget of \$376,393, an 8.65% increase over FY2019, mainly due to an increase in Professional and Consulting Services for Phase II of the Conference Center Study. The FY2020 budget included \$250,000 in the Council Contingency line item, which was 50.56% of this budget.

Councilwoman Kakavas asked for an update on the convention center study. Mr. Muder said the study was forwarded to the Council a couple weeks ago, but an internal group reviewed the study. Staff participated in a conference call this week to make corrections and clarification to the study. Staff would present the findings to the Council in the near future so the Council could determine whether to try to acquire donations to do Phase II of the study, which would cost \$35,000, of which the City included \$30,000 in the budget. It was included in the budget in case the Council wanted to move forward.

Discussion moved to the City Manager budget of \$462,634, a 1.55% decrease from the FY2019 budget. The department had two FTEs (the City Manager and Business Development Coordinator), with 88% of the budget used for salaries and related expenses. The budget also included \$15,000 to implement the Focused Future II strategic plan for economic development. The decrease was attributed to moving excellence pay to individual department budgets.

Discussion turned to the City Attorney budget of \$324,839, an 18.27% increase over FY2019. The department had 1.6 FTEs, with 70% of the budget used for salaries and related expenses. The increase was attributed to county prosecution fees.

Mayor Seymore asked how it would impact the City if Navajo County's jail district proposition didn't pass. Mr. Muder said if the proposition failed, the City's prosecution expenses would definitely increase, but if it passed, some of the prosecution fees would no longer be applicable to the City.

Discussion moved to the General Operations budget of \$4,462,843, a 1.99% decrease from the FY2019 budget. This budget included \$2,503,343 for inter-fund transfers, \$410,000 for general liability insurance, \$187,500 in organizational support/community promotions, \$200,000 in jail costs, \$25,000 for right-of-way landscaping, \$29,000 paid to the Arizona Department of Revenue for processing sales tax and other tax information, and \$50,000 to relocate Adams Cabins to city hall.

Discussion turned to funding requests for organizational support. The increases in funding requests were reviewed by a committee that recommended an increase for the Show Low Historical Society from \$32,000 to \$34,000.

Councilman Leech referred to Show Low Chamber's funding increase request, which wasn't approved, and said he didn't think the Chamber should get more money from the City. The Pinetop-Lakeside Chamber did much more for their town than the Show Low Chamber did for Show Low. Mr. Muder said the Town of Pinetop-Lakeside ran many of the events held in Pinetop-Lakeside. They were not all sponsored by the Chamber. Show Low's contribution to the Chamber was for running the Tourist Information Center.

Mayor Seymore said he was disappointed that the Chamber didn't do anything to promote Christmas or the businesses in the community.

Councilwoman Kakavas asked if the Chamber knew the City's expectations. Councilman Leech said maybe they didn't know. Councilwoman Kakavas disagreed that the Show Low Chamber's performance was worse than Pinetop-Lakeside's.

Mr. Johnson said in organizational support, the FY2020 budget showed \$57,500 for the Show Low Chamber of Commerce, \$20,000 for White Mountains Partnership, \$45,000 for White Mountain Meals on Wheels (which also managed the City's Senior Center), \$34,000 for Show Low Historical Society (increased from \$32,000), \$5,000 for REAL AZ Corridor, and \$5,000 for White Mountain Community Garden, for a total of \$166,500.

Mr. Johnson said in community promotions, the budget included \$6,500 for miscellaneous requests (increased from \$6,000), \$4,500 for Deuce's Wild Rodeo (increased from \$4,000), \$2,500 for White Mountain SAFE House, \$1,500 for Summit Healthcare to support its annual fundraising gala (decrease from \$2,500), \$1,000 for Boy Scouts, \$2,000 for White Mountain Symphony, and \$3,000 for Show Low High School Grad Night, for a total of \$21,000.

Discussion moved to the Public Information department, which included City Clerk and Show Low TV. The City Clerk budget was \$252,276, a 23.18% decrease over FY2019 due to reduction in salary and related expenses because of personnel changes. This division had two FTEs, with 77% of the budget for salaries and related expenses. This budget included election expenses estimated at \$18,000, which was a decrease from \$35,000 in FY2019.

Discussion turned to the Show Low TV budget of \$214,632, a 5.16% decrease over the FY2019 budget. This division included 2.3 FTEs (one full-time and three part-time positions), with 81% of the budget for salaries and related expenses. A portion of the decrease was due to moving expenses for Other Contractual Services to the City Clerk's budget.

Mayor Seymore asked if staff knew how many cable subscribers there were in the City. Mr. Muder said no, but he could get the information and provide it to the Council. Mayor Seymore felt the City needed to look at the return on investment for Show Low TV.

Mr. Johnson reiterated that the next meeting on April 18 would cover all the other departments. He said a review of the changes to the budget based on the Council's discussions would be presented May 21. Adopting the tentative budget was scheduled for June 4 and the final budget at the June 18 meeting.

9. Adjournment.

There being no further discussion, **MAYOR SEYMORE ADJOURNED THE BUDGET TOWN HALL AND STUDY SESSION OF THE SHOW LOW CITY COUNCIL OF APRIL 4, 2019 AT 7:48 P.M.**

ATTEST:

APPROVED:

\_\_\_\_\_  
Tamra Reidhead, City Clerk

\_\_\_\_\_  
Daryl Seymore, Mayor

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### CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the **BUDGET TOWN HALL AND STUDY SESSION** of the City Council of Show Low held on April 4, 2019. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL)

\_\_\_\_\_  
Tamra Reidhead, City Clerk