

**BOARD OF ADJUSTMENT AND APPEALS
BUDGET WORK SESSION
REGULAR COUNCIL MEETING
7:00 P.M.
TUESDAY, JUNE 13, 2017
SCHIEFFELIN HALL
(CORNER OF FREMONT AND FOURTH STREET)**

- I. CALL TO ORDER** Mayor Dustin Escapule called the Regular Council Meeting to order on Tuesday, June 13, 2017.
- II. PLEDGE OF ALLEGIANCE** Mayor Dustin Escapule led the Common Council and the general public in a recitation Of the Pledge of Allegiance.
- III. ROLL CALL**
- | | |
|---------------------------------------|---------|
| Councilmember Anna Salcido | Present |
| Councilmember Bill Barlow | Present |
| Councilmember Brian Davis | Absent |
| Councilmember James Newbauer | Present |
| Mayor Dustin Escapule | Present |
| | |
| P. Randall Bays – City Attorney | Absent |
| Ruben Villa – Finance Director | Present |
| Michael McMillan – Building Inspector | Present |

A QUORUM WAS DECLARED

IV. BOARD OF ADJUSTMENT AND APPEALS HEARING

- A. DISCUSSION AND PUBLIC COMMENTS:** on a zoning variance request by Bruce B. Bluemel for his property located at Parcel No. 109-07-051A to allow for a reduced setback of 15 feet at the front property line for construction of a residential structure.

Mayor Escapule; “Mac I think it would be best if you would just explain what’s going on to the board.”

Building Inspector McMillan; “Due to some site conditions soil and rock strata it’s not really cost prohibitive for the owner of the property to build it with a twenty five foot set back from the property to the right away and so what the owner has requested is to reduce that setback to fifteen feet to twenty five feet for a new residential structure.”

Councilmember Barlow; “I don’t have a question but I do have a couple of comments. Saturday, I met with Mr. Bluemel who is “seated” in the back and with Mr. Davis, who is out of town and I went to their prospective addresses and looked at the area that the request has been made and I see no reason whatsoever, that the City would want to turn down these request for variance. I think there proper and in line.”

Building Inspector McMillan; “the setback for reduction is from the front of the property which is adjacent to the right away so there isn’t any way for anybody to build close up to that property line which in turn would create some type of a fire issue as you would have on a side or rear set back. I think it is very prudent that it be approved.”

- B. DISCUSSION AND PUBLIC COMMENTS:** on a zoning variance request by James R. Davis for his property located at 1973 E. Gleeson Road, Parcel No. 109-21-241 to allow for a reduced setback of 20 feet at the front property line for construction of a pre-fabricated metal garage of 20 feet by 30 feet.

Building Inspector McMillan; “This one is very similar; the lot itself only has a very minimal amount of buildable area. It’s up in the Territorial Estates areas with a significant drop off to the wash on the back half of the property. The amount of soil work, retainage, things like that that it would take to make a buildable area further towards the rear of the property is cost prohibitive to the owner and so he has requested a five foot variance reducing his setback from twenty five feet to twenty feet. Same condition where it applies to the front property line. The side and rear property line setbacks will still be met with the zoning requirements.”

Chairman Escapule asked for questions or comments. There being no further comments or questions Chairman Escapule explains that both items will be voted on in the Regular Council Meeting.

V. MOTION TO ADJOURN

MOTION by Councilmember Barlow, **SECOND** by Councilmember Newbauer to adjourn the Board of Adjustment and Appeals hearing.

VOTE: 4/1/0

MOTION: Carried

VI. BUDGET WORK SESSION

- A.** The Mayor and City Council will review and discuss the proposed tentative budget for the 2017/2018 fiscal year.

Finance Director Villa; “Everybody has a copy of the handout?” Since we are limited in time, there are other items in front of us. I guess the best way

to start this is by simply explaining what these documents are, what kind of information you will find in them and how we build this and then at a second work shop we can go into detail and I can answer some questions. If you have a question now please stop me and I can answer.

“The first page is a summary. It shows as a global total each of the funds that are involved in our budget. The concept of a fund is basically a department that has a special purpose except for general fund and we have different types of those funds. If you want to envision a shopping mall and each mall has their own accounting and then centralized for the mall itself that’s kind of how we do our accounting here. For those of you that are new I just wanted to throw that out. You will see that comparing from last year to this year the budget will be two hundred thousand dollars less. Primary the adjustment to the building, renovation fund, most of the work has been done this fiscal year and I think the total of; if we were to receive any grants at most that amount that I put in there. So for the record the budget after tonight is then converted into a proposed budget and is five million eight hundred and one, nine hundred and forty six dollars. One of the important parts of this budget is to understand that everything is an estimate. There are no guarantees for salaries for revenue sources. This is the best information we have now and in some cases like in the grant opportunity account we add a million dollars for that unusual circumstance where the City would be the recipient of a grant that we don’t know at this time. As you all know the residents voted for Home Rule in November that means that our total budget each year is the actual total for Home Rule. If it weren’t for that it would be subject to the State imposed plan. Though there are a lot of exclusions and a lot of adjustments that we could make to make it where it’s legal and the amount that would be productive it is important to note that we just throw everything here and make sure that everything is captured and in the case that money comes in we have a place for it. This came up in the middle of the fiscal year a million dollars from different sources local, Federal and State. We don’t know if it will happen again but it is in there in case we do. That is the summary!”

“The next page is; talk about our salaries; salaries and wages and benefits. The largest expense for most local governments is salaries and wages. For the town this year we have a total of one point six million dollars in salaries and wages. I can break down this further in our second meeting but tonight all I want to do is show you what these forms do. If you will notice on page one of the salaries budget it is divided up in three sections. It tells you the position. The second section you will see percentage and you will see a number above it. That number represents the fund number and you can then trace it back to the summary page. For example the number ten is general fund. When you look at any of the position any number you see within that column that represents the percentage of that employee pay comes out of General Fund. The first example is the Payroll Clerk. Seventy nine percent of her salary is paid by General Fund, five percent from Water, fifty percent from Waste Water, one percent from Sanitation for a total of one hundred percent. Then you will see the actual cost that is allocated to each of the funds. Most employees; except for Public Safety employees, we have the opportunity to pay from other sources other than

general sources. So the first three pages will explain in detail what those positions, and how those positions are allocated throughout the budget. The next page which is page four will then tell you the totals for each of the funds. So fund 10 for example paid one million forty six of the one point six million. So sixty six percent of the cost to have employees provide services for the town is paid and going on General Fund which is the place holder for property tax, State shared revenues and that's other income. The enterprise fund, the water fund and the sanitation fund are funded by user rates. Which gives me an opportunity to talk very briefly about that! Cities are limited to where we can go and find money. One is taxation, second is user fees or borrowing. There are others that fall into this category. This year we are not proposing any additional taxes, were not proposing any additional user fees, and were not proposing any debt. We balanced the budget with the resources that are available now but that can change during the year. A need may arise, a project may come up and we have opportunities within the budget to conform to those needs. That's another topic that came up during the fiscal year. Page five basically describes the actual total for each of the employees and all the benefits. Please keep in mind that the last column where it says total cost is not salary for that position. It's the actual cost to the City to have that position provide the services to the town."

Finance Director Villa; "Does anybody have any questions on salary budget?"

No questions were asked.

Finance Director Villa; "for the sake of brevity I am just trying to fly by these. I know there is a lot to absorb. Basically it is homework for the Council. Next meeting we can go into the numbers. Page 8 will describe how many positions we have per department and will describe if they are at full-time, part-time or volunteers or appointed and you can see the number of (inaudible).

So then we get to page one of the actual budget. You will see a draft watermark on them. The reason for that as I said; as we prepare these budget, probably in February or March and during this time we consult with the City, we have had meetings with department heads with the City Clerk and the Mayor just to see if there is new initiatives and also look at the agendas to see if anything will affect the future budget or future year and that's how we put our budgets together. We also wait for the State to provide us with numbers for State shared revenues which are rarely available before March 15. In any case you will notice this is an important part of the budget. This is the budget and it is very detailed. You will foresee the first column under number, you will see the category for taxes. Under it you will see account number, the first two digits will be again the number for the fund; ten the General Fund. For the first line item you see property taxes under the description the total as of four thirty two thousand seventeen is the activity for the fiscal year. These numbers will change as we prepare the year end adjustment and then prepare for the audit there are other audit adjustments at the year end. Items that will most certainly

change some of these numbers. Therefore, for illustration purposes it can be helpful to see how we perform up through the month of April. The column after that is the actual total for last fiscal year. How much did we actually receive in property taxes and sales tax that gives you an idea what to expect this year. Then we have what we actually budgeted for or what the Council approved and adopted for the current fiscal year that ends in about seventeen days. Finally the last two columns represent the actual proposal that we have tonight and then the difference between last year and this year. So you can then see that we are proposing more than last year or proposing less. You will see a variety of accounts that are; for many reasons adjusted completely down to zero or you will see others that have jumped significantly and that is due to the actual activity that we see if there is a line item that sat there for three years not being used or we have not received the revenue for that line and then we will allocate the funds for something else we can use. This has roughly fifty one pages of information. All the funds all the details and by the time we get to meet next time I am hoping that you have had an opportunity to review and have any questions from here to then please forward them through the City Clerk so she can get it to me and then everyone will get to see those responses.”

“Finally, the calendar as I mentioned the budget process begins in March and sometimes February. We have had meetings as I said with the Mayor and with the department heads and staff. We are meeting today! We have a series of publications that need to occur and then we need to adopt a tentative budget by July 17, so we have time. We always like to get the budget adopted by the 30th but the delays with the State budget, we won’t be able to meet that tradition of trying to get it by the 30th. July 17, is what I think we can easily meet and that gives us opportunities to discuss the budget further. Finally, in August, August 7, is when we adopt the final budget and property taxes. That is open to the public for discussion and that is the end of this year’s process. So hopefully I have been able to give you information that will help you especially those Councilmembers that are new or have been away for a while. These forms are the same that we have been using for about seventeen years but it is always good to refresh; you don’t see them every day.”

“Does anybody have any questions?”

Councilmember Barlow; “Ruben, the HURF money the past few years has not gone away but almost gone away. Is that a realist projection for the next fiscal year based upon the past few years of HURF money?”

Finance Director Villa; “Yes, thank you for the question. HURF funds are one of the State shared revenues that wait for Department of Revenue and Arizona League of Cities to provide for us. So it is our number that we come up with. It is the State that gives us that number and it is based on two years ago. Whatever they collected in gas tax is then distributed two years after. The only thing that is sort of a misread is how you will perform in the Boothill activity because that will also fund HURF. HURF is what we use to repair sidewalks, roads and provide safety areas mainly (inaudible) but there is an amount there that is an allocation from Boothill which is

allowed to be able to provide more services and more projects within that fund and that is the one that I would say that it would depend on how we do with Boothill but the actual State shared revenue it is a firm number.”

Councilmember Barlow; “Thank you!”

Mayor Escapule; “Any questions?”

No questions were asked. Mayor Escapule thanked Finance Director Villa for the budget presentation.

VII. REGULAR COUNCIL MEETING

VIII. CALL TO PUBLIC

A.R.S. 38-431.01 authorizes (but does not mandate) the City Council to make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, and to allow individuals to address the public body on any issue within the jurisdiction of the public body. The time will be limited to three (3) minutes per speaker. Those wishing to address the public body shall limit his or her remarks to issues within the jurisdiction of the public body. However, this forum shall not be used for making personal attacks or discussing personal issues directed to any individual member of the City Council or any other City employee.

Mayor Escapule; “would anyone like to speak at Call to the Public.”

No one responded.

Mayor Escapule moves forward on the agenda.

IX. READING OF PROCLAMATIONS

Mayor Escapule read the following proclamation;

-Tombstone Vigilettes Day

X. APPROVAL OF MINUTES

DISCUSSION AND/OR ACTION: Approval of minutes for the Special Council Meeting that was held on Monday, April 24, 2017 and the Regular Council Meeting for Tuesday, May 9, 2017.

MOTION by Councilmember Newbauer, **SECOND** by Councilmember Barlow, to approve the minutes for the Special Council meeting that was held on Monday, April 24, 2017 and the Regular Council Meeting for Tuesday, May 9, 2017.

DISCUSSION: None

VOTE: 4/1/0

MOTION: Carried

XI. NEW BUSINESS

A. DISCUSSION AND/OR ACTION: Approval of Accounts Payable in the amount of \$ 141,072.28 (May 1, 2017 through May 31, 2017).

MOTION by Councilmember Newbauer, **SECOND** by Councilmember Salcido, to approve the accounts payable in the amount of \$ 141,072.28 (May 1, 2017 through May 31, 2017).

DISCUSSION: None

VOTE: 4/1/0

MOTION: Carried

B. DISCUSSION AND/OR ACTION: Approval of zoning variance request by Bruce Bluemel for his property located at Parcel No. 109-07-051A to allow for a reduced setback of 15 feet at the front property line for construction of a residential structure.

MOTION by Councilmember Barlow, **SECOND** by Councilmember Salcido, to approve zoning variance request by Bruce Bluemel for his property located at Parcel No. 109-07-051A to allow for a reduced setback of 15 feet at the front property line for construction of a residential structure.

DISCUSSION: None

Roll Call Vote:

| | |
|------------------------|--------|
| Councilmember Salcido | Yes |
| Councilmember Barlow | Yes |
| Councilmember Davis | Absent |
| Councilmember Newbauer | Yes |
| Mayor Escapule | Yes |

4 Yes Votes, 1 Absent, 0 No Votes

VOTE: 4/1/0

MOTION: Carried

- C. DISCUSSION AND/OR ACTION:** on a zoning variance request by James R. Davis for his property located at 1973 E. Gleeson Road, Parcel No. 109-21-241 to allow for a reduced setback of 20 feet at the front property line for construction of a pre-fabricated metal garage of 20 feet by 30 feet.

MOTION by Councilmember Newbauer, **SECOND** by Councilmember Barlow, to approve a zoning variance request by James R. Davis for his property located at 1973 E. Gleeson Road, Parcel No. 109-21-241 to allow for a reduced setback of 20 feet at the front property line for construction of a pre-fabricated metal garage of 20 feet by 30 feet.

DISCUSSION: None

Roll Call Vote:

| | |
|------------------------|--------|
| Councilmember Salcido | Yes |
| Councilmember Barlow | Yes |
| Councilmember Davis | Absent |
| Councilmember Newbauer | Yes |
| Mayor Escapule | Yes |

4 Yes Votes, 1 Absent, 0 No Votes

VOTE: 4/1/0

MOTION: Carried

- D. DISCUSSION AND/OR ACTION:** Approval of renewal of Professional Service Agreement between the City of Tombstone and the Tombstone Chamber of Commerce for the operation of Boothill Gift Shop. Professional Service Agreement to commence May 1st, 2017 and ending at midnight on April 30th, 2019.

MOTION by Councilmember Salcido, **SECOND** by Councilmember Newbauer to approve renewal of Professional Service Agreement between the City of Tombstone and the Tombstone Chamber of Commerce for the operation of Boothill Gift Shop. Professional Service Agreement to commence May 1st, 2017 and ending at midnight on April 30th, 2019.

DISCUSSION: None

Roll Call Vote:

| | |
|------------------------|--------|
| Councilmember Salcido | Yes |
| Councilmember Barlow | Yes |
| Councilmember Davis | Absent |
| Councilmember Newbauer | Yes |
| Mayor Escapule | Yes |

4 Yes Votes, 1 Absent, 0 No Votes

VOTE: 4/1/0

MOTION: Carried

- E. DISCUSSION AND/OR ACTION:** Approval of renewal of the Professional Service Agreement between the City of Tombstone and the Tombstone Chamber of Commerce for transient lodging (Bed Tax) money. Professional Service Agreement to commence May 1, 2017 and ending at midnight on April 30, 2019.

MOTION by Councilmember Newbauer, **SECOND** by Councilmember Salcido to approve renewal of the Professional Service Agreement between the City of Tombstone and the Tombstone Chamber of Commerce for transient lodging (Bed Tax) money. Professional Service Agreement to commence May 1, 2017 and ending at midnight on April 30, 2019.

DISCUSSION: None

Roll Call Vote:

| | |
|------------------------|--------|
| Councilmember Salcido | Yes |
| Councilmember Barlow | Yes |
| Councilmember Davis | Absent |
| Councilmember Newbauer | Yes |
| Mayor Escapule | Yes |

4 Yes Votes, 1 Absent, 0 No Votes

VOTE: 4/1/0

MOTION: Carried

- F. DISCUSSION AND/OR ACTION:** Approval of the Tombstone Chamber of Commerce 2017-2018 advertising contracts.

MOTION by Councilmember Newbauer, **SECOND** by Councilmember Salcido to approve the Tombstone Chamber of Commerce 2017-2018 advertising contracts.

DISCUSSION: None

Roll Call Vote:

| | |
|------------------------|--------|
| Councilmember Salcido | Yes |
| Councilmember Barlow | Yes |
| Councilmember Davis | Absent |
| Councilmember Newbauer | Yes |
| Mayor Escapule | Yes |

4 Yes Votes, 1 Absent, 0 No Votes

VOTE: 4/1/0

MOTION: Carried

- G. DISCUSSION AND/OR ACTION:** Approval of renewal of the Lease Agreement between the City of Tombstone and the Tombstone Association of the Arts, LTD. for the leasing of a portion of the Tombstone Civic Center located on the Southwest corner of Allen Street and Fourth Streets. The portion includes the large room on the west, including the south alcove and the small room fronting on Allen Street located between the large west room and the Visitor's Center. Lease agreement shall be for a period of five (5) years commencing July 1, 2017 and ending June 30, 2022.

MOTION by Councilmember Barlow, **SECOND** by Newbauer to approve renewal of the Lease Agreement between the City of Tombstone and the Tombstone Association of the Arts, LTD. for the leasing of a portion of the Tombstone Civic Center located on the Southwest corner of Allen Street and Fourth Streets. The portion includes the large room on the west, including the south alcove and the small room fronting on Allen Street located between the large west room and the Visitor's Center. Lease agreement shall be for a period of five (5) years commencing July 1, 2017 and ending June 30, 2022.

DISCUSSION: None

Roll Call Vote:

| | |
|------------------------|--------|
| Councilmember Salcido | Yes |
| Councilmember Barlow | Yes |
| Councilmember Davis | Absent |
| Councilmember Newbauer | Yes |
| Mayor Escapule | Yes |

4 Yes Votes, 1 Absent, 0 No Votes

VOTE: 4/1/0

MOTION: Carried

- H. DISCUSSION AND/OR ACTION:** Approval of request by the Tombstone Lion's Club for the use of Schieffelin Hall on Saturday, August 12th, and Sunday, August 13th, 2017 between the hours of 5:00 p.m. to 10:00 p.m. for Val Kilmer's "Cinema Twain" film presentation. Request includes meet and picture opportunities, art sales, etc.

MOTION by Councilmember Newbauer, **SECOND** by Councilmember Salcido to approve request by the Tombstone Lion's Club for the use of Schieffelin Hall on Saturday, August 12th, and Sunday, August 13th, 2017 between the hours of

5:00 p.m. to 10:00 p.m. for Val Kilmer's "Cinema Twain" film presentation. Request includes meet and picture opportunities, art sales, etc.

DISCUSSION: Mayor Escapule; "I just want to make one comment. I know on the request it requested for two hundred people but I just want to bring out the point the building is only rated for one hundred and thirty six people. So you just keep that in mind."

Councilmember Barlow; "I believe the new president is here for the Lions Club and he might want to take that into account. A hundred and thirty six is the maximum tickets you can sell to get in."

Mr. Bruce Nielson; "Yes, we do know that! I think there was a mistake on the time. We may have to correct that timing."

Mayor Escapule; "I don't see a problem with that. We just need to let you know that there is a limited amount of people and also I would like to make sure that we get taken care of. Clean up because you are going to have a lot of people in here."

Councilmember Barlow; "would you make a note of that Bruce that after each group that the premises will be maintain."

Mayor Escapule; "I wish you a lot of success!"

Councilmember Barlow; "I hope a lot of people come to town!"

Mayor Escapule; "Me too!"

Mayor Escapule closes discussion and asked for a roll call vote.

Roll Call Vote:

| | |
|------------------------|--------|
| Councilmember Salcido | Yes |
| Councilmember Barlow | Yes |
| Councilmember Davis | Absent |
| Councilmember Newbauer | Yes |
| Mayor Escapule | Yes |

4 Yes Votes, 1 Absent, 0 No Votes

VOTE: 4/1/0

MOTION: Carried

- I. **DISCUSSION AND/OR ACTION:** Approval of request from Deanna Nord for a wedding to take place on 6th Street and Allen Street on Friday, August 27, 2017 at 2:00 p.m.

MOTION by Councilmember Barlow, **SECOND** by Councilmember Newbauer to approve request from Deanna Nord for a wedding to take place on 6th Street and Allen Street on Friday, August 27, 2017 at 2:00 p.m.

DISCUSSION: Councilmember Barlow; “Just one question Mayor! Would that be inside the barricade or the middle of the intersection?
Mayor Escapule; “It has to be inside the barricade.”

Councilmember Barlow; “Okay, I just wanted clarification.”

VOTE: 4/1/0

MOTION: Carried

VII. ADJOURNMENT

Mayor Escapule entertains a motion for adjournment.

MOTION by Councilmember Barlow, **SECOND** by Councilmember Newbauer to approve the motion to adjourn the meeting for Tuesday, June 13th, 2017.

The Regular Council Meeting for Tuesday, June 13th, 2017 thereby adjourned at 7:35 p.m.

Dustin Escapule, Mayor

Brenda A. Ikirt, Interim City Clerk