

**CITY OF BUCKEYE  
COUNCIL WORKSHOP  
APRIL 28, 2015  
MINUTES**

**City Council Chambers  
530 E. Monroe Ave.  
Buckeye, AZ 85326  
3:00 p.m.**

**1. Call to Order/Roll Call**

Vice Mayor Orsborn called the meeting to order at 3:00 p.m.

Members Present: Councilmember Strauss (arrived at 3:09 p.m.), Councilmember Hess, Councilmember McAchran (via telephone), Councilmember Heustis (excused at 4:25 p.m.; returned at 4:27 p.m.), Vice Mayor Orsborn, and Mayor Meck (excused at 3:43 p.m.).

Members Absent: Councilmember Garza.

Departments Present: City Manager Stephen Cleveland, Assistant City Manager Roger Klingler, City Clerk Lucinda Aja, Deputy City Clerk Summer Stewart, Assistant to Council Carol Conley, Fire Chief Bob Costello, Assistant Police Chief Robert Sanders, Finance Director Larry Price, Human Resources Director Nancy Love, Public Works Director Scott Lowe, Development Services Director George Flores, City Engineer Scott Zipprich, Water Resources Director Dave Nigh, Information Technology Director Greg Platacz, Community Services Director Cheryl Sedig, and Marketing and Communications Manager Jennifer Rogers.

**2. Presentation and Discussion of the Proposed 15/16 Fiscal Year Budget  
Staff Liaison: Larry Price, Finance Director  
District No. All**

Mr. Price provided a summary of the proposed 15/16 Fiscal Year (FY) Budget. The proposal includes updated and additional information based on requests from Council. An additional 62 million dollars will be included in the tentative budget; 56 million dollars for the acquisition of Global and approximately 6 million dollars in revenues and expenditures related to the additional Global accounts. Mr. Price discussed the schedule of funds related to personnel along with the anticipated 7.75% increase in costs for personnel services. An increase in retirement contributions and employee insurance is expected and estimates were addressed. The suggested implementation of a 5% Cost of Living Adjustment (COLA) and/or Merit program was summarized. Discussion was held related to the financial impact of a primary property tax levy increase and sales tax revenue related to Jones Ford. Mr. Price stated the police substation contained in the original draft with an estimated cost of 1.75 million dollars has been removed and tentatively placed in the FY 16/17 budget. The draft budget discussed at the April 21, 2015 workshop contained a 1.84% COLA and a 3.16% one-time bonus; the budget presented this date included a 5% annual salary increase for all employees. Projected costs of personnel services with the implementation of a 5% per year COLA/Merit/Step program through FY 20/21 were presented. Clarification regarding the property tax levy increase from \$1.80 to \$1.97 was provided. Mr. Lowe discussed the request to place a fence around the Tom Jones Ford property at a cost of \$200,000. Projected general fund revenue sources and uses were listed and discussed; revenue sources include local sales tax, state shared revenues, property taxes, franchise fees and leases, charges for services, construction sales tax, and building permit fees. The 2015 Levy Limit Worksheet provided by Maricopa County was presented and described. General fund items that are not contemplated in the budget include asset replacement/depreciation reserves, annual street maintenance

requirement, impact fee subsidy, 28 requested new positions, revenue resulting from the special census, additional capital improvement projects, equipment and one-time expenditures. Councilmember Heustis presented concerns related to the step-program and the potential inability to increase all employee pay by 5% annually and support the step structure. Councilmember McAchran requested information be provided related to placing each employee at a specific rate of pay and removing the step-program. Councilmember Hess requested a list of capital improvement projects and their status; agreed that a realignment of employee pay is appropriate. Councilmember Strauss stated the importance of increasing pay for employees whose salaries fall far below the median; requested information be provided related to Economic Development projects being considered. Chief Costello provided information related to building a permanent fire station in the Festival Hills Community. Vice Mayor Orsborn discussed employee pay structure and the need for revenues to support costs; stated the importance of moving forward with wage and policy discussions. Mr. Cleveland provided information related to the market analysis. Further discussion was held regarding adjustments to the proposed budget and the impact to the general fund. Mr. Flores presented information regarding the development agreement with Tom Jones Ford and revenue estimates; the estimates are conservative and based on past sales. Ms. Love discussed the current salary step structure for all employees, including public safety; information and recommendations for pay structures moving forward will be prepared and provided to Council. Step structures and how they compare to pay ranges were discussed. Mr. Price stated employee pay ranges were restored in 2011; in 2012, step increases were approved based on employee date of hire. Water rate increases and impact of rate increases with regard to the City's budget was discussed.

**3. Adjournment**

A motion was made by Councilmember Heustis and seconded by Councilmember Hess to adjourn the meeting at 4:47 p.m. Motion passed unanimously.

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Jackie A. Meck, Mayor

ATTEST:

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Lucinda J. Aja, City Clerk

I hereby certify that the foregoing minutes are a true and correct copy of the Council Workshop held on the 28<sup>th</sup> day of April, 2015. I further certify that a quorum was present.

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Lucinda J. Aja, City Clerk