

**MINUTES OF THE STUDY SESSION
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY**

**THURSDAY, JULY 7, 2011
6:00 PM**

The Town Council of the Town of Chino Valley, Arizona met for a Study Session in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Thursday, July 7, 2011.

Mayor Marley called the meeting to order at 6:04 p.m.

Council Present: Mayor Chris Marley; Vice-Mayor Carl Tenney; and Councilmembers Mike Best, Darryl Croft, Dean Echols, Linda Hatch, and Lon Turner.

Staff Present: Town Manager Michael Scannell; Management Assistant Cecilia Watts; Finance Director Vera Smith

2) Presentation by staff and discussion regarding the fiscal year 2011/2012 budget.

Finance Director Vera Smith provided an overview of the fiscal year 2011/2012 budget and calendar, as follows:

Budget Calendar

- July 7 – Budget Workshop.
- July 12 – Adopt Tentative Budget.
- July 20 – First publication of Tentative Budget and notice of public hearing for adoption of Final Budget.
- July 27 – Second publication of Tentative Budget and notice of public hearing for adoption of Final Budget.
- July-August – Staff prepares Final Budget, required state forms, five-year estimated budget, revised graphs, and revised budget book items.
- August 9 – Public hearing and adoption of Final Budget.

Budget Changes Made for Tentative Budget

- Added FY 2010/2011 revised budget and May 31, 2011 actuals columns.
- Corrected report inconsistencies in title and department names.
- Corrected Bed Tax revenue FY 2010/2011 actuals, transient portion only.
- Revised revenue estimates based on estimated actuals thru June 30, 2011.
- Revised health insurance expenditure based on employees' selections.
- Added expenditure in Non-Departmental GF for new telephone system.
- Removed all "maybe" revenue/expenditure budgets in all funds except Capital Improvement Fund, set at \$2M, and General Fund reduced amounts.
- Reduced budgets in Grants Fund.
- Revised Transit Program budget in Grants Fund
- Revised Impact Fee Fund budgets to reflect June 28, 2011 Council decision.
- Reduced Roads Impact Fee fund budget to current projects only.
- Added Bad Debt Expense Budgets to Water & Sewer Enterprise Funds.

FY 2011/2012 1% Sales Tax

- Transfers were allocated for: GF for three Police Officer positions and Aquatic Center; Water Enterprise Fund; Debt Service Fund (required payments); and Parks, for a total amount of \$1,210,199.
- This included no reserve in the Capital Improvement Fund.
- Funding sources were: Sales Tax revenues, interest income and other revenue, and carry forward in the Capital Improvement Fund, for a total of \$1,210,199.

FY 2011/2012 Tentative Budget Summary

- The FY 2010/2011 budget was \$59,170,352 and the FY 2011/2012 tentative budget was \$16,808,231—a \$42,562,121 decrease. Much of the decrease was due to removing most of the “maybe” money.
- All funds reflected a negative change, except CDBG Grant, which was neutral; and Debt Service, Parks/Rec Impact Fees, Special Revenues-Police, and Street Lighting Improvement Districts, which had an increase.

3) Adjournment.

Mayor Marley adjourned the meeting.

Chris Marley, Mayor

ATTEST:

Jami C. Lewis, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the Town Council of the Town of Chino Valley, Arizona held on 7th day July, 2011. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this DAY day of MONTH , 2011.

Jami C. Lewis, Town Clerk