

MINUTES OF THE SPECIAL MEETING OF THE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD JULY 7, 2011 AT 6:30 P.M. IN THE TOWN COUNCIL CHAMBERS.

Mayor Crockett called the Special Meeting to order at 6:30 p.m. Roll call was taken as follows:

<u>ROLL CALL:</u>	<u>Present</u>	<u>Absent</u>		<u>Present</u>	<u>Absent</u>
Mayor Rich Crockett	<u> X </u>	<u> </u>	Dara Vanesian	<u> X </u>	<u> </u>
Vice Mayor Stephanie Irwin	<u> </u>	<u> X </u>	Kim Webb	<u> </u>	<u> X </u>
Dennis Hughes	<u> X </u>	<u> </u>	Leslee Wessel	<u> X </u>	<u> </u>
Luke Smith	<u> X </u>	<u> </u>			

STAFF PRESENT:

Kelly Udall, Town Manager; W. Kent Foree, Town Attorney; Kent Brooksby, Finance Director; and Lu Anne Frost, Town Clerk.

ITEM NO. 1, THIS IS A PUBLIC HEARING ON THE TOWN'S ESTIMATE OF REVENUES AND EXPENSES FOR FISCAL YEAR JULY 1, 2011 THROUGH JUNE 30, 2012, AS TO WHICH ANY TAXPAYER MAY APPEAR AND BE HEARD:

Mayor Crockett stated there were no public requests on this item. Kelly Udall asked Mayor Crockett if he would like a staff report, and the Mayor stated he would. Kent Brooksby explained the preliminary budget had been passed at an earlier Council meeting and said all the legal notices of publication had been posted. Mr. Brooksby said just looking at the numbers the budget would appear larger; however, the 2011 budget included items that were covered under Home Rule. He said the 2012 budget does not include Home Rule, and said the only real difference in the 2012 budget is the increase in the price of fuel and health insurance. Councilmember Vanesian requested Mr. Brooksby explain in further detail why Home Rule makes the budget look larger. Mr. Brooksby explained the state had passed an amendment allowing the state to determine how much each community is allowed to spend based on a formula regarding population. He said four years ago the voters approved the Home Rule initiative for a four year period. He said under Home Rule anything Council passes as a budget is an acceptable budget regardless of the dollar amount. He said during budget preparations this year the expenditures for the next four years appeared to be less than what the state imposed limitation was. Councilmember Vanesian again questioned Mr. Brooksby as to why the budget appears larger. Mr. Brooksby explained grant funds, HURF funds, and general fund transfers from parks are excluded under expenditure limitations. He said when those numbers were backed out of the 2011 budget and included in the 2012 budget the 2012 budget appears larger. Councilmember Wessel asked Mr. Brooksby if there was a timeframe of when they could go back to the voters to ask for Home Rule again. Mr. Brooksby said he thought it was two years before going back on a ballot.

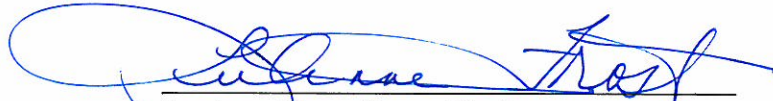
ITEM NO. 2, RESOLUTION 11-1193 ADOPTING TOWN OF PINETOP-LAKESIDE BUDGET FOR FISCAL YEAR 2011-2012:

COUNCILMEMBER WESSEL MOVED TO ADOPT RESOLUTION 11-1193 ADOPTING TOWN OF PINETOP-LAKESIDE BUDGET FOR FISCAL YEAR 2011-2012. COUNCILMEMBER HUGHES SECONDED THE MOTION AND IT CARRIED 4-1 WITH COUNCILMEMBER VANESIAN OPPOSED.

The special meeting was adjourned at 6:35 p.m.

Dated this 25th day of July 2011.

PINETOP-LAKESIDE TOWN COUNCIL



Lu Anne Frost, Town Clerk