

**PAGE CITY COUNCIL
WORK SESSION MEETING MINUTES
MAY 11, 2016**

A Work Session Meeting of the Page City Council was held at 6:00 p.m. on May 11, 2016, in the Council Chambers at City Hall in Page, Arizona. Mayor Bill Diak presided. Vice Mayor John Kocjan, Councilors Mike Bryan, Scott Sadler (excused; arrived at 6:08 p.m.), Levi Tappan, Korey Seyler, and Dennis Warner were present

Mayor Diak called the meeting to order.

Staff members present: City Manager, J. Crystal Dyches; City Attorney, Joshua Smith; Linda Watson, Finance Director; Deputy City Clerk, Sue Kennedy; and City Clerk, Kim Larson.

Discussion only by the City Council pertaining to amending Ordinance No. 616-14 and reallocating the 15% of the final one percent (1%) privilege tax

City Manager Crystal Dyches reviewed her Request for City Council Discussion, by this reference made a part of herein. The recommendation was that since three (3) out of the five (5) Community Development Department divisions are funded from the General Fund *Fund 10*, the remaining two divisions (Tourism and Economic Development) move their funds from their current Community Development Fund *Fund 42*, into *Fund 40* Capital Projects, and then be funded by *Fund 10*, the General Fund.

Councilor Warner stated now that the City has a functioning and staffed Community Development Department with a director, moving Fund 42 to Fund 40 would be more streamlined and simpler to manage for the entire department, to have a steady stream of revenue that will fund the projects that are being planned.

Community Development director Kim Johnson concurred that it made sense since many of City Council's Strategic Priorities fall under her department and most of her large projects would be funded by Capital Projects *Fund 40* anyway.

There was discussion.

Ms. Dyches said she was scheduling a City Council Work Session on May 25th regarding her recommended FY 16/17 budget, and sought direction on whether to amend Ordinance No. 616-14 or not.

Councilors Tappan and Bryan suggested that the Community Development Advisory Board weigh in on this matter at their next meeting, and City Manager Dyches stated there could be a presentation to the Board so they could make a recommendation on an amended ordinance.

The meeting was adjourned at 6:30 p.m.



Sue Kennedy
Deputy City Clerk

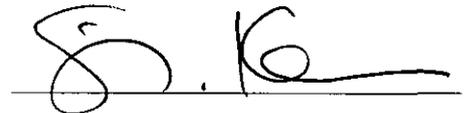


William R. Diak
Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the City Council Work Session Meeting, held on the 11th day of May, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 25th day of May, 2016



Sue Kennedy, Deputy City Clerk



Request for City Council Discussion

DATE: **MAY 11, 2015**

TO: **MAYOR & CITY COUNCIL**

FROM: **J. CRYSTAL DYCHES, CITY MANAGER**

SUBJECT: **FINAL ONE PERCENT OF PRIVILEGE TAX**

BACKGROUND: In July 2014, the City Council passed Ordinance No. 616-14; amending Ordinance No. 558-10. The ordinance amended language to clarify the use and dedication of the final one percent (1%) privilege tax to: (1) the City's 2011 series bond debt in the amount of eighty-five percent (85%) and (2) tourism, economic development and community development in the amount of fifteen percent (15%).

As you are aware, the Community Development Department includes five divisions: Building Safety, Code Compliance, Planning and Zoning, Tourism, and Economic Development. Currently Building Safety, Code Compliance, and Planning and Zoning, are included in the General Fund; and Tourism and Economic Development are included in the Community Development Fund.

Staff recommends eliminating the Community Development Fund and creating a new department budget for Tourism and Economic Development activities under the General fund.

In discussions with Councilmember Warner, he suggested that we amend Ordinance No. 616-14 to dedicate the final one percent (1%) privilege tax to: (1) the City's 2011 series bond debt in the amount of eighty-five percent (85%) and (2) Capital Projects *Fund 40* in the amount of fifteen percent (15%).

BUDGET IMPACT: The Community Development Department currently has a fund balance of \$412,538. The Capital Project Fund currently has a fund balance of \$667,235.

STAFF RECOMMENDATION: Staff requests that City Council discuss the matter and provide direction to staff.