

Minutes

MAYOR AND COUNCIL

The City of Douglas Mayor and Council met in a **Special Meeting on Wednesday, July 13, 2022 at 5:30 p.m.** at City Hall Council Chambers, 425 10<sup>th</sup> Street. The Honorable Mayor Pro Tempore Margaret Morales called the meeting to order.

1. **CALL TO ORDER.** 5:30 p.m.
2. **PLEDGE OF ALLEGIANCE:** by Council
3. **ROLL CALL.**

	PRESENT	ABSENT
MAYOR, DONALD C. HUISH		X(excused)
MAYOR PRO TEMPORE, MARGARET MORALES	X	
COUNCILMEMBER, MITCH LINDEMANN	X	
COUNCILMEMBER, DANYA ACOSTA	X	
COUNCILMEMBER, RAY SHELTON		X (excused)
COUNCILMEMBER, MICHAEL BALDENEGRO	X	
COUNCILMEMBER, JOSE GRIJALVA	X	
CITY MANAGER, ANA URQUIJO	X	
CITY ATTORNEY, TINA VANNUCCI	X	
CITY TREASURER, LUIS PEDROZA	X	
CITY CLERK, ALMA ANDRADE	X	

4. **PERSONS WISHING TO ADDRESS THE COUNCIL IN WRITING OR VERBALLY ON ANY ITEM NOT ON THE AGENDA.**

Ms. Andrade stated no public participation request were submitted.

5. **DISCUSSION/DECISION on APPROVAL.**

A. **RESOLUTION NO. 22-1509**, a Resolution of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **ADOPTING** the City of Douglas **Final Operating Budget** for Fiscal Year 2022/2023.

Ana Urquijo presented background information on the final operating budget for fiscal year 2022/2023.

-The final budget adoption for FY 2022/2023 is \$59,938,892.

-The draft budget was presented to the Mayor and Council during the Council meeting on June 8, 2022. The Council adopted a tentative budget via Resolution No. 22-1506. By adopting the tentative budget, Council established a maximum expenditure limit. For the final adoption, the Council may decrease or move funding from one line item to another within the same fund, but expenditures cannot be increased.

Ms. Urquijo presented the items included in the consolidated budget:

- 2% COLA for non-minimum wage employees - \$152,285
- Funding Year 1 of 3 Market Salaries Model in an effort to catch employees to market - \$336,000
- New staffing of 3 FT limited, 1 PT limited and recreation and visitor center aides - \$256,112
- City to cover increases to employee health insurance and having them pay same as last year - \$19,926
- Funding Police Trainees and Community Service Officers from police savings carryover - \$255,000
- Utilize Fund balance to catch up on capital projects - \$1.8 million
- Total General Government Capital - \$5.2 million
- Redistribution of ARPA funding to meet Vision 2032 Priorities - \$1.3 million
- Utilization of water fund balance for a well rehab and other water projects - \$1.3 million

- Total water related grants: \$8.65 million
- Streets capital and streets chip seal program: \$545,000
- Streets capital carryover: \$890,000
- Include possible sale of La Perilla Apartments with proceeds for golf capital - \$1M
- Considering Transfer of Public Housing Authority to Cochise County operations
- Outside Funding requests: \$20,750

Ms. Urquijo continued with changes that are recommended as part of the final budget that were not part of the tentative budget:

- Increase in the Judge's annual salary from \$16,727 to \$30,000 as enacted by Mayor and Council's recent approval of the Judge's contract. Additional fiscal impact of \$13,273 increases the Court's contractual services line item and recommend reduction from the Vision 2032 Policy Priorities line item.
- The state provided final state shared revenue calculations which decreased by \$43,553 in state shared sales tax and \$58,664 in state shared income taxes for a total revenue reduction of \$102,217. The reduction in revenue will be offset by a reduction in the Vision 2032 Policy Priorities line item.
- As a result of the decrease in state shared revenue of \$102,217 our expenditure ceiling dropped from the tentative adoption of \$60,041,109 to \$59,938,892.

After these two changes the Vision 2032 Policy Priorities line item is budgeted at \$379,928.

**Motion** by Council Member Grijalva, **second** by Council Member Baldenegro to approve Resolution No. 22-1509.

Council Member Acosta addressed an outside funding request from Douglas Youth Coalition /La Frontera; and expressed support for the funding request for a drug prevention youth program and provided background information of the program.

Council Member Grijalva expressed concern in using taxpayer money for this request. There is private for-profit business associated with the program. Budget monies have already been appropriated and inquired how would the request get funded.

Council Member Lindemann agreed regarding that taxpayer money, and expressed that the concept is good; perhaps partnership with the school district or other community groups would work best.

Council Member Acosta inquired if the other funding requestors provide information on what was asked from La Frontera. Council Member Acosta suggested providing funding for meals during Youth Coalition meetings.

**Motion PASSED** by a vote of 5-0 on the original motion. Roll call: **Voted in Favor:** Mayor Pro Tempore Margaret Morales, Council Members: Mitch Lindemann, Danya Acosta, Michael Baldenegro and Jose Grijalva. **Voted against:** None.

**Motion** to amend by Council Member Acosta, **second** by Council Member Baldenegro to add to the budget \$3000.00 from the Council Priority Vision 2032 line item.

Council Member Lindemann commented that it is a good concept and suggested partnerships would be a better fit for the request.

Council Member Grijalva commented that 3 meetings have been held and the requester had not attended any of the meetings.

**Motion FAILED** by a vote of 2-3 on the amended motion. Roll call: **Voted in Favor:** Council Members: Danya Acosta and Michael Baldenegro. **Voted against:** Mayor Pro Tempore Margaret Morales, Council Members: Mitch Lindemann and Jose Grijalva.

6. **ADJOURNMENT.**

**Motion** by Council Member Grijalva, **second** by Council Member Acosta to adjourn the meeting at 6:00 p.m.

Prepared by:

  
Cynthia Acuña Robles, Deputy City Clerk