

# CITY OF GLOBE

## SPECIAL MEETING MINUTES

MUNICIPAL BUILDING 150 NORTH PINE STREET GLOBE, ARIZONA

JULY 15, 2010 6:00 P.M.

The meeting was called to order by Mayor Shipley at 6:00 P.M.

The Invocation was given by Councilwoman Wilshire, followed by the Pledge of Allegiance led by Finance Director Teresa Williams.

### ROLL CALL

Councilpersons present: Wilshire, Uhl, Casillas and Alderman  
Councilpersons absent: Wheeler and Baker  
City Manager / Legal Counsel present: K. Kane Graves

#### 1. PUBLIC HEARINGS:

- A. FISCAL YEAR 2010-2011 BUDGET
- B. TRUTH IN TAXATION
- C. PROPERTY TAX LEVY

Mayor Shipley announced that this public hearing is not to hear comments on the proposed sales tax increase, he stated that this discussion will be held in August. He stated that this discussion is only regarding the FY 2010-1011 Budget, Truth in Taxation and Property Tax Levy. Mayor Shipley stated that on June 24<sup>th</sup> the Tentative Budget was adopted in the amount of \$24,251,000.

Finance Director Teresa Williams explained that the Property Tax Levy rate was 1.319 in 2010 and the proposed Tax Levy rate is 1.343 per assessed value. She stated that the display ad was published as required by State Law in the Arizona Silverbelt. She stated that a home assessed at \$100,000 would increase property taxes from \$131.90 to \$134.33. She also stated that state law limits the increase per year to 2%.

Ms. Williams stated that the total property tax levy revenue will increase 3% or \$17,878.00.

Mr. Rick Barela voiced his opposition to the increase in property tax as proposed. He stated that he has a lot of rentals and he helps out his renters and this would be an additional hardship on him. He stated that this would prevent people from improving their homes, he stated that every year since 2002 the County has increased the tax rate and now the City is asking for an additional 2%. He stated that the additional tax will bring in only an additional \$17,000 he stated that the City should look elsewhere and make this in other ways.

Vice Mayor Wilshire asked to see other community's property tax rates for comparisons of where we fall.

Vice Mayor Wilshire stated that the City has very carefully cut their budget. Ms. Williams explained the 10 hour furloughs taken by City employees per month is a savings of \$404,000 and the State Shared Revenues are \$325,000 less than last year. The City absorbed an 18% increase in health insurance. The final budget includes a proposal for a sales tax increase as well as increasing the water and sewer rates.

City Manager Kane Graves stated that this will be the 2<sup>nd</sup> year that the employees will not get a cost of living raise or a merit increase.

Councilwoman Uhl stated that taxes do hurt, we don't want to layoff any employees and a 2% property tax increase is the least hurtful thing that we can do.

Barbara Clemo, Resident of Globe stated that everyone is being hit, our taxes keep going up and there is no increase in social security, people do not have money. She stated that she wants to know where does the extra money come from to pay for all these increases.

Mayor Shipley explained that there is a program available to people on a fixed income to hold their property tax level at the same level year after year. The program could be looked into at the Gila County Assessor's office.

Mayor Shipley stated that looking ahead 5 months from now and explaining to the Citizens and employees that the city didn't raise taxes because the county and state did raise taxes, how do we win here.

Councilman Alderman stated that whether we raise taxes now, we are going to get blamed for it, he stated that the budget level is made on a lot of assumptions. He stated that he doesn't believe that raising taxes is the way to go.

Ms. Williams stated that our last sales tax increase was in 2004.

The Public Hearing closed at 6:42 p.m.

## **2. ACTION ITEMS:**

- A. APPROVAL OF THE PROPOSED TRUTH IN TAXATION RELATIVE TO THE CITY'S PROPOSED INCREASED PROPERTY TAX COLLECTION AND TAX LEVY FOR THE CITY'S 2010-2011 FISCAL YEAR.

Truth and taxation notice recorded as required by law.

Councilwoman Casillas moved to approve the proposed Truth in Taxation. Seconded by Councilwoman Uhl.

Motion carried.

- B. CONSIDERATION OF THE FINAL BUDGET FOR FISCAL YEAR 2010-2011 IN THE AMOUNT OF \$24,251,000.

It was discussed that the City Employees will start working 5 days at 8 hours a day, Mr. Graves stated that the departments can absorb this. Vice Mayor Wilshire asked if there is a plan to stop the furloughs, and Mr. Graves stated that we do not have a plan and depending on our revenues we could end the furloughs at the end of 2011.

Vice Mayor Wilshire moved to approve the Final Budget in the amount of \$24,251.00 Seconded by Councilman Alderman.

Motion carried.

3. CALL TO THE PUBLIC:

Any citizen desiring to speak on a matter that IS NOT scheduled on this agenda may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

1. None.

4. SCHEDULING OF MEETINGS:

Scheduling of meetings, which may be brought up at this time.

5. ADJOURNMENT.  
6:51 p.m.

SCHEDULED MEETINGS/EVENTS:

REGULAR MEETING July 19, 2010 at 6:00 P.M.  
REGULAR MEETING July 26, 2010 at 6:00 P.M.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the City Council of the City of Globe held on the 15<sup>th</sup> day of July, 2010. I further certify that the meeting was duly called and held and that a quorum was present.

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Gina A. Paul, CMC, City Clerk