

**MINUTES OF THE SPECIAL MEETING OF THE HONORABLE TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, HELD ON THURSDAY, JULY 14, 2022, IN THE TOWN COUNCIL CHAMBERS LOCATED AT 325 W. WHITE MOUNTAIN BOULEVARD, LAKESIDE, AZ 85929**

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➤ **Call to Order**

Mayor Irwin called the meeting to order at 4:00 p.m.

➤ **Roll Call**

The following Council Members were present:

<b>Name</b>	<b>Position</b>
Stephanie Irwin	Mayor
Lynn Krigbaum	Council Member
Jim Snitzer	Council Member
Paul Watson	Council Member
Sterling Beus	Council Member
Taber Heisler	Council member

The following Council Members were absent:

<b>Name</b>	<b>Position</b>
Jerry Smith	Vice Mayor

Also Present (Staff):

<b>Name</b>	<b>Position</b>
Keith Johnson	Town Manager
Kevin Rodolph	Assistant Town Manager/Finance Director
Kristi Salskov	Town Clerk
Daniel Barnes	Police Chief
Daniel Wilkey	Police Commander
Matt Patterson	Public Works Director
Betsy Peck	Library Manager

## **B. Business Before the Council**

Public comment will be taken at the beginning of each agenda item, after the subject has been announced by the Mayor and explained by staff. Any citizen, who wishes, may speak one time for five minutes on each agenda item before or after Council discussion. Questions from Council members, however, may be directed to staff or a member of the public through the Mayor at any time.

Mayor Irwin called for public comment.

No comments offered.

### **B.1 Consider Resolution No. 22-1624 and the adoption of the FY2022-2023 Tentative Budget for the Town of Pinetop-Lakeside.**

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Finance Director Rodolph presented the FY2022-2023 Tentative Budget. Director Rodolph explained that Town Manager Johnson and himself had met with individual Department Directors to discuss their department's budget. Director Rodolph added that the Town has held two (2) Public Hearings. Director Rodolph stated that the budget being presented included wage increases. The wage increase is \$2.00/Hr. for most employees, the exception being some Police Department positions that were increased to be more competitive with the rates Navajo County just approved. Director Rodolph stated that salaries and wages are paid out of the General Fund, Streets fund, and the Tourism and Promotion Fund. Rodolph stated that the bottom line of the budget is \$23,912,287. Of this amount, it includes \$680,000 in bond payments, a potential park purchase of \$400,000 which may or may not happen. Director Rodolph added that \$2,700,000 million in bond money for the police department construction is included in this figure.

Council Member Watson asked what the estimated year end is for General Fund sales tax.

Director Rodolph answered that it will be close to \$5,000,000.

Mayor Irwin stated that we are budgeting approximately 10% less than what the Town has collected this year.

Council Member Watson asked, *“If we think we are going to be around \$5,000,000 do we want to go ahead and budget a contingency again because we are only*

*budgeting \$4,600,000, right? Do we want to budget another \$250,000 contingency? If we get \$5,000,000 that is going to give us more flexibility.”*

Director Rodolph stated that included in the \$23,000,000 is the \$1,300,000 of ARPA Funds that are undesignated at this time.

Council member Watson asked if the Town takes in \$5,000,000 in sales tax, will the balance of that be put into reserves because there is not a budgeted contingency?

Director Rodolph responded, “yes.” Adding that there is a little bit of a contingency, this includes \$100,000 in parks, and \$74,000 in streets.

Mayor Irwin asked if the \$1,300,000 in ARPA funds is hard cash, not contingency.

Director Rodolph responded “yes,” adding that the Town has \$564,000 of ARPA cash left in the bank on June 30, 2022 and \$724,000 should be here any day.

Mayor Irwin referred to Councilor Watson’s comment asking if there is any harm in adding \$250,000 for contingency.

Town Manager Johnson stated that once the Town finishes the year end financials, it will show a larger carry-forward than what is being anticipated here.

Director Rodolph directed attention to the Grants Fund. It shows \$7,700,000 stating that the reality is, the Town will not spend that much money. Director Rodolph stated that this money can be reallocated during the year without changing any of the current totals. Director Rodolph added, if you chose to approve the budget as it stands, the Town has this money to move around if needed.

Council Member Watson asked if Council action would be needed to move from one fund to another.

Director Rodolph responded, “yes.” It is staff action if it is done intra-fund and Council action if it is one fund to another.

Mayor Irwin stated that a concern she has is inflation and feels some expenses will increase.

Director Rodolph responded that he feels confident that the Town will not overspend the presented totals and does not feel the need for a contingency amount to be added.

Council Member Heisler moved to approve Resolution No. 22-1624 and the adoption of the FY2022-2023 Tentative Budget for the Town of Pinetop-Lakeside. Council Member Watson seconded the motion and by the show of hands the following vote was recorded:

	<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>
Mayor Irwin	X		
Council Member Krigbaum	X		
Council Member Snitzer	X		
Council Member Watson	X		
Council Member Beus	X		
Council Member Heisler	X		

Mayor Irwin declared the motion passed with a 6-0 vote.

**E. Adjournment**

*Mayor*

There being no further business at this time, the Special Meeting was adjourned at approximately 4:15 p.m.



*Stephanie Irwin*  
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 Stephanie Irwin  
 Mayor

**ATTEST:**


*Kristi Salskov*  
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 Kristi Salskov  
 Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Special Meeting of the Town Council of Pinetop-Lakeside, Arizona, held on

the 14<sup>th</sup> day of July 2022. I further certify that the meeting was duly called and held, and that quorum was present.

Dated this 14<sup>th</sup> day of July 2022.

  
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Kristi Salskov  
Town Clerk

