

City of Phoenix
City Council Study Session/Special Meeting
Public Works Office
1000 S. “B” Street
Wednesday, February 13, 2013

CALL TO ORDER

Mayor Jeff Bellah called the study session of the City Council to order on Wednesday, February 13, 2013 at 6:30 p.m. in the Public Works Office.

ROLL CALL

PRESENT: Stan Bartell, Bruce Sophie, Karen Jones, Carolyn Bartell, Terry Helfrich, Jeff Bellah, Robert Mumby, Carol Engle, Matt Schmidt, Sandy Wine, Annegret Topel, and Dorothy Cotton

ABSENT: William Moore and Peg Stewart

Staff Present: Eli Naffah, City Manager/Recorder
Janette Boothe, Deputy City Recorder
Steve Weber, Finance Director

STUDY SESSION: MIDYEAR BUDGET REVIEW

Steve Weber reviewed the budgeted amounts as of December 31, 2013 and the estimated end of the year amounts, as he prepared budget schedules for each fund. Mr. Weber expressed he spoke with each department head to estimate the rest of the year’s budget. During discussion, Mr. Weber expressed the reasons leading to the budgeted shortfall. He further explained the revenue is expected to be over \$55,000 less than the General Fund adopted budget, largely due to an anticipated decrease in collected franchise fees and taxes estimated to be received, along with a decrease in intergovernmental revenue in SRO hours. Further discussion followed, as Mr. Weber described the final outcome of the union contracts and how they affect the budget. During discussion, Mayor Bellah suggested a transfer of appropriations from the police department overtime to the contingency fund, to discourage further spending in overtime. Further discussion followed, as Mr. Weber took questions.

STUDY SESSION: BOND REFINANCING

Steve Weber briefly described the background for the reasoning for looking into bond refinancing. Mr. Weber followed up with reviewing the summary of refunding results as presented by Seattle-Northwest Securities. He explained the amount of savings suggested in the information prepared is a present value figure for the life of the loan. He further presented different options to consider, as one of the savings opportunities presented was combining the 2000 Water Revenue and 2007 City Hall loans. As discussion progressed, Mr. Weber expressed

there is a certain amount of urgency to prepare these documents, as interest rates are expected to rise. A consensus was reached to pursue refinancing only the Water Revenue Bonds currently held with USDA and requested staff to present material necessary to begin the process to the following scheduled council meeting.

CITIZEN'S COMMENTS:

Chris Luz, Phoenix, offered his ideas for the upcoming budget by suggesting benefit cost sharing with the employees. He further suggested the City go out for bid on health insurance. He added that he agreed with the idea that the SRO contract needed to be renegotiated. Additionally, he suggested going to the private sector to refinance the loans.

Diana Nelson, Phoenix, commented she agreed with Mr. Luz regarding cost sharing; however, the problem has been with union negotiations. She added that the health insurance rates would be difficult to match with the union rates. She further commented that she agreed with the indication that the SRO contract needs to be renegotiated.

The study session adjourned at 7:37 p.m.

SPECIAL MEETING: CITY MANAGER PROFILE AND RECRUITMENT

CALL TO ORDER

Mayor Jeff Bellah called the special meeting of the City Council to order on Wednesday, February 13, 2013 at 7:46 p.m. in the Public Works Office.

ROLL CALL

PRESENT: Stan Bartell, Bruce Sophie, Karen Jones, Carolyn Bartell, Terry Helfrich, Jeff Bellah

ABSENT: William Moore

Staff Present: Janette Boothe, Deputy City Recorder

Mayor Bellah discussed the outline of the city manager description as discussed at the prior study session. Council volunteered to speak to the members in the outlying communities. Councilor Sophie reported he had already received some information on a couple of possible recruits from neighboring cities, along with their resumes. Further discussion followed.

The special meeting adjourned at 8:02 p.m.

Respectfully submitted,

Attest:

Janette Boothe
Deputy City Recorder

Eli Naffah
City Manager/Recorder