



## Minutes City Council Special Budget Meeting June 14, 2012

Minutes of the City Council Special Budget Meeting of Thursday, June 14, 2012, held immediately following the Issue Review Session which begins at 6:00 p.m. or before or after the Formal Council Meeting, which begins at 7:30 p.m. at in the Harry E. Mitchell Government Center, Tempe City Hall, City Council Chambers, 31 E. Fifth Street, Tempe, Arizona.

**COUNCIL PRESENT:**

Mayor Hugh Hallman  
Vice Mayor Joel Navarro  
Councilmember Robin Arredondo-Savage  
Councilmember Shana Ellis  
Councilmember Onnie Shekerjian  
Councilmember Corey D. Woods

**COUNCIL ABSENT:**

Councilmember Mark W. Mitchell

**STAFF PRESENT:**

Charlie Meyer, City Manager  
Andrew Ching, City Attorney  
Ken Jones, Finance and Technology Director

Jeff Kulaga, Assistant City Manager  
Brigitta M. Kuiper, City Clerk  
Various Department Heads or their representatives

***Mayor Hallman called the meeting to order at 7:53 p.m.***

1. Call to the Audience

Teresa Kavan, Tempe, stated the following:

- She requested that the City Council vote no on agenda item #3, the property tax ordinance, due to economic environment.
- American net worth is down 38%; household income is down 8%.
- Social Security recipients have not received a cost of living adjustment since 2009.

Mayor Hallman stated that Tempe has a fixed the property tax rate; it will not change. The State Legislature and the Maricopa County Assessor determine who is responsible for paying property taxes. Tempe's budget has been reduced by over 17%. Primary property taxes can only be spent on principal and interest on bonds and for operations and maintenance of the City; they cannot be saved or spent on assets. As property values fluctuate, the property tax bill for the community remains the same.

Councilmember Shekerjian noted that 13 governmental entities collect property taxes. Approximately 80% of property tax bills consist of school districts and community colleges; Tempe's portion is approximately 17% of the tax bill. It is important to talk with school board officials regarding these bills.

Ken Jones, Finance and Technology Director, stated that Maricopa County offers a senior protection program allowing seniors to lock in their tax rates.

Wayne (*last name unknown*), stated the following:

- He questioned why City employees should get a salary increase; additional budget reductions are needed. Public sector employees receive high salaries and have better benefits than private sector employees.

- Millions of dollars were spent on a College Avenue beautification project that no one wanted.

Mayor Hallman noted that Tempe has reduced its workforce and budget by over 17% without reducing services to the community; many employees took a 5 – 8% reduction in their salaries. Budget data is available on the internet.

**Motion by Vice Mayor Navarro to approve agenda items 2, 3 and 4; second by Councilmember Arredondo-Savage. Motion passed unanimously on a roll call vote 6-0.**

2. [Held a public hearing and adopted RESOLUTION NO. 2012.68 approving the FY 2013-2017 Capital Improvements Program \(CIP\).](#)

**COMMENTS** Resolution No. 2012.68 adopts the City Manager's recommended FY 2013-2017 CIP as discussed during the March 22nd and April 12th, 2012 Issue Review Sessions. As required by City Charter, a public notice was published, prior to this June 14, 2012 public hearing, which announced the time and place of the hearing, displayed a general summary of the capital program, and indicated when and where copies of the capital program are available.

**DOCUMENT NAME** 20120614fsaw01 CAPITAL IMPROVEMENTS PROGRAM 2013-2017 (0206-28) RESOLUTION NO. 2012.68

3. [Introduced and held the first public hearing for the adoption of the Fiscal Year \(FY\) 2012-2013 Property Tax Ordinance. The second public hearing was scheduled for June 28, 2012.](#)

**COMMENTS** N/A

**DOCUMENT NAME** 20120614fscr01 MISCELLANEOUS TAX (0210-06) ORDINANCE NO. 2012.22

4. [Held the second and final public hearing and adopted RESOLUTION NO. 2012.67 containing estimates of proposed expenditures by the City of Tempe for the fiscal year beginning July 1, 2012 and ending June 30, 2013, and to declare that such shall constitute a budget for the City of Tempe for said fiscal year.](#)

**COMMENTS** N/A

**DOCUMENT NAME** 20120614fscr02 BUDGET (2701) RESOLUTION NO. 2012.67

***The meeting adjourned at 8:17 p.m.***

I, Brigitta M. Kuiper, the duly-appointed City Clerk of the City of Tempe, Maricopa County, Arizona, do hereby certify the above to be the minutes of the City Council Special Budget Meeting of June 14, 2012, by the Tempe City Council, Tempe, Arizona.

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Hugh Hallman, Mayor

ATTEST:

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Brigitta M. Kuiper, City Clerk