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## Minutes of SPECIAL MAYOR AND COUNCIL Meeting

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Approved by Mayor and Council  
on November 23, 2010

Date of Meeting: June 15, 2010

The Mayor and Council of the City of Tucson met in special session in the Mayor and Council Chambers in City Hall, 255 West Alameda Street, Tucson, Arizona, at 7:00 p.m., on Tuesday, June 15, 2010, all members having been notified of the time and place thereof.

### 1. ROLL CALL

The meeting was called to order by Mayor Walkup and upon roll call, those present and absent were:

Present:

Regina Romero	Council Member Ward 1
Paul Cunningham	Council Member Ward 2
Karin Uhlich	Council Member Ward 3
Shirley C. Scott	Vice Mayor, Council Member Ward 4
Richard Fimbres	Council Member Ward 5
Steve Kozachik	Council Member Ward 6
Robert E. Walkup	Mayor

Absent/Excused:

None

Staff Members Present:

Mike Letcher	City Manager
Michael Rankin	City Attorney
Roger W. Randolph	City Clerk

## **2. FINANCE: FINAL BUDGET ADOPTION FOR FISCAL YEAR 2011**

Mayor Walkup announced City Manager's communication number 302 dated June 15, 2010, was received into and made part of the record. He asked the City Clerk to read Resolution 21548 by number and title only.

Resolution No. 21548 relating to finance; finally determining and adopting estimates of proposed expenditures by the City of Tucson for the Fiscal Year beginning July 1, 2010, and ending June 30, 2011, declaring that together said expenditures shall constitute the budget of the City of Tucson for such Fiscal Year.

It was moved by Vice Mayor Scott, duly seconded, to pass and adopt Resolution 21548.

Mayor Walkup asked if there was any discussion.

Vice Mayor Scott stated she appreciated those individual that came forward to plead for more support from the Mayor and Council, but through a lot of stress, anguish, City time and all types of "belt-tightening," she said she felt the City was where it needed to be for the coming year and hoped that the following year or the year after there would be a better picture for everyone to paint.

Council Member Cunningham stated he started very late in the budget process and tried to do some fact finding the last couple of weeks. He said he had some major concern about the budget and did not feel he was doing just leadership by what he was appointed to do if he did not voice his concerns. He stated that the City Manager and his team had done an absolutely terrific job in cutting areas of the budget over the last few years. He said he was only beginning to understand the City's budget, but as he went through the process for the coming year, he hoped to have more input.

Council Member Cunningham said he thought that there were still some other areas that the City could cut to save money. He said he intended to draw up some plans on the actualized revenues over the next year, to see if there was more money that could be used or cut. He said he felt there were gaps in where funding was being missed.

Council Member Kozachik thanked the City Manager and his staff for the process used to balance the budget and giving the Mayor and Council an opportunity to weigh in week after week. He said the process has not been without effect and significant cuts were made. He stated heading towards the resolution of the process, his sense was that the budget was being balanced with some "one-time" fixes and assumptions, particularly the sale of City land and sale lease-backs, not to mention the half cent sales tax increase possibly going on the ballot in November. He commented that the balancing of the budget was using "hope" as a strategy, which he was not prepared to do as he was concerned with what it would do to the City's bond rating.

Substitute motion was made by Council Member Kozachik, duly seconded, to reduce the recommended General Fund Budgeted Expenditures for FY 2011 for all departments except the “non-departmental” line item by one percent.

Mayor Walkup asked if there was any discussion.

Council Member Romero asked what affect the concept of the one percent decrease in all departmental budgets had on employment and delivery of service to the citizens of Tucson.

Mike Letcher, City Manager, responded that it was difficult to say, at the twelfth hour, to calculate what a one percent would do. He said three million dollars spread across the City, at this point in time, when everything else was pretty much already cut, was hard to say what impacts it had. He said it could not be done without avoiding some reductions in force. Mr. Letcher stated if he had received Council Member Kozachik’s proposal a few weeks ago, he would have had a better answer for the Mayor and Council.

Council Member Romero said as a representative of not only the residents of the City of Tucson, but also the employees of the City, she was concerned about potential cuts to the workforce. She said that was one thing that all Council Members talked about, economic development and job creation, and although many thought that government jobs were not jobs, they were. She said she did not think it was a good idea not did she support job cuts for City employees that would affect families. She stated she supported what the labor council had worked so hard to do; work together. She said she would not be supporting the substitute motion.

Council Member Uhlich stated this was very difficult because one percent sounded like a drop in the bucket and Council Member Kozachik had been generating noteworthy ideas and ideas of substance since taking his seat on the Council. She said she felt other colleagues at the table had done their best to pursue ideas that had any potential for implementation that could be supported by the majority at the table. She stated a lot of things that seemed straight forward were not really. She stated if there were specifics that could be looked at mid-term for budget adjustments, she felt the Council and staff would be willing to look at those, but at this time, those recommended cuts had to be specific.

Mayor Walkup stated to unlock the budget that had been put together very carefully over the last six months, at the eleventh hour, was hazardous. He said as he read the recommendations from Council Member Kozachik, he felt many of them had merit, but applying them to the budget at the moment, in his mind, was not the right thing to do. He said for future budgets, no one knew what would happen, what the revenues would be or what position the City would be in, but he hoped for recovery and some of those recommendations could definitely be looked at.

Council Member Kozachik stated he appreciated the comments and did not feel his recommendations were at the eleventh hour because he had been talking about them all along and in his opinion; this was the right time for them.

Substitute motion to reduce the recommended General Fund Budgeted Expenditures for FY 2011 for all departments except the “non-departmental” line item by one percent failed by a roll call vote of 2 to 5 (Council Members Romero, Uhlich and Fimbres, Vice Mayor Scott and Mayor Walkup dissenting).

Substitute motion was made by Council Member Kozachik to increase Parks and Recreation cost recovery for programs and services being offered to the public from the present fourteen percent to seventeen percent.

Council Member Uhlich asked what increase Council Member Kozachik’s motion constituted in terms of enrollment for KIDCO and if there were any Parks and Recreation programs he favored raising fees and the affect of their participation.

Council Member Kozachik stated the entire cost recovery for KIDCO was for Fred Gray, Parks and Recreation Department Director, to work through. He said it may be zero depending on how he balanced that across the board. As far as favored programs, he stated he was not targeting any specific Parks and Recreation programs.

Mayor Walkup asked for a second to the substitute motion. The motion failed due to lack of a second.

Mayor Walkup asked for a roll call vote on the original motion to pass and adopt Resolution 21548.

Motion to adopt Resolution 21548 was passed and adopted by a roll call vote of 6 to 1 (Council Member Kozachik dissenting).

**3. ADJOURNMENT: 7:20 p.m.**

Mayor Walkup adjourned the Special Meeting and reconvened the Regular Meeting.

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MAYOR

ATTEST:

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CITY CLERK

CERTIFICATE OF AUTHENTICITY

I, the undersigned, have read the foregoing transcript of the meeting of the Mayor and Council of the City of Tucson, Arizona, held on the 15th day of June 2010, and do hereby certify that it is an accurate transcription.

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DEPUTY CITY CLERK

RWR:yl:sm