

MINUTES
REGULAR WORKSESSION
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
June 14, 2011
5:00 p.m.

CALL TO ORDER

Mayor Krieger called the City Council meeting to order.

Councilmembers Present: Stuart, Mendoza, Beeson, McClendon, Brooks, Johnson and Mayor Krieger
Councilmembers Absent: none
Staffmembers Present: City Administrator, Greg Wilkinson
Director of Financial Services, Pat Wicks
Various department heads or their representatives
City Clerk, Lynda Bushong

I. REGULAR CITY COUNCIL MEETING AGENDA OF JUNE 15, 2011

Motion Consent Agenda Item B9: Outside Agency Agreement: Greater Yuma Economic Development Corporation

Brooks asked if the new proposed amount of \$200,000 will be sufficient to support the services Greater Yuma Economic Development Corporation (GYEDC) provides. **Julie Engel**, President/CEO, GYEDC, replied that the proposed funding will not be sufficient and it will force GYEDC to use its reserves. **Brooks**: Is this going to create lay-offs within GYEDC? **Engel**: Yes.

Mayor Krieger asked if the reductions GYEDC received from other municipalities will have the same effect. **Engel** indicated that only one other entity reduced their funding contribution and GYEDC was able to redirect funds from the foreign trade zone to makeup the short fall. **Johnson** noted that San Luis' contribution decreased from \$65,000 in 2009 to \$40,000 in 2010 and \$5,000 in 2011. **Engel** confirmed that the decrease for San Luis is \$35,000.

Engel clarified that the funding from the City of Yuma to GYEDC in 2010 was \$225,000 from the General Fund and \$27,500 from the Enterprise Zone for a total of \$247,500. **Wilkinson** confirmed the funding amount.

II. CITY OF YUMA 2010-11 AND 2011-12 BUDGETS

Wilkinson stated that although the overall budget total has not change; some minor changes within the budget have been outlined for Council's review.

Mayor Krieger thanked Wicks for his work on the budget.

Wicks apologized to Council for the late arrival of the budget. It was a challenge to get the budget prepared for Council and public review, primarily because of the work being conducted with the new

finance system. The overall budget total did not change from the adopted Preliminary Budget as is required by law. Although minor changes were made within the budget, the total remained the same as a result of a change to our grant contingency budget. Wicks outlined the following changes:

- The funding to GYEDC was increased by \$76,500 for a total of \$200,000.
 - An account adjustment to the rebates account to make a difference between rebates that were intended as economic development payments for companies coming in wanting development agreements.
 - The water fund pays 10% of the GYEDC contract which is why GYEDC appears on two line items.
- The Yuma Metropolitan Planning Organization budget was decreased by \$45,583 as a result of an over-funded budget.
 - All necessary accounts were adjusted to reflect this change and the difference was moved to the general government cost center as a contingency.
- An employee's salary was transferred the correct funding source.
- The total amount added to the Preliminary Budget of \$120,825 was reduced from the grant contingency budget.
- The Arroyo Dunes Golf Course Fund was increased by \$11,975 and the Desert Hills Golf Course Fund was increased by \$23,850 to add items that were previously identified by Wilkinson but not included in the Preliminary Budget.

Johnson asked if these changes identify where the funds were transferred in order to accommodate the increase to GYEDC. **Wicks** replied that the fund changes related to GYEDC reflect the adjustment.

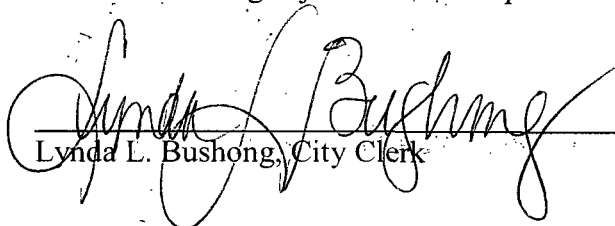
Johnson questioned if GYEDC is prepared to accept the \$200,000 contract that is being proposed for approval during the June 15th Regular Council Meeting. **Engel** stated that the contract was received but there are some items that need to be discussed with Wilkinson. Some of the changes to the contract such as the liability insurance change from \$1 million to \$2 million will cause an impact to the GYEDC budget. Engel noted that GYEDC has support from the community to have the previous funding amount of \$247,500 restored. At this time, GYEDC is technically not ready to accept the proposed contract pending review of the cost impact from the changes to the contract. **Wilkinson** indicated that the insurance change will be reviewed.

Wicks stated that the Preliminary Budget FY 2011-2012 is available on the City's website for public review.

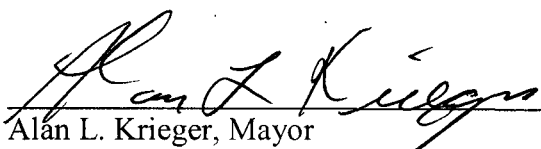
III. ADDITIONAL ITEMS FOR POSSIBLE DISCUSSION – NO DISCUSSION

IV. ADJOURNMENT/EXECUTIVE SESSION

Motion (Mendoza/McClendon): To adjourn the meeting to Executive Session. Voice vote: **adopted**
7-0. The meeting adjourned at 5:18 p.m.


Lynda L. Bushong, City Clerk

APPROVED:


Alan L. Krieger, Mayor

Approved at the City Council Meeting of:
September 21, 2011
City Clerk: 