

MINUTES

LEAGUE OF ARIZONA CITIES AND TOWNS

EXECUTIVE COMMITTEE MEETING

Friday, November 5, 2010
League of Arizona Cities and Towns
1820 West Washington Street
Phoenix, AZ 85007

MEMBERS

President

Robert Walkup, Mayor, Tucson

Vice President

Doug Von Gausig, Mayor, Clarkdale

Treasurer

Mark Mitchell, Councilmember, Tempe

Marie Lopez Rogers, Mayor, Avondale
Boyd Dunn, Mayor, Chandler
Gilbert Lopez, Councilmember, Coolidge
Byron Jackson, Mayor, Eloy*
Elaine M. Scruggs, Mayor, Glendale*
Fernando Shipley, Mayor, Globe
Jim Cavanaugh, Mayor, Goodyear*

John Salem, Mayor, Kingman
Mark Nexsen, Mayor, Lake Havasu City
Thomas L. Schoaf, Mayor, Litchfield Park
Scott Smith, Mayor, Mesa
Kenny Evans, Mayor, Payson
Bob Barrett, Mayor, Peoria*
Claude Mattox, Councilmember, Phoenix
Harvey Skoog, Mayor, Prescott Valley
Lynne Skelton, Mayor, Sahuarita
W.J. "Jim" Lane, Mayor, Scottsdale
Rob Adams, Mayor, Sedona
Gerry Whipple, Councilmember, Show Low
Robert Strain, Mayor, Sierra Vista
Bob Rivera, Mayor, Thatcher
Alan Krieger, Mayor, Yuma

**Not in attendance*

President Walkup called the meeting to order at 10:03 a.m.

1. REVIEW AND ADOPTION OF MINUTES

President Walkup welcomed everyone and specifically welcomed new Executive Committee members John Salem, Mayor of Kingman and Alan Krieger, Mayor of Yuma, to the meeting. The Executive Committee then stood for the pledge of allegiance.

President Walkup began with a commentary on the past election and some trends he is noticing as a result. He said that Tucson had two referendums on the ballot; the first measure had asked for a half cent sales tax to support core services in the city, and the second measure asked for a charter change in Tucson, which has essentially been unchanged since 1929. Both measures failed. What the exit polls showed was that the public didn't believe that the situation was as bad as the city was presenting it and that there was a basic lack of trust in the government. Following the election, the city held a press conference to announce that as a result of the ballot failures the city will most likely be laying off police and fire. The citizens' reaction to this was one of disbelief and it made him

realize that there is a disconnect between the actual reality of the situation and what the citizens believe to be the reality of the situation. He stated that each city and town, regardless of what will happen at the Legislature next session, is already dealing with very difficult budget decisions. Mayor Walkup suggested that local officials need to repair that trust with the public so they know that when cities and towns say our budgets are down to the bone, it is taken at face value. He concluded by emphasizing that local officials need to get the message out to citizens that local leaders are honorable, professional and serve with the upmost integrity to begin to gain back their trust as cities and towns grapple with these difficult budget issues.

Mayor Walkup then asked for review and approval of the minutes as presented. Mayor Evans moved that the minutes of the August 25, 2010, Executive Committee meeting be approved. Councilmember Mattox seconded the motion and it carried.

2. ELECTIONS/LEGISLATIVE UPDATE

Legislative staff provided an overview of the General Election results. A handout was included in the packet for the meeting. Dale Wiebusch highlighted that Republicans now have 2/3 majority control in both chambers; in the House 40 to 20 and in the Senate 21 to nine. Leadership changes were also noted. Because the Republicans will have super-majorities in both chambers, they have the potential to change formulas or raise taxes. However this is unlikely to occur as many Republican League Friends and Champions remain in both chambers. Some close races were noted and ballot counting deadlines were announced. Ballot issues and statewide races were also noted.

Executive Director Ken Strobeck then began the discussion on the medical marijuana ballot issue and how the League and the Department of Health (DHS) are working together. Ken introduced Director Will Humble from DHS. Director Humble went over some of the department's limitations and the parameters of the ballot measure. He also cited how important municipal ordinances will be. Early April is the expected licensing debut. DHS will look at the quality of applicants, versus first come, first serve. There was also discussion related to some of the possible consequences of the measure, including people growing their own, cities developing ordinances, and dispensary standards. Ken recommended members look at our model ordinance and ordinances from various cities and towns that are housed in the League Resource Library.

3. REPORT FROM ARIZONA LIQUOR DEPARTMENT

Dale introduced Alan Everett, Director of the Department. Mr. Everett provided an overview of the Department, including licensing and investigation functions. He emphasized the importance of relationships between local governments and the department. He talked extensively about new beverages that contain both caffeine and alcohol and how young people are particularly affected by this. Mr. Everett also delineated the difference between the Liquor Department and the Liquor Board, as it is the Board that makes decisions on licenses, not the Department.

4. LEAGUE SURVEY RESULTS

President Walkup recognized Matt Lore, Communication and Education Director, to give a report on the League annual survey results to the Executive Committee. Matt explained that in 2002, the Executive Committee asked League staff to prepare an annual survey of League services. The League has conducted a survey each year since. The survey is e-mailed to mayors, council members, managers, clerks, attorneys, finance directors, intergovernmental coordinators and public information officers.

The 2010 survey results were included in the Executive Committee packets. Three general areas were addressed within the League survey: demographics, overall performance and League services. Responses for the survey were anonymous and 126 people participated this year. Matt then gave an overview of the results. Mayor Von Gausig pointed out some of the results were lower than previous years and stated that he didn't feel there was a decline in service and asked the League's analysis of those results. Matt explained that with the number of survey respondents, two or three respondents who are not pleased can skew the results. Matt also emphasized that the League looks at the overall responses and then at the specific responses to analyze what we can do to improve. President Walkup asked if staff sensed any need for corrective action. Matt stated that one area we will improve is our outreach to the rural areas. Ken echoed this sentiment and stated that though we do get out to all parts of the state, we will certainly look at increasing our outreach efforts in the coming year.

5. RECAP OF 2010 ANNUAL CONFERENCE

President Walkup first read a letter from Mayor Scruggs expressing her thanks, appreciation and pride in hosting the League Annual Conference and that Glendale looks forward to welcoming the League Conference back in the future. Mayor Walkup then called on Matt Lore for a report on the 2010 Annual Conference. The conference brought in \$135,000 net gross, largely due to more than \$200,000 in sponsorships thanks in part to the Executive Committee members. Matt also said 81 of the 91 cities were represented at the conference, which drew a total of 1,024 attendees. The conference received high marks in the conference survey but he did mention that there were some good suggestions for improvements. Discussion ensued on cost of speakers as well as the candidate forum during the event.

Matt ended his report by reminding everyone that the 2011 Conference will be held in Tucson at the Starr Pass Resort, August 31- September 3.

6. 2009 – 2010 AUDIT REPORT: LEAGUE AND PROPERTY CORPORATION

President Walkup called on Ken for a report on the 2009 -2010 audit for both the League and the Property Corporation. Ken informed members that there was one set of recommendation that the auditors suggested regarding having a better depreciation schedule for our capital assets. That was the only issue that the auditors noted and Ken recommended approval of both the League and Property Corporation audit reports. Mayor Adams made a motion to approve both audits. Mayor Smith seconded the motion and it carried.

7. EXECUTIVE COMMITTEE ROUNDTABLE/LEGISLATIVE ISSUES DISCUSSION

Ken talked of how the election results will affect municipalities, especially as it pertains to shared revenues. The League is ramping up its efforts, including replacing open position in the legislative department with strong candidates, contracting with Highground and retaining a public relations firm. Discussion ensued as to how to develop additional strategy, especially for local elected officials, including our past positive work with the Governor’s office. Many members talked of how much cities and towns have already dealt with the poor economy and past state actions. There is also a need to convince the public as to how important shared revenue is. On a long term basis the League is working with chambers and economic councils to advance job creation and economic development. In the short term, there will be cuts, but the issue is where the money comes from. Many members agreed that local elected officials need to meet with as many legislators as possible as soon as possible. Due to the imminent nature of issue, the Executive Committee will have a special meeting in December to further define strategy.


8. RECOGNITION OF OUTGOING EXECUTIVE COMMITTEE MEMBER

President Walkup asked for a motion to recognize Mayor Bob Strain of Sierra Vista and to thank him for his service to the Executive Committee. Mayor Rivera made a motion to recognize Mayor Strain for his service. Mayor Lopez-Rogers seconded the motion and it carried.

President Walkup adjourned the meeting at 12:05 p.m.



EXECUTIVE DIRECTOR



PRESIDENT