



## MESA 2025: FINANCING THE FUTURE CITIZEN COMMITTEE

August 24, 2005

The Mesa 2025: Financing the Future Citizen Committee met in the lower level meeting room of the Council Chambers, 57 East 1st Street, on August 24, 2005 at 5:30 p.m.

### COMMITTEE PRESENT

Kyle Jones, Chairman  
Kirk Adams  
Jill Benza  
Pat Esparza  
Don Grant  
Rex Griswold  
Greg Holtz  
Aaron Huber  
Eric Jackson  
Dennis Kavanaugh  
Mark Killian  
Robert McNichols  
Scott Rhodes  
Pat Schroeder  
Robin White

### COMMITTEE ABSENT

Keno Hawker, Ex-Officio  
Member

### STAFF PRESENT

Various Members

1. Approval of minutes from the May 11, 25, June 29 and July 20, 2005 meetings.

Committeemembers Benza and Shroeder indicated changes to the May 11 and June 29<sup>th</sup> meeting meetings, and Committeemember Killian asked that the minutes of the July 20<sup>th</sup> meeting be amended to include that a previous motion made by Committeemember Killian, which was seconded and carried, be included in the minutes of the July 20<sup>th</sup> meeting and that the attendance list be corrected to show his attendance at the meeting.

It was moved by Committeemember Benza, seconded by Committeemember White, that the minutes of the May 11 and 25, June 29 and July 20, 2005 minutes be approved as amended.

Carried unanimously.

2. Review and finalize Committee Report.

Chairman Jones expressed appreciation to Committeemember Benza, and those members who worked with her, for “spearheading” the revisions to the previous Committee report.

Section 1 – Committee Statement:

Committeemember Rhodes moved to approve Section 1 of the Committee Statement with the changes indicated in the draft.

Committeemember Kavanaugh seconded the motion, which carried unanimously.

Section II – Committee Background:

Committeemember Benza stated that for expediency purposes she would move that they approve the corrections that were made in Section II. Committeemember Rhodes seconded the motion.

Committeemember Benza commented that she would like to leave the sentence “To make recommendations and possible changes to the way City services are funded.” She said that she feels that statement provides clarification as to the purpose for which the Committee was assembled.

Committeemember Rhodes concurred with the suggestion and added that he wanted the Mission Statement, that statement of purpose, to parallel or be consistent with the Committee Mission in Section III.

The motion carried by majority vote with Committeemember Benza voting nay.

Section III – Committee Mission:

Committeemember Benza reviewed this portion of the Report and noted that the first redlined sentence was contained in the document put forth by the Ad Hoc Committee that was preparing the re-write. She added that the blue-lined items were submitted by Ex-Officio Member Hawker. She said that the last red line was information that came through as part of Committeemember Rhode’s addition. She also noted that the Committee is being asked to consider three separate items.

Committeemember Rhodes suggested that they strike the first two sentences and then the additional language. He added that Mayor Hawker wanted to put that back in with some changes so that his version would not contain the first two sentences. (Paragraph to begin “The Committee was charged with studying and evaluating current revenue.....”)

Committeemember Killian concurred with Committeemember Rhodes’ suggestion. Committeemember Benza recommended that the sentence read, “The Committee was charged with studying, evaluating current revenue and expenditure models and challenges and subsequently making recommendations to the City Council on .....

Committeemember Rhodes moved that Section III be adopted eliminating the first two sentences and beginning the sentence as outlined by Committeemember Benza in the previous paragraph.

The motion was seconded and carried unanimously.

The Committee requested that spelling and grammar errors be corrected in the final document.

#### Section IV - City Background and Current Challenges:

Chairman Jones asked whether there were any suggested changes in the last paragraph before Growth-Related Issues.

Committeemember Benza suggested that they retain the words “relating to its financing methods” in this section. In addition, discussion ensued among the members regarding possible changes and it was determined that the paragraph should read, “As the City moves toward the future, it faces significant financial challenges. In addition, as the City continues to grow, Mesa must guard against economic inefficiencies and continue to seek reasonable and practical ways to avoid waste. Therefore, to ensure Mesa’s financial sustainability, the Committee identified the following challenges that need to be addressed.”

Committeemember Rhodes moved to approve Section IV through the last paragraph with changes to the last paragraph that include replacing the word “revenue” with “financial” in the first sentence and inserting the words “continue to “ in place of “seek” and eliminate the word “financial” before “waste” in the second sentence, as outlined above.

Committeemember Killian seconded the motion for the first segment of Section IV. The motion carried unanimously.

#### Growth Related Issues:

Committeemember Benza commented that she liked the second redlined paragraph that had been removed because it further explained the growth issue. She added that she would like to hear further discussion from the other members.

The Committee discussed the second paragraph and determined that the first and third sentences would remain and that the word “anticipated” would replace the word “expected” in the last sentence. The paragraph will read, “Additionally, as Mesa has growth, the scope and complexity of City services also has continued to expand to meet citizen demands, technological change and service mandates. Activities such as the City’s shared responsibility for the operation of the Williams Gateway Airport as well as costs associated with federal mandates, such as arsenic remediation, were not anticipated even as little as 20 years ago.”

Committeemember Rhodes to approve the above revision and Committeemember Killian seconded the motion, which carried unanimously.

#### Decline of Sales Tax Revenues:

Committeemember Griswold recommended that in the first sentence of the second paragraph (top of Page 4) the word “over” be removed after the words “economic downturn.” The Committee discussed the remainder of the paragraph and determined that it should read, “However, the fluctuating economy and increased competition from neighboring cities has caused a decline in sales tax revenue per capita. This decline illustrates the inherent problems Mesa faces by heavy reliance on sales tax revenues.” They noted that the rest of the paragraph would remain unchanged.

Committeemember Benza moved to approve the above listed changes and Committeemember Jackson seconded the motion, which carried unanimously.

#### Transportation Needs:

Committeemember Rhodes moved to adopt the first paragraph, as amended, and Committeemember Benza seconded the motion, which carried unanimously.

The Committee then moved on to the third paragraph, and Committeemember Rhodes moved to adopt the paragraph with the recommended changes. Committeemember White seconded the motion.

Committeemember Griswold recommended that the third sentence in Paragraph 3 be amended to reflect the addition of the word "funding" ("50 street capital funding projects in the City."). Committeemembers Rhodes and Benza agreed to the amendment suggested by Committeemember Griswold.

The Committee also determined that the first sentence of Paragraph 3 should read, "Voters of Maricopa County approved Proposition 400 to extend the County-wide sales tax for transportation." The maker and seconder of the motion agreed to all of the proposed changes to Paragraph 3.

#### Reliance on Utility Taxes:

Committeemember Rhodes commented that the main change is at the end of the first paragraph and said that he believes it would be helpful to explain the concerns and difficulties experienced by citizens in trying to determine how the money is being utilized. He added the opinion that they should better explain their concerns and comment on the lack of sufficient transparency when they overly rely on General Fund transfers from utilities. He said he would like to make a correction to his language and explained that he understands that the City does establish utility rates within the budget approval process. He stated that he does not believe it is actually the same process, but he believes it is still confusing so he would like to take out the middle clause that reads, "...and the City does not set utility rates simultaneously within its budget process" and leave the rest the same.

Discussion ensued among the members of the Committee and it was determined that the fifth sentence in the first paragraph (red underlined text) should read, "The Committee also believes that the current system lacks sufficient transparency such that Mesa citizens cannot easily determine how their utility payments are being used, which results in an overall process that is difficult for citizens to understand or track."

Committeemember Kavanaugh moved that the above language be approved and Committeemember Killian seconded the motion, which carried unanimously.

#### Resumption of Debt Service:

Chairman Jones suggested removing the wording "and responsibility" from the last paragraph.

Committeemember Benza moved to approve the above listed change, Committeemember Huber seconded it, and the motion carried unanimously.

V. Financial Impact of Challenges:

Chairman Jones advised that the only suggested change is that the date of the expiration of the quarter cent Quality of Life Tax in July 2006 (top of Page 7) be added. He said that he would prefer that the word "Elimination" be replaced by the word "Expiration" and the members of the Committee concurred.

Committeemember Griswold referred to the third item from the top of Page 7, "Resume debt service payments in FY 2007/08" and suggested that the language be revised to read, "Increase of debt service payments in FY 2007/08." The Committee agreed with this change. He also recommended that the language across from the previous statement, "\$35 million (approximately)" be changed to "\$35 million annually (approximately)."

Committeemember Esparza moved to approve the above-mentioned revisions, and Committeemember Jackson seconded the motion.

Committeemember Griswold referred to the second paragraph on Page 7 (beginning "Although Mesa continues to be the most affordable community in the region ...," and said that he would like the report to reference from where the information was derived.

Chairman Jones directed staff to footnote that information, and he also pointed out that "Average Homeowner's Charger's Survey" should be changed to read, "Average Homeowner's Charges Study."

The maker and seconder of the motion agreed with the above additions/corrections and the motion carried by majority vote.

VI. Committee Recommendations:

Committeemember Rhodes advised that the reason he made the recommended changes was to clarify that they were moving from the factual historic part into what the Committee actually did. He added that this is the work product that they have been developing and said that he would move to adopt all of the language down to the letter "C." Committeemember Esparza seconded the motion.

Committeemember Griswold referred to A. 1. (top of Page 8) and discussion ensued relative to clarifying the language. The Committee decided to revise the language to read, "It is the intent of the proposed recommendations to present a total level of taxation that is commensurate and competitive with the communities in the region." The maker and seconder of the motion agreed with the proposed change and the motion carried unanimously.

Committeemember Killian stated that he would like to revisit Items A & B for additional discussion.

Committee Jackson moved that they revisit the items and Committeemember Rhodes seconded the motion.

Committeemember Huber provided background information on this item and said that the sub-committee that drafted the language wanted to add a stronger, most robust provision. He said that they added the sentence about the "sunset," but they struggled with whether to leave it at that or add a whole section. He stated the opinion that the sub-committee members would agree that this issue should be further discussed, including the possible addition of language regarding a complete sunset provision paragraph in addition to what is currently contained in the document.

Discussion ensued among the members of the Committee regarding this matter and it was determined that the Report should contain an additional heading entitled "Sunset Review Process" following "Program Accountability" and before "Council Budget Process." It was decided that the following sentence would be included under that heading: "Encourage the City Council to implement a Sunset Review Process on legislation similar to the one used by the State and/or other communities operating similar successful programs."

Committeemember Kavanaugh spoke in favor of the proposed heading and language, and he expressed the opinion that it is consistent with the discussions that have taken place.

Committeemember Esparza recommended that the proposed language under the heading begin with the words "The City Council shall implement a Sunset Review Process....."

Committeemember Killian moved to approve the above revised language, including the addition of a fourth section in Item B, and Committeemember Holtz seconded it. The motion carried unanimously.

Referring to Section C – Revenue Enhancements and Revenue Related Suggestions, Chairman Jones stated that the suggested changes in Part 1 have to do with clarifying what the value would be of an assessed valuation in terms of property tax value so that the citizens will understand that the Committee has discussed the issue but they are not suggesting an actual rate.

1. Institute a Primary Property Tax

The Committee thoroughly discussed the issue of instituting a primary property tax and determined (by unanimous decisions and majority votes on the various items) to revise Paragraphs 1 and 2 to read as follows:

The Committee recommends that voters approve a primary property tax on all classes of real property. To sustain itself through 2025, the City needs a dependable revenue source to continue to provide the high level of service that residents, businesses and visitors have come to expect. Unlike utility rates, property taxes are tax deductible and are not a hidden tax. Additionally, the lack of a property tax precludes the City from receiving in-lieu property taxes from quasi-public entities such as Salt River Project. Salt River Project's in-lieu payment could generate more than \$818,000 annually.

The Committee is not recommending a specific tax rate. The City Council should set the rate. Examples of the impact of a \$1.00 rate are contained in the following table." The Committee directed staff to list the table under this item, but to keep it simple in order to avoid confusion.

The Committee also approved Paragraph 3 with no changes or additions.

2. Adjust the Local Sales Tax Rate to 1.75%

Chairman Jones noted that there were no suggested revisions to Item 2.

Committeemember Esparza moved to approve C.2. as written and Committeemember Rhodes seconded the motion, which carried unanimously.

3. Adopt a Policy to Establish Transfer Limits from the Utilities Enterprise Fund to the General Fund.

The Committee unanimously moved to approve Part 3.

4. Evaluate the Options Related to the Pinal County Water Farms.

Committeemember Killian noted that the minutes of the July 20<sup>th</sup> meeting did not state that a prior motion (made at the June 29<sup>th</sup> meeting) that dealt with Healthcare Taxing Districts was removed by the Committee for further discussion. (A Certified Copy of the detailed verbatim of the minutes of the June 29<sup>th</sup> meeting is on file in the office of the City Clerk and will be kept with the summarized minutes for reference purposes.) In order to clarify Committeemember Killian's point, the Committee's action to remove that item from further discussion will be added to the July 20<sup>th</sup> minutes.

Chairman Jones stated that since Committeemember Killian was not present for discussion of this item at the June 29<sup>th</sup> meeting, he would like to provide him the opportunity at this time to state why he feels this item should be included in the report.

Committeemember Killian said that at the June 29<sup>th</sup> meeting, the Committee voted to include that as a recommendation to the Council. He noted that there is a serious lack of emergency care facilities in the community and this is a growing problem. He suggested that the Committee look at what Springerville did to save their hospital. He advised that his motion was to recommend that the City Council create a study committee to look into implementing a tax district for the purpose of addressing this crucial need. He expressed the opinion that the suggestion is not inconsistent with the Committee's discussions, and he emphasized the importance of appointing a study committee and allowing them to make recommendations to the Council.

Committeemember Jones commented that at the June 29<sup>th</sup> meeting they pulled back several things in order to simplify the process and be more concise in their recommendations.

Committeemember Benza advised that a motion to remove Committeemember Killian's motion from further discussion and action was unanimously approved by the Committee.

Committeemember Killian stated that an emergency situation forced him to leave the meeting before it ended and expressed the opinion that had he been present, he would have been able to convince the Committee to allow the motion of support to remain in place. He noted that the health of Mesa's citizens is paramount and discussed a personal emergency medical situation he was involved in that convinced him that this critical area must be addressed and improved. He further stated that anything that is recommended that deals with potentially raising a tax on Mesa's citizens needs to be looked at in conjunction with everything else they are doing and that is why it must be included in the Committee's report. He reported that although there are plans to build more hospitals in Mesa, they will still not meet the overwhelming demands. He expressed the opinion that they will be "missing the boat" if they do not, at the very least, explore this issue and try to find a solution.

Committeemember Killian moved that this issue be reinserted into the record and included as part of the Committee's recommendations in their report to the Council. He emphasized that recommending that a study be conducted is an appropriate and crucial move.

Discussion ensued relative to expanding upon the water farm issue and including items such as consideration of a special tax district for hospitals, creating a special group to attract industry, etc.;

Committeemember Killian's preference that there be one committee appointed to review the hospital situation that is comprised of healthcare specialists, community advocate groups and the public; the fact that if the Committee does come back in twelve months time and say they support it, they need to know how that will impact the other things they are proposing; that the capacity issue should be discussed with the Council; that there is a definite need for the City to work with the private sector to create incentives and remove roadblocks to increase emergency room capacity; and that the members could consider whether this is an appropriate public policy issue that should be part of the Committee's report versus sending a message to the Councilmembers that this is a critical, priority issue that should be addressed.

Committeemember Kavanaugh said that he does not believe that the proposal is a bad idea but questions whether it is really consistent with the mission and focus of the Committee. He agreed that healthcare and emergency room capacity is a critical issue that the City and hospitals are aware of. He reported that Banner Desert is moving to become a Level 1 Trauma Center, hopefully in the next couple of years and that the City, through the Fire Department, is working with the various hospitals on issues regarding emergency capacity.

Committeemember Griswold commented that this issue is very important to the Council and said they are opening up new hospitals but he questions where they are going to get the doctors to staff them. He reported that the Council held meetings with Banner Health and other hospitals and is working with the Fire Department, but he emphasized that it is going to take a large coalition to solve this problem, up to the Governor's level. He said that the University of Arizona Medical School is not going to produce a sufficient number of doctors, and noted that the Valley is approximately the same size as Chicago, which has five medical schools.

Committeemember Killian advised that due to the lack of a second on his motion, he would withdraw the motion but invited the members of the Committee to send letters to the Council requesting that a study committee be formed to look at this critical issue.

Chairman Jones stated that his request will be noted.

Committeemember McNichols recommended that letters regarding this matter be sent to all of the Valley cities and towns and the members of the Committee concurred.

Committeemember Killian thanked the Committee for the opportunity to present his concerns.

#### 4. Evaluate the Options Related to the Pinal County Water Farms

Committeemember Killian advised that in looking back through his notes he has confirmed that at no time did he ever say or move to limit the proceeds of the sale of the water farm to capital expenditures. He said that he was very clear about creating a "cash cow" or even a trust fund if the City sold the property in order to generate interest that would go into the General Fund. He noted that the property could be worth in excess of a billion dollars if the City plats, plans and sells it to homebuilders. He added that if the City retains the commercial properties and joint ventures and develops those with developers, a huge income stream could be generated for the City. He stated that limiting it to capital expenditures would defeat it and that is not what he intended. He said his intention was that if the Committee recommends that the City sell those assets, that the money from the sale be placed into a trust fund with the interest to be used for operations. He noted that this could potentially generate \$40 to \$60 million a year in revenue to the City, which could buy down the property tax they are going to impose. He added that they could buy down some of the sales tax and Mesa would become extremely

competitive. He pointed out that because Mesa is a City, they will not have to pay taxes on the sale of the property so there will not be any capital gains or sales tax, resulting in a huge windfall to the City.

Committeemember Killian stated that the sentence in the very last paragraph that reads, "that the disposition of the property directly or indirectly be used to fund City future capital or debt reduction needs" is incorrect and should be removed.

Chairman Jones stated that in defense of what is included in the minutes, during subsequent discussions when Committeemember Killian was not present, the members revisited the water farm issue and the discussion went along the lines of once you sell an asset, it is going to be gone and whether the proceeds are enough to be sustainable in the long term is the question. He added that the question was if you sell capital to replace capital, projects could be accomplished without additional bonding, so either way they are offsetting the entire process.

Committeemember Killian reiterated that his intent was to create a "cash cow" for the purpose of driving down the tax rates. He added that now they are talking about going out and raising a bunch of taxes and the City has this huge asset out there that he believes should be used to drive down the tax rates on the operations side rather than on the capital side and that the corpus should be used and preserved as a fund to benefit the taxpayers of the City. He commented that as far as he is concerned, if the Committee still wants to change that and eliminate the use of it for operations, then he is going to insert a minority report to that effect.

Committeemember Rhodes concurred with Committeemember Killian's remarks but added that he believes that having the discussion at this time is premature. He recommended that they strike the last sentence (first paragraph top of page 12) "It is also recommended that ...." and that they leave it with the concept that they believe there should be a study by an investigative committee to look at the management of this asset.

Committeemember Rhodes moved to strike the last sentence in Paragraph 6 (Page 12) as listed above.

Committeemember Rhodes added that the words "or potentially to the newly recommended Audit Committee for review" be deleted and replaced with the words "forward to a study committee for review." He clarified that the motion is to approve the section with the following changes: strike the word "new" before study committee and strike everything after "City Council" in the fifth to the last line.

Chairman Jones recommended that the item be "forwarded for review to a study committee established by the City Council" and the members concurred.

Committeemember Killian seconded the motion.

Committeemember Benza questioned the intent of the words "this item" (end of third sentence, beginning of fourth) and asked whether it refers to the water farm or to the sale. She noted that there is an important distinction between the two and it needs to be clarified.

Committeemember Rhodes concurred and amended his motion to remove the words "as an option" and instead state, "The City Council should create a committee to study the management and disposition of the water farm."

Discussion ensued relative to the fact that this point was already made.

Chairman Jones stated that they could stop after the words "long-term benefits to the City" and it was suggested that the words "maximizing the benefits to the City" be used instead. Committeemember Killian seconded the motion.

Chairman Jones stated that the first paragraph is intact but there seems to be some duplication in the area of maximizing.

Chairman Jones recommended that they insert the words "long-term benefits to the City" in the first paragraph. He said that the motion would stand with this amendment, and the Committee unanimously approved the change.

The Committee voted unanimously to approve the changes as outlined above.

Committeemember Rhodes moved and Committeemember Kavanaugh seconded a motion to approve the entire report with changes as outlined.

Committeemember Holtz questioned what would happen as far as the minority opinions if they approved the entire report at this time. He asked how they would fit into the entire structure.

Chairman Jones responded that minority opinions are simply individuals making statements that there are specific parts of the report that they are not comfortable with or disagree with.

Committeemember Rhodes stated that it would be helpful to have a vote of the number of members who are prepared to sign off on the entire report without any minority aspects.

Committeemember Esparza said that she understood that a minority report represents more than one person and that if it is just one person, then it is a dissenting opinion. She questioned whether a minority report could raise new arguments, and she said that her training says that they are not allowed to do that in the closing. She stated that if it is a minority report, they could present arguments that have been discussed but they cannot bring up new issues. She also asked whether new arguments could be presented in the case of a dissenting opinion.

Committeemember Holtz stated that he is not willing to "shut the door" on the entire process and asked whether the minority reports would then just be ignored.

Committeemember Rhodes stated that he would withdraw his motion because it has resulted in confusion.

Committeemember Jackson noted that the Committee has just received a report from Ex-Officio Member Hawker, a budget reduction recommendation from Committeemember Griswold and information from Committeemember McNichols as well. He asked whether any other members of the Committee had information they wanted to present.

Committeemember Holtz stated that Ex-Officio Member Hawker has prepared a good minority opinion that he would like the Committee to consider. He noted that the report includes some good recommendations regarding placing a cap on expenditures in the budget process that does not have the same restrictions represented in the Colorado model, which was referred to by Committeemember McNichols. He added that he is not willing to walk away from this issue without discussion, and he pointed out that many of the arguments are now more refined. He said that he could state that he

agrees with everything they have discussed but he does not want to “close the door” on the possibility of incorporating some of the minority opinions, particularly now that they have been clarified.

Committeemember McNichols commented that what disturbs him about the minority reports is that they have not been brought up as motions, and they have not been discussed by the group. He said that they are “after thoughts” brought forward at the 11<sup>th</sup> hour when the Committee is ready to consider a final report. He stated that the flood of new ideas should have been brought forward during the 18 months that they have been meeting and presented in the form of a motion for discussion as they went through the draft documents. He further stated that what he distributed was not really a separate idea but a piece of information that he thought everyone here and on the City Council should read and consider before they start adopting restrictions on spending. He said that he would prefer that all of the minority reports be presented to the Committee one by one as issues for debate or not considered at all.

Chairman Jones stated that it is apparent that not everyone agrees on everything and said that perhaps it would be better if they just submit their report to the Council with the supporting documentation and then, rather than submit a minority report as part of the main report, the members submit their own personal letters to the Council stating their different opinions or purposes.

Committeemember White commented that she has a problem with that proposal. She said that suggestions have been made about cutting expenditures that she believes could at least be recommended to the Council. She said that nothing was ever done about that, and that no discussion has taken place.

Committeemember Huber stated that perhaps they should review the minority reports to determine how much support they have.

City Attorney Debbie Spinner advised that the City of Mesa has never adopted Robert’s Rules and therefore is not bound by it. She said that Mesa’s procedure is to give the Chair the discretion to run meetings in a manner that is most effective and in the best interest of the Committee. She added that the Chair can open it up for discussion to decide how the opinions should be treated.

Additional discussion ensued among the members of the Committee regarding the submission of minority reports and the possibility of scheduling another meeting so that the Committee will have sufficient time to review the reports.

Committeemember Killian stressed the importance of allowing all voices to be heard and commented that he supports some of the ideas, but opposes others. He stated the opinion that the information should be part of the record. He further stated the opinion that members should be able to articulate his or her reasons for a dissenting opinion, and he added that he does not believe that this would diminish the Committee’s report or the work that has been accomplished.

Committeemember Holtz commented that they have a consensus and that he believes they should vote on everything that is in the document. He added that it is okay to “get it on the table” and vote, but they should also leave it open in case they decide a minority opinion should be included.

Committeemember Rhodes noted that over the last 18 months the members have had ample opportunities to bring up issues and attempt to achieve consensus. He spoke in opposition to including minority reports that the Committee did not have the opportunity to review and consider. He said that they, as a Committee, should have the opportunity to reflect in advance on a minority report. He added

that due to the late hour of submission of the minority reports, he believes they should be presented separately and not included in the report.

Committeemember Adams commented that he and Committeemember Rhodes had conversations regarding the fact that minority reports should not be considered until the Committee's report was done. He noted that his minority report was mailed to the Chairman just a few hours later than Ex-Officio Member Hawker's report. He agreed that there is a process for minority reports and the Committee should make a determination but added that even though they may not be part of the official record, they should be part of the public record. He added that the Committee should not repress minority reports, and they should be submitted as dissenting opinions.

Chairman Jones stated that his intention was to allow people who had a dissenting vote on certain issues in the final report to make a brief concise statement. He said that he is still fine with that but if something has been written that is offensive to the other members of the Committee that would be a major concern to him. He said that if there is something in the document that members disagree with, such as the auditor issue, he believes they should have the opportunity to present a brief, concise report on it.

Committeemember McNichols commented that at some point the Committee should vote on the report and then list, at the bottom, all of the dissenting items that were not agreed upon and by whom. He added that the Mayor's letter, since he is the Ex-Officio Member, should be looked at as public testimony rather than a minority report. He stated that if any members want it included in the report, they should vote on it and provide justification.

Committeemember White advised that she agrees with the majority report, and she added that in July she expressed concerns about when they would address the issue of expenditures and possible cuts. She asked what happened to all of the work that the Committeemembers did on this issue and their suggestions regarding this important matter.

Committeemember Rhodes moved that the report contain the votes in favor of issues and itemize those individuals who voted against certain sections. He clarified that after each section they would list all of the members in favor and all opposed.

Further discussion ensued among all of the members regarding this issue and the scheduling of an additional meeting to address the varying opinions.

Committeemember Killian moved that when the Committee adopts the final report, that the members be allowed to express their opinions regarding their votes and that the results be included in the report that is submitted to the City Council.

Committeemember Rhodes seconded the motion.

Chairman Jones recommended that the members of the Committee submit their ideas to Denise Bleyle so that they can be included with the materials for the next meeting.

Committeemember Griswold apologized for providing his reduction information at the last moment, but he explained that he thought that the list included items that had been discussed at various meetings. He said that at for the next meeting he would like to review all of the materials.

Committeemember Schroeder expressed the opinion that information such as the data submitted by Committeemember Griswold should come before the Committee for review, particularly items that are going to be submitted to Ms. Bleyle.

Ms. Spinner explained that the information should be submitted, and that it will be made a matter of public record when the information is distributed for the next meeting, which will enable everyone to learn about it at the same time.

The motion carried unanimously.

Committeemember Killian asked whether they, as a Committee, wanted to entertain any more issues, such as those raised by the Mayor, Committeemember Adams, etc.

In response to a request for clarification from the Chairman, Ms. Spinner advised that the members should forward to Ms. Bleyle copies of any items they want to discuss, but they should not include their personal opinions regarding the items.

The maker and seconder of the motion agreed to withdraw the motion.

Committeemember Killian moved that one additional meeting be scheduled to discuss only the issues of expenditures and suggested reductions.

Committeemember Jackson seconded the motion.

Committeemember Killian amended his motion to state that members of the Committee will be given five days to develop a brief written statement for submission to Ms. Bleyle regarding expenditures. Committeemember Jackson concurred with the amendment and the motion carried unanimously.

- a. Discuss minority comments.

See above discussion.

### 3. Scheduling of meetings and general information.

Chairman Jones announced that the next meeting will be held on September 7<sup>th</sup> at 5:30 p.m. He requested that the members submit all of their suggested agenda items to Ms. Bleyle no later than August 31, 2005.

### 4. Items from citizens present.

Sheila Mitton addressed the members of the Committee and stressed the importance of being pro-active and making tough decisions that will benefit the citizens of Mesa.

5. Adjournment.

Without objection, the Mesa 2025: Financing the Future Citizen Committee adjourned at 9:21 p.m.

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Mesa 2025: Financing the Future Citizen Committee meeting of the City of Mesa, Arizona, held on the 24th day of August 2005. I further certify that the meeting was duly called and held and that a quorum was present.

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BARBARA JONES, CITY CLERK

lgc