DRAFT MINUTES
BUDGET WORK SESSION
MAYOR AND COUNCIL
COUNCIL CHAMBERS - 473 S. MAIN STREET, ROOM #106
FRIDAY, APRIL 15, 2016 AT 8:00 A.M.

Minutes are a summary of the discussion. They are not verbatim.
Public input is placed after Council discussion to facilitate future research.

NOTE: The 2015-16 Proposed Budget with each department's requests and the Town Manager's recommendations is available in the office of the Town Clerk, with each departments supporting documentation for their budget requests.

1. **Call to Order**
   Mayor German called the meeting to order at 8:00 a.m.

2. **Roll Call**
   Mayor German, Vice Mayor Bruce George, Councilors Robyn Whatley, Carol German, Jessie Jones-Murdock and Jackie Baker are present. Councilor Brad Gordon is absent.
   Also Present
   Town Manager Russ Martin, Finance Director Michael Showers, Community Development Director Steve Ayres, Risk Management Carol Brown, Library Director Kathy Hellman, Town Magistrate Paul Schlegel, Court Administrator Veronica Pineda, Town Clerk Virginia Jones and Recording Secretary Lynn Riordan.

3. **Pledge of Allegiance**
   Mayor German led the pledge

4. **Discussion, consideration, and possible direction to staff relative to the Draft FY 2016-22017 Tentative Budget.**

   a. **Revenues**
   Finance Director Michael Showers advised the Mayor and Council that this year's proposed budget documents are in a new format, as a result of the Work Sessions and meeting from last fall. In addition to the new format, the same information is attached to the proposed budget as the Appendix (old format). Mr. Showers stated a community meeting will be held on May 9, 2016 for public comment; all department heads will be present to address any complaints, questions or concerns, and to consider any suggestions. The Work Sessions (today and April 22), the public comment meeting on May 9, are for Council information, with the Council to begin making Budget decisions on May 13, 2016 Regular Session.

   Town Manager Russ Martin advised that each department requested what they want, and believe they need, to accomplish their department goals for the next year "Department Requests"; the manager presents to the Council what he believes can be approved with the funding/revenues available "Manager Recommended". Each department is being very responsible and accountable, and has done an excellent job staying within their budget.

   Revenue: Mr. Showers advised that the Town's revenues have been increasing, even exceeding what was anticipated and budgeted, however the economy is expected to become stagnant. Mr. Showers advised that even with the current surplus of revenue the budget process needs to stay conservative. The Proposed Operating & CIP Budget documents are available for public review.

   General Government:
   - Municipal Court – Magistrate Paul Schlegel advised that the Municipal Court filings have decreased, noting that filings are contingent on law enforcement activity (specifically CVMO, YCSO and DPS), which has created a decline in revenue. The Court proposed expenses remain about the same as last year.

Judge Schlegel advised the Court is focusing on better case management. Town Manager Russ Martin advised that some staffing changes are being proposed that will allow Court personnel to provide administrative support (approximately 20 hours per week) for public works, rather than reducing current court/town staff.

- Library – Library Director Kathy Hellman advised the Library budget requests continue to increase due to the Library hours being increased by 70% and anticipation of moving into the new Library facility - the Library will need additional staff and operating money, even with the continued support of many dedicated volunteers. Mayor German commended Ms. Hellman for her excellence in managing the library services to the community, library personnel and volunteers. Ms. Hellman advised that her coordinating volunteer manager, Alice, was attending classes and would be receiving her Certified Volunteer Coordinator certification. Ms. Hellman estimated that the Library would need 12 full time employees if they did not have the continued service of their dedicated volunteers, however, additional staff, volunteers, equipment and operating expenses will need to be increased upon moving into the new facility. Mr. Showers advised that although increases are being requested, the actual operations increase requested is 25%, some budget requests are actually being reduced, and the Town's financial obligation for the Internet Access at the Library is only 20% of the actual costs with 80% being provided by E-Rate.

- Economic Development – Economic Development Director Steve Ayres advised that he agrees with the Manager's recommendations as presented in the Proposed Operating Budget for 2016-17, as he has been able to find more cost effective avenues for marketing and retail recruitment. Mr. Ayres advised that he is excited about a proposed educational pilot program for small business that will be available to middle school, high school and community college students, with many (14) local business owners showing an interest in supporting the program, in addition to Yavapai College small business curriculum and Focus Future. Mr. Ayres advised that currently there is an upswing in interest by potential investors in Camp Verde. Currently the Economic Development Department has two employees, however, the budget documents include four employees (two in Economic Development and two in the Visitor Center).

- Risk Management – Rick Manager Carol Brown stated this was her first year as the full-time Risk Manager for the Town. Her budget requests include allowances for continued education, which will allow her to obtain ARM certification. Ms. Brown stated the co-op for the safety consultant last year has become invalid, as the person retained to provide services moved out of state, however, one of the Town's current employees has been assisting with safety compliance. Ms. Brown advised the new State Compensation 24 hour Medical Contact system has been working very well, would save the Town money, reduce insurance rates, and provide better care for the employees. Vice Mayor Bruce suggested more hands on / in person safety training rather than video/computer class training. Ms. Brown advised that in addition to the video/computer classes, "tailgate" classes are also being used. Russ Martin advised that the continued computer or video classes keep awareness higher, and that the Town is currently below average in State Compensation Insurance costs.

- Non-departmental – Town Manager Russ Martin advised that the expenses in Non-departmental include basic utilities, water adjudication, recycling, Senior Center contributions, etc. These are Council approved items, no staff, and are proposed at the same level as last year's budget.

- Finance – Finance Director Michael Showers advised that there are few changes to be addressed in Finance. The new e-card system is working well to track and allocate expenses. Mr. Showers advised that at some point, his Department and the Town would need to address a large expenditure for a software upgrade – but it is not being proposed in the 2016-17 budget.

- Mayor & Council – Town Manager Russ Martin advised there are no changes from last year for the Mayor & Council. Mr. Martin reminded the Council that the town has a new car that is available for Council use to attend meetings and training.

- Clerk's Office – Town Clerk Virginia Jones advised there are few changes to be addressed in the proposed Town Clerk's Office requested budget. The large requested increase for 2016-17 is for required elections and the request for a deputy clerk position.

- Town Manager – Town Manager Russ Martin advised the 2016-17 budget remains about the same as the previous year.

- HR – Town Manager Russ Martin advised the large increase proposed in the 2016-17 budget for HR includes allocating Town-wide insurance enrollment to all employees – considered a "corporate expense" and will not be allocated out to each department separately. The actual cost for this benefit is not yet known.

- IT – Town Manager Russ Martin stated the IT Department budget continues to be a "rollercoaster", as the attempted co-op with the local schools to provide IT support did not work out. The IT department has the infrastructure, but needs full time employees or contracted employees; the IT department needs to be expanded. Mr. Martin stated the expansion of the IT Department will be expensive and it is not planned for 2016-17, but he will be looking into a solution possibly as soon as FY 2017-18.

Public Works (and all Departments under Public Works), Community Development (and all Departments under Community Development), Marshall's Office and CIP Projects will be addressed and discussed at the April 22, 2016 Budget Work Session.

Adjournment

Mayor German adjourned the meeting at 10:12 a.m.

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Charles German, Mayor

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Lynn Riordan, Recording Secretary

CERTIFICATION
I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Budget Work Session of the Town Council of Camp Verde, Arizona, held on April 15, 2016. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2016.

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Virginia Jones, Interim Town Clerk