DRAFT MINUTES
BUDGET WORK SESSION
MAYOR AND COUNCIL
COUNCIL CHAMBERS - 473 S. MAIN STREET, ROOM #106
FRIDAY, MAY 13, 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.

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, Brad Gordon, and Jackie Baker are present.
   Also Present
   Town Manager Russ Martin, Finance Director Michael Showers, Marshall Nancy Gardner, 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
   b. General Government
   c. Capital Improvements

Finance Director Michael Showers presented results from the Community Forum, and although it is not a true community survey, 30 people attended and provided input indicating the community focus is on projects and services. Mr. Showers referred to the Strategic Plan Summary based on priorities/direction from Council November 2015. Mr. Martin advised the proposed FY16-17 Budget is realistic for new project funding, however, if the Council gives direction to staff regarding prioritizing new projects, the proposed budget can be modified, and increased if more revenue is available, making the CIP budget flexible.

Proposed Budget - Capital Improvement Projects - includes $300,000 being transferred from reserves plus $306,000 from sales tax revenue.

Council Discussion: Kitchen - $50,000 will make the kitchen operational and allow use of donated equipment, but will not complete the project. This project, done in phases of $50,000 per year, will complete the kitchen.

Community Parks - Community park development and maintenance 1) Rezzonico Park to benefit the new Library area and public access to the river; and future need for Ramada(s) and picnic tables, with some council members supporting grass landscape and others supporting desert landscape (maintenance costs and aesthetic design discussed).

Gym Roof – Gym roof repair/replacement is pending structural engineering completion. The Gym project potentially will include additional upgrade/remodel to create multi-purpose community space.

Street Maintenance - $250,000 in FY16-17 Budget from HURF plus $150,000 from General Fund to begin the proposed seven year rotating road maintenance program. Mr. Showers advised there is 1.2 million dollars in HURF surplus, however it is earmarked for upcoming projects (sidewalks, intersection etc.). Mr. Showers and Mr. Martin advised that

some of the upcoming projects may be eligible for grant funding or partial grant funding, noting that storm water engineering and projects in Verde Lakes is not included in the CIP projects budget (approximately $100,000), which is mandatory.

Mr. Martin advised that the proposed FY 16-17 Operational Budget is balanced without using reserves, staff is currently requesting direction on proceeding with CIP projects. Mr. Martin advised the CIP budget is flexible based on what direction Council gives staff to complete projects. Mr. Martin advised that the sales tax increase will allow completion of projects this year, and potentially in future years, providing positive improvements and resources for the community. Council majority stated the CIP as proposed looks reasonable, with good results for the community, while remaining conservative and keeping in focus with the upcoming Hwy 260 corridor development and unknown future economy. Debt Service - Mr. Showers explained the Debt Service and suggested funding sources. Council noted that staff has done an excellent job allocating funding and refinancing to reduce debt, in addition to using a portion of HURF funding to pay debt service for equipment purchases to get CIP projects completed, using a portion of sales tax to pay short-term debt for lease purchases. Mr. Martin advised that the new CVMO K-9 vehicle will be partially funded from impact fees ($20,000) and partially from un-used budgeted wages (empty CVMO positions).

Additional employees - Mr. Martin advised the proposed FY16-17 budget includes an increase of $25,000 for part-time and seasonal employees for Parks and Recreation (grounds and maintenance), with additional funding to be allocated next year if revenues are available; additional wages for community development (3 months for transition for Community Development Director); addition of one new full time employee (building inspector/plans examiner) in Planning and Building; and one new full time deputy (beginning in January 2017) for CVMO.

Break 9:20 a.m. – 9:30 a.m.

Town Clerk Virginia Jones advised she had just received a written request from Verde Valley Senior Citizens regarding Meals on Wheels program. Council addressed and discussed the request. It was the consensus of the Council that, although the Council is in support of the Meals on Wheels Program and believes it provides a great benefit to many residents, no decision for funding will be made until the previously requested financial documents and information has been received from the Verde Valley Senior Center.

Mr. Martin advised that the tentative Proposed FY16-17 Budget will be on the June 1, 2016 Regular Session.

Mr. Martin advised the proposed budget includes allocation for a wastewater cost/fees study. The Town will not need to budget for the I-17 Lift Station this year, however, the purchase of a VAC truck for the Wastewater Division of Public Works is a necessity, and the purchase could also be used to benefit to the property owners that pay sanitary district fees but are still on private septic by providing an annual or bi-annual septic service (WIFA funding available). The Town will revisit revenue, financing and potential growth for extending the wastewater services after the study is complete.

Adjournment

Mayor German adjourned the meeting at 10:10 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 May 13, 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, Town Clerk