

**MINUTES  
WORK SESSION  
MAYOR and COMMON COUNCIL  
of the TOWN OF CAMP VERDE  
COUNCIL CHAMBERS - 473 S. Main Street, # 106  
MONDAY, APRIL 30, 2012  
4:00 p.m.**

Minutes are a summary of the actions taken. They are not verbatim.  
Public input is placed after Council motions to facilitate future research.  
Public input, where appropriate, is heard prior to the motion

**1. Call to Order**

Mayor Burnside called the meeting to order at 4:00 p.m.

**2. Roll Call**

Mayor Burnside, Vice Mayor Kovacovich, and Councilors Baker, German, Jones, and Whatley were present. Councilor George was present telephonically.

**Also Present:**

Manager Russ Martin, Finance Director Mike Showers, Interim Library Director Gerry Laurito, and Town Clerk Deborah Barber as Recording Secretary were present. Magistrate Harry Cipriano, Economic Development Director Melissa Preston, Marshal Nancy Gardner, and Community Development Director Mike Jenkins joined the meeting to discuss their respective budgets.

**3. Pledge of Allegiance**

Jones led the pledge.

**4. Discussion, consideration, and possible direction to staff relative to the Draft FY 2012/13 Tentative Budget. Discussion may include, in no particular order, and not limited to the following budget units. Note: Any items not addressed at this meeting may be carried over to a subsequent meeting.**

Manager Martin explained the budget as presented, noting that this is the building block for the next fiscal year, without too much assumption from staff as to what Council wishes to accomplish. He explained that this is a team effort to come up with the right numbers for the final budget. He advised that he did not anticipate Council's final numbers today, but rather in a week when Council meets with the Finance Director and Manager. He also advised that Council did not yet have the entire budget, noting that the CIP fund and Special funds would be included in the final budget. He explained that the next two meetings would cover operational or general funds.

He advised that a sales tax increase is not included in the draft budget, stating that an increase in tax revenue is necessary and had been addressed for some time. He noted the first page clearly states 'Draft Budget'. He explained that the order in which he placed the departments was conducive to discussion. He explained that the department heads would be explaining their requests and that he would weigh in after.

Baker noted that the Housing Grant Fund and Library Building Fund were not included in the budget though it was listed on the agenda. Martin said the meat of the issues would be personnel. Baker wanted them included.

Burnside asked for clarification as to proficiency vs. projections with regard to department requests.

Martin explained that he had asked department heads to put together a 'no whining' budget, as it has been extremely difficult for staff. He said that staff submitted requests that would not allow a full step forward in offering services. He noted that his recommendation was at times significantly different based on anticipated revenues. He advised that as it stands now, some projects or services are pushed back in order to assist those that walk in the door. He explained an example would be the upcoming General Plan update, which

requires dedicated staff and related expenses. He advised that staff has done an excellent job in providing for immediate needs, while addressing projects as time allows that have been put off.

Burnside thanked Russ and Mike for putting the document together. He said that he would like to see the Town logo used on the title page; would like each word in the motto in capital letters; an index; and the same size fonts throughout the document.

a. Library/Library Building Fund

Martin explained that Library Director applicants had been narrowed to five to interview in May, noting that Laurito will remain as a Senior Library Clerk. Martin advised that this was the one department that he was recommending additional staff so that the library could be open 5 days per week.

As requested, Laurito advised that he would add a 5<sup>th</sup> day to the performance objectives section. He addressed the requested increases, including Books/Tapes/Publications. He noted that the Town is required to commit to a match to receive county funds and that due to budget constraints; the Town has not contributed the required amounts. However, the match was included in this budget. Council discussed the increase in postage and Laurito explained that this allows patrons to receive library materials that they would not otherwise have access.

Baker asked for the sheet that shows what funds have been used to date, noting it would be helpful to know what could be cut or increased. Showers advised that he needs to put in a column for 'used to date'. He advised that the actual is what was budgeted last year.

In response to Baker's request, Martin said that it was his experience that department heads will give the information that they need to budget based on needs as opposed to expenditures. He advised that he had looked at the actual figures and the recommendations. He said that he did not think it was a good idea to include the estimated figures. Baker disagreed and said that it has always been included in the budget discussions, making it easier for Council to see and ask questions and to determine if more or less funding is needed.

Jones asked if postage could be reimbursed. Laurito advised that libraries offer free services and that charges could limit access to those who cannot afford it.

Burnside clarified who filled in the budget line items, including the requests. Laurito said that he completed the form. Burnside noted what was listed in the line items far exceeded the total that was approved in the 2011-12 budget. Showers explained that adding the numbers on the Council-approved columns would not equal the totals listed on the spread sheet. He advised the numbers on this document were pulled from last year's budget. The numbers on the new software are exactly what are on this budget by individual line item. Burnside and Baker were disturbed that the bottom-line figures were different than what they thought that they approved. They felt that Council should have been notified that an error had occurred. Martin assured Council that the budget was legal and that Council approved the line item amounts.

Burnside asked if Council wanted to spend an extra to \$40,000 to reopen the library an extra day. George said that he was in favor of a 5-day week, but concerned with the additional costs, and suggested a split-shift. Whatley agreed. Laurito said that a schedule was not yet developed, noting the additional personnel would allow the flexibility to do this. Martin said that he did not believe that it could be done without additional staffing.

Laurito noted the contract labor/services was increased to include programs and scrapbooking supplies, while the Manager reduced it. Martin said again the numbers are so tight that \$500 here and there would make a difference overall. He stressed that increasing programs requires increased staffing.

**b. Court/Court Enhancement Fund**

Magistrate Cipriano addressed accomplishments, noting that customers are now paying credit card fees, as opposed to the Town. He advised that there was an increase in traffic citations and that it is important to bring the court into compliance due to the increased case load. The court is now receiving e-tickets from the County and would like to work with the Marshal to bring them online. DPS has been writing more tickets into the Municipal Court which has resulted in the increased case load. He spoke to the reduction in staff from 5 clerks to 3 clerks over the past couple of years. He advised that with Jacque's retirement, there will be only 2 experienced clerks left. He advised that the Court has been supplementing their needs with JCEF monies and is now asking for general fund monies to keep the Court running. He addressed the increases in office supplies, subscriptions/memberships, printing, legal services, contract labor services (weekend judges), interpreters, equipment rental (court computers), office equipment, court-appointed attorneys, recording system, security system, and public relations.

Martin noted that the Town previously paid for court computers until the economy fell and the Court contributed from the Court Enhancement Funds to alleviate the burden. Cipriano advised that these funds were nearly depleted.

Cipriano advised that he was asking for an additional clerk due to the substantial increase in case filings to get back to where they were in 2010. Martin said that ½ would be taken care of with Enhancement Funds. He suggested taking a small step forward in one year and complete it next year. He advised that Council would decide which staff to increase as they go through the budget process. He suggested hiring someone in October as opposed to July or to pull from their Special Fund to lessen the impact on the General Fund.

Burnside asked if the new clerk would work on collecting the one million dollars in past due fines. Cipriano said that they would, as well as other projects. Burnside asked if the Clerk could generate enough in collections to offset their wage. Cipriano said that he believed that the entire salary could be retrieved. Daughety said that the most important issue is that the Court is non-compliance because these files are not being managed properly.

Cipriano noted that new deputies would increase the tickets. Martin said that the Manager's recommendation will change to reflect the discussion and where the changes need to be. Burnside noted again that there was a large discrepancy between this year's and last year's budget.

Showers reiterated that the numbers listed are the numbers that were Council approved. Burnside stressed that it needed to be corrected for next year's budget.

The meeting was recessed at 5:35 p.m. for the dinner break and reconvened at 5:52 p.m.

**c. Clerk/Housing Grant Fund**

The Housing Grant fund was not discussed.

Barber covered the need for filling the currently budgeted, but vacant receptionist position. She advised that the funds for this position were used to fund the new Economic Development Director position with the plan of using in-house staff to fill the vacancy. For some reason, this plan never came through.

She advised that the lack of staffing contributed to the inability to complete projects such as HOME and CDBG, which currently offset a portion her salary. She advised that she was awaiting a proposal from NACOG to take over the administration of these grants, as she spends the majority of her workday performing receptionist and clerical-type duties.

Further, the lacking of staffing also contributes to the state of the Town's non-compliant records. To compound the problem, she explained that she and her staff were at the limit of their vacation time and

that having only two people made it extremely difficult to take time off. Most importantly, she expressed the need to have trained staff for backup.

She advised that she had initially proposed that the Manager hire a receptionist since his office required the majority of this type of service. She explained that she would like to take her part-time position to train as a meeting clerk to cover extra meetings, such as work sessions and the upcoming General Plan meetings. She advised that it would take about 10 hours of work to attend and prepare minutes for the average meeting. She wanted to use the other 10 hours to train in the operations of the Clerk's Office.

She said that she understood the Town's financial condition; however, this position was already budgeted and that she was not asking for more than she already had. She also noted that the Town has had a receptionist since she started working 22 years and 4 months ago. She advised that the receptionist position is one of the most vital in the Town, noting that this person is often the public's first contact. She advised that there were a few proposals put forth to address this issue without additional costs to the Town, which included moving staff around, but that there has been no resolution.

Darby Martin said that if the Town would combine the Public Works Department/Finance building staff with the Admin offices, there would be a savings in utilities and staff would be available to cover and cross-train without additional cost to the budget.

Martin advised that he had tried presenting combining the offices and that staff was generally opposed, stating that they decided how to provide the coverage. He advised that the Public Works and Finance Department close their doors when they have meetings or are out of the office and refer the public to the Clerk's Office. He recommended taking small steps and had put funds into the Clerk's budget that would allow a person to come in on an as-needed basis. He said that he realized the difficulties associated with allowing staff to take the time off that they had accrued.

Baker expressed concerns with the lack of coverage and any offices being allowed to close during the workweek. She felt that it was inefficient to have receptionist duties assigned to the Clerk's Office when they must attend to duties that are set by law. She said that allowing other offices to close and forward their calls to the Clerk's Office proved her point. Whatley asked if the office could stay open 5 days with the additional part-time staff, noting that she had constant complaints about the Town's 4-day workweek. Barber advised that the majority of visitors and callers were for other departments, so it would not be beneficial to the public for the Clerk's Office to stay open unless the entire Town was also open.

George agreed with the Manager's recommendation.

#### **d. Human Resources**

Martin explained that this was a straight-forward budget, with changes to recruitment expenses and legal services. He explained that it was important to recruit quality personnel. Whatley expressed her desire to ensure that employees remain with the Town if they use tuition reimbursement. Martin explained that if an employee uses tuition reimbursement, they must sign an agreement to stay with the Town at least two years or return the money. Burnside noted that this budget was reduced from last year's figures and that this particular budget was needed.

#### **IT Budget**

Martin explained that Darby Martin took over the IT role when Valerie House left. He explained that initially Matt Morris worked with the IT and the Town's website and performed exceptionally. Darby Martin explained that the rotation of computers was reduced; the firewall needs to be updated; miscellaneous replacements; rack infrastructure; projector, camera, and other miscellaneous items, such as screens, cables, etc. were included in the budget.

Russ Martin said that he believed that it was unnecessary to replace computers at this time, but rather, have three new computers on hand. He believes that a 5-year rotation is sufficient to meet the Town's need. Darby Martin said that the budget also includes upgrades to the Liberty software. Russ Martin advised that the Consultant Services hourly rate is increasing. However, staff is in a position to do more of the day-to-day work and as such, is suggesting a decrease in the use of the consultants to offset the increased hourly rate.

Burnside said that the checks are enormous and asked if it would be cheaper to hire someone as opposed to the way it is now done. Russ Martin said that Darby Martin controls the usage. He said that it would be disingenuous to hire a quality IT person at \$60,000, noting that it would not take 40 hours per week to take care of the Town's needs. Burnside said that he would be willing to invest in training for the employee to eventually take over this position. Martin said that it was unnecessary at this time.

Baker brought up the fact that utilities are not in each department. For example, Council pays for utilities, while the new departments are not charged. Showers explained that he did not have a clear understanding of how the funds were allocated, but understands that it is split amongst departments. He noted that there were no utilities budgeted in HR/IT, but there are in the Clerk's Office. He felt it was best to leave it as it was until he can research the matter further, noting that it was unclear as to why certain business expenses were allocated to specific departments.

George agreed that a 5-year rotation is sufficient.

**e. Economic Development**

Melissa Preston reviewed the ED budget, noting that the advertising costs were actually an unknown. She advised that there is no usable 'collateral' from the Chamber of Commerce. Martin advised that little advertising can be done with \$5,000, but that it was Council policy to determine the amount of the investment needed. He advised that staff will bring back product based on whatever the budget is. Preston covered the remainder of the ED requests, explaining in detail the need for a strong web presence in attracting new business.

Burnside asked if the Town would have two websites. Preston said that she was suggesting a branding strategy that would encompass the 'pretty' stuff and all of the Town's qualities with links to the government site.

Baker asked if the amounts were sufficient to give the Town a good start. Preston said that it was a good beginning, but that it would take a lot of work on her part.

George said that he would like to spend more of the advertising money and put it into business recruitment. Preston advised that Council would need to define 'recruitment'. For example, do we go to trade shows or do we do a quality web campaign? Preston said that there must be a budget to cover business lunches and dinners and that it was important to be hospitable.

Martin explained that many of the current line items are being coded to the Manager's department. Preston then covered her request to apply for a feasibility grant to determine how best to use Rio Verde Plaza as a business incubator. She provided information about the Queen Creek incubator, which has been a phenomenal success. She advised that Queen Creek received a grant from the Arizona Commerce Authority (ACA). She spoke with the ACA who relayed that this might be a project they would be interested in funding. She said the feasibility study would analyze the demographics and work force that would aid in the development an economic development strategy. She said that it was important to have an outsider apply formulas, as she would love to see the Plaza filled with wine tasting venues. However, without the study, there would be no way to determine if that would be the highest and best use of the facility. She advised that the Town would have to come up with matching funds.

Bruce George was opposed to the study and indicated that he would like to sell the Plaza.

Burnside noted that the feasibility study would lend credence to the grant application.

**Note: Items f and g were not addressed and were continued to the next meeting scheduled for Monday, May 7, 2012.**

f. Community Development (CD); Building, Planning, CD

g. CVMO/Animal Control/911 Funds

5. **Adjournment**

On a motion by Baker, seconded by Kovacovich, the meeting was adjourned at 7:39 p.m.

 5-16-12

Bob Burnside, Mayor



Deborah Barber, Town Clerk

**CERTIFICATION**

I hereby certify that the foregoing Minutes are a true and accurate accounting of the discussion and direction of the Mayor and Common Council of the Town of Camp Verde during the Work Session of the Town Council of Camp Verde, Arizona, held on the 30<sup>th</sup> day of April 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 16 day of May, 2012.



Debbie Barber, Town Clerk