

Camp Verde, Arizona

Council/Manager Retreat – “Working Together for the Future”

Agenda

CVMO Training Room

646 First Street, Camp Verde, Arizona

August 25, 2010 at 4:00 p.m.

1. Call to Order
2. Roll Call
3. Welcome to Town Manager Russ Martin
4. Discussion of, but not limited to the following in no particular order:
 - a. Dissemination of information to include attorney review
 - b. Information to be included on the Town's web page
 - c. Organizational Structure
 - d. Planning & Zoning Code rewrite and process
 - e. Amendments to the Council's Policies, Rules, and Procedures Manual (Manual) to include, but not limited to the agenda, agenda process, notification of Council's absences, setting special meetings, combining departmental policies and procedures into the Council's Manual for ease of use and consistency, especially for the benefit of newly-seated Council members, and the exit process for Council members.
 - f. Review of policies and procedures that have been placed into the Town Code, as opposed to the Council's Manual. (i.e. Financial Policies that shorten the budget process.)
 - g. Budget process to include the timeline, FY 2010/11 and 2011/12 budgetary concerns, etc.
 - h. Policy guidance relative to strategic objectives that Council wishes to pursue and/or achieve in the upcoming year
5. Adjournment

Posted by:

O Jones

Date/Time:

8-19-2010

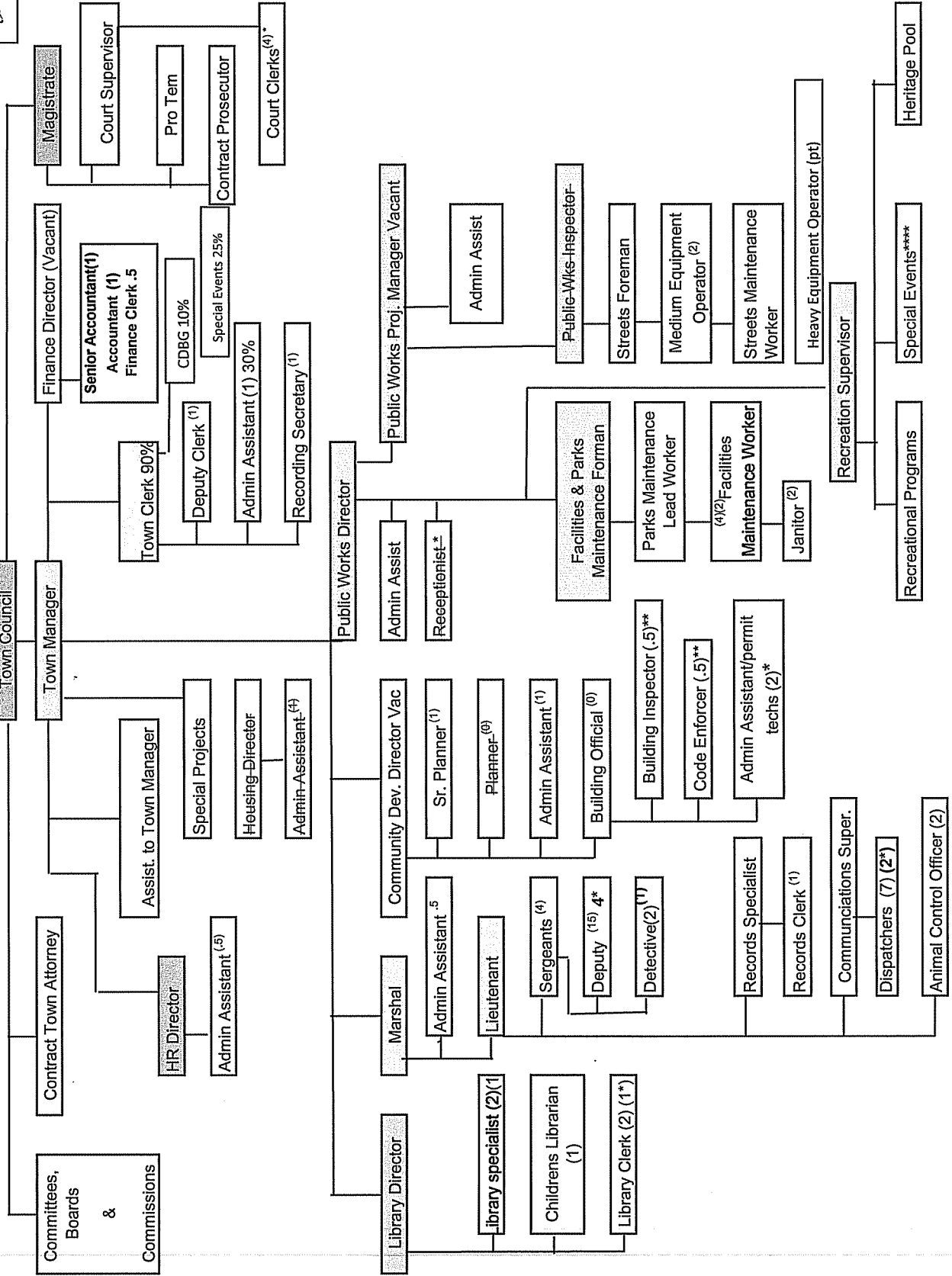
10:48 a.m.

Note: Pursuant to A.R.S. §38-431.03.A.3, the Council may vote to go into Executive Session for purposes of consultation for legal advice with the Town Attorney on any matter listed on the Agenda, or discussion of records exempt by law from public inspection associated with an agenda item.

The Town of Camp Verde Council Chambers is accessible to the handicapped. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk.

Town of Camp Verde - Employee Organizational Chart

Updated 8-19-10



* Vacant

** .50% Vacant

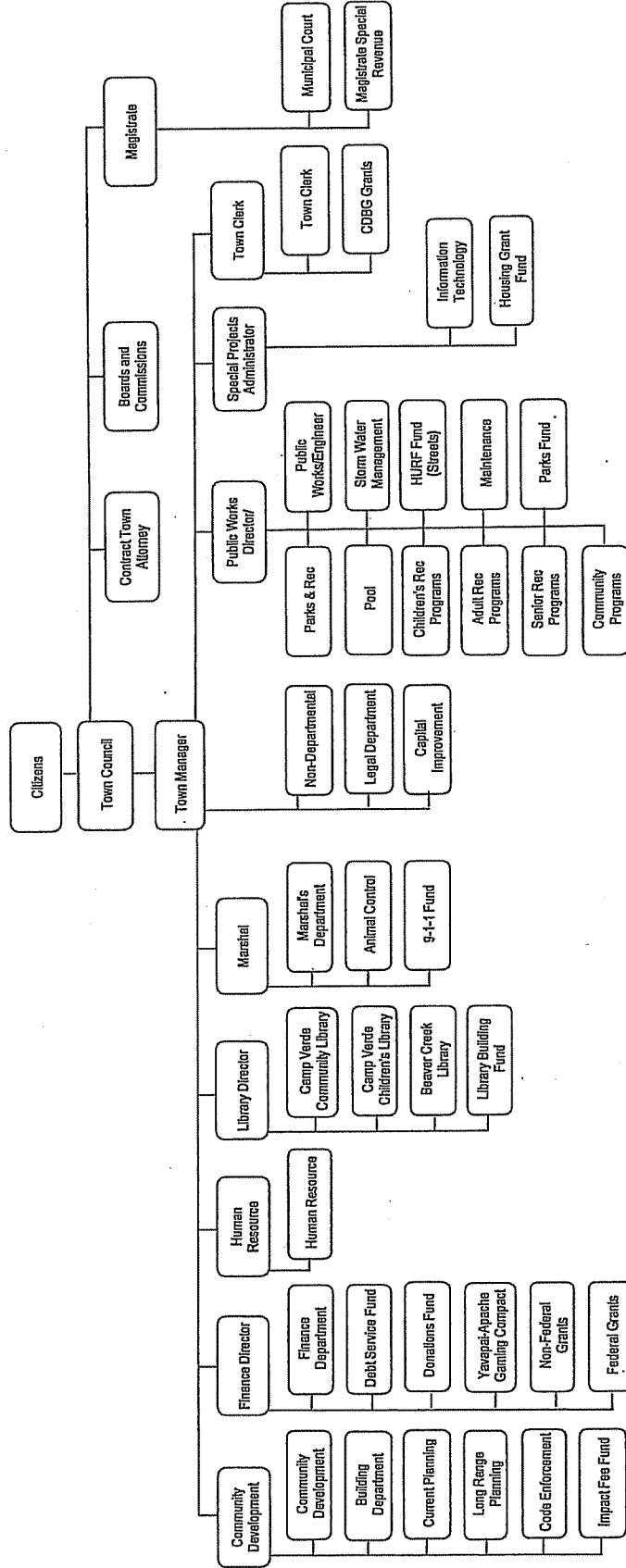
*** Clerk Admin 30% Clerk/70% IT and Finance

**** Moved to Clerk's Office



Town of Camp Verde, Arizona

Town Organization Chart



Personnel Summary

Personnel Summary	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Budget	FY 09-10 Adjusted	FY 10-11 Adopted
Mayor and Council	7.00	7.00	7.00	7.00	7.00
Town Manager	2.00	2.00	1.80	2.00	1.95
Town Clerk	3.00	3.00	3.00	3.00	2.90
Finance Department	1.90	2.50	2.20	2.25	3.25
Human Resources	-	-	0.40	0.40	0.40
Housing Department	1.50	1.50	-	-	-
Legal Department	-	-	-	-	-
Information Technology Services	-	-	-	-	0.20
Maintenance	4.00	8.00	6.00	6.00	5.01
Municipal Court	5.00	6.00	6.00	5.50	5.00
Public Works/Engineer	1.00	1.83	1.33	1.33	1.05
Storm Water Management	-	-	0.56	0.56	0.42
Community Development	1.00	3.83	0.30	0.10	0.50
Building Department	4.00	1.83	1.60	1.50	1.77
Current Planning	2.00	-	1.65	1.35	1.05
Long Range Planning	-	-	1.75	1.55	1.35
Code Enforcement	-	-	0.95	0.75	0.43
Marshal's Department	34.00	32.00	27.60	26.85	25.76
Animal Control	-	2.00	2.00	2.00	2.00
Camp Verde Community Library	5.75	5.38	2.78	2.78	2.78
Beaver Creek Library	-	0.40	0.50	0.50	0.50
Camp Verde Children's Library	-	-	1.75	1.75	1.30
Parks & Recreation	6.00	3.70	1.63	0.88	1.59
Heritage Pool (seasonal employment only)	31.00	22.00	22.08	22.08	22.08
Children's Recreational Programs	-	-	0.45	0.38	0.23
Adult Recreational Programs	-	-	0.38	0.38	0.03
Senior Recreational Programs	-	-	0.07	-	-
Community Programs	-	-	0.35	0.25	0.10
Magistrate Special Revenue Fund	1.00	1.00	-	-	-
Non-Federal Grants Fund	1.00	2.00	2.14	2.14	0.84
Federal Grants Fund	-	-	2.00	-	1.00
CDBG Grants Fund	-	-	-	-	0.21
Housing Grant Fund	-	0.50	0.10	0.10	-
Highway Users Revenue Fund (HURF/Streets)	7.70	6.50	5.55	4.59	4.38
Total Personnel	118.85	112.97	103.91	97.96	95.08

document from Final Budget 2010-2011

15.14 Exit Process for Departing Council/Commission Members

THE CLERK'S OFFICE IS RESPONSIBLE FOR COORDINATING THE EXIT PROCESS WITH ALL COUNCIL/COMMISSION MEMBERS. DURING THE ELECTED/APPOINTED TERM, MEMBERS RECEIVE AND/OR HAVE ACCESS TO INFORMATION RELATIVE TO THE TOWN OF CAMP VERDE GOVERNMENT. THE MEMBER MAY RECEIVE OR HAVE ACCESS TO REPORTS, MAPS, PHOTOGRAPHS, AND OTHER DOCUMENTATION, IN ADDITION TO TOWN-OWNED EQUIPMENT, CELL PHONES, KEYS, COMPUTERS, OFFICE SUPPLIES, ETC.

COUNCIL MEMBERS SERVE UNTIL THE CANVASS OF THE VOTES, WHICH TAKES PLACE AT THE FIRST MEETING IN JUNE. COMMISSION MEMBERS SERVE THROUGH THE LAST MEETING IN DECEMBER. ALL RECORDS AND TOWN-OWNED EQUIPMENT MUST BE RETURNED TO THE CLERK'S OFFICE AT LEAST TWO (2) BUSINESS DAYS PRIOR TO THE LAST DAY IN OFFICE.

Section 3-4
Financial Policies
(2009-A366)

Section 3-4-1 Budget Policy

The Town of Camp Verde has a responsibility to its citizens to carefully account for public funds, manage the finances wisely, and plan for adequate funding of services that are desired by the public. The following budget policy provides guidance for preparing the Town of Camp Verde's annual budget (all funds) as well as adoption, implementation, and monitoring of the budget.

Section 3-4-1.1 Budget Philosophy

The Town of Camp Verde's budget philosophy includes funding the service delivery system using the resources provided through current revenue collection while planning for future needs through capital funding and maintenance.

Section 3-4-1.2 Balanced Budget

Arizona law (Title 42 Arizona Revised Statutes) requires the Town Council to annually adopt a balanced budget. The Town of Camp Verde will develop a balanced budget where projected revenues meet or exceed projected expenditures. In the event that projected revenues are not adequate to sustain the service delivery system desired by the Town's citizens, a draw on fund balance may be authorized by the Town Council. In addition, the Town will not use one-time (non-recurring) revenues to fund continuing (recurring) expenditures.

Section 3-4-1.3 Budget Process

A. The budget process begins in February with an off-site retreat of Council Members and Department Heads to discuss the departments' priorities and obtain guidance from Council on strategic objectives and special funding requests.

B. In March, the Finance Department compiles information, makes projections, and completes non-departmental revenue estimates. Based on the revenue estimates projected, the Finance Department determines the subsidy allocation to be provided to each department through a General Fund Subsidy Allocation. These allocations are distributions of the monies provided from general purpose revenues (non-departmentally generated revenues) to help fund the department's operations. A meeting is held with the Department Heads to convey the budget direction, discuss the budget process, and explain the General Fund Subsidy Allocation amounts allocated to each department.

C. Department Heads develop the budgets for their departments as they best understand the operational needs of their departments. The Finance Department completes the salary related projections for the Manager's Recommendation column and will provide estimates for Department Heads relating to current and requested staffing levels.

D. In April, Department Heads submit their completed budget requests to the Finance Department for compilation of the budget work papers. Individual meetings are held with each of the Department Heads to discuss their budget requests and to assure that the Departments' narratives are complete.

E. In May, the draft budget is distributed to Council Members and Department Heads. Budget Work Sessions are held to present each budgetary unit to Council, answer questions that may arise, make adjustments as directed, and obtain Council's preliminary approval of the requests. The Finance Department makes final adjustments to the budget and verifies that all information is properly included in the budget document.

F. In June, the Tentative Budget is approved by Council and the budget is advertised in the local newspapers for two consecutive weeks.

G. In July, Public Hearings on the Tentative Budget are held. If no changes have been directed,

the Final Budget is adopted and implemented.

Section 3-4-1.4 Budget Amendment Policy

Once the tentative budget is adopted, the expenditure limitation amount is set for the fiscal year. The Town Council may not approve additional appropriations above that amount. Throughout the fiscal year, amendments may be made to the adopted budget. All budget amendments must be approved by the Town Council. Budget amendments include, but are not limited to, transfers of appropriations between departments, transfers of appropriations from the Contingency to departments and/or funds, and transfers of appropriations between funds.

Section 3-4-1.5 Budget Monitoring

A. The Finance Department, along with each Department Head, monitors the budget continuously throughout the fiscal year. The Town focuses on the object level (total salary expenditures, total operational expenditures, etc) of tracking rather than focusing on the sub-object level (each specific line item). This means that instead of tracking each line item to ensure that it remains within the budget appropriation, the focus is on whether the Department as a whole operates within its total budget appropriation.

B. Revenue projections are monitored monthly and statistically projected throughout the remainder of the fiscal year to determine the need to decrease expenditure appropriations in order to maintain a balanced budget.

C. Financial reports are given to the Town Council and Department Heads monthly detailing the status of each department and the Town as a whole. Along with these reports, the Finance Department also presents a report to Council detailing the revenue projections through the end of the fiscal year and makes recommendations as needed to decrease appropriated expenditures, as a result of any shortfall in our revenue base, which may materialize.

Section 3-4-1.6 Budget Calendar

In February of each year, the Finance Director shall brief Council and obtain approval of the budget calendar for the following fiscal year.

Section 3-4-1.7 Fund Accounting

The Town utilizes fund accounting, which is a method of tracking revenues and expenditures based on restrictions being placed on the revenues requiring that they be used for specific purposes only. Each fund is considered a separate accounting entity. All funds except agency funds are included in the budget document. Agency funds are not required to be included in the budget document as they are monies belonging to separate entities, which the Town holds in trust for them.

Section 3-4-1.8 Governmental Funds

A. General Fund - The General Fund is the main operating fund of the Town of Camp Verde. It accounts for the majority of the departments within the Town.

B. Special Revenue Fund - Special Revenue Funds are separate accounting records used to track revenues (and the related expenditures) that are legally restricted for specific purposes.

C. Debt Service Fund - Debt Service Fund is used to account for the funding allocations and the payments of general long-term debt principal, interest and related costs.

D. Capital Project Fund - Capital Project Funds are used to track the financial resources to be used for the acquisition or construction of capital assets. A capital asset is defined by the Town as any item with an extended useful life whose purchase price (or value if donated) is \$5,000 or more. All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Measurable means that the amount of the transaction can be determined. Available means that the funds are collectible within the current period or soon thereafter to pay liabilities of the current period. Expenditures are recognized when the

related liability is incurred.

Section 3-4-1.9 Fiduciary Funds

A. Agency Fund - The Agency Fund is used to account for monies belonging to other agencies that the Town holds in a trustee capacity. This currently consists of monies held for the Grasshopper Swim Team and Special Olympics.

B. Fiduciary Funds are accounted for using the accrual basis of accounting. This method of accounting recognizes the financial effects of transactions and other events and circumstances that have cash consequences in the periods in which transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

Section 3-4-1.10 Budget Basis

The Town maintains its financial records in accordance with Generally Accepted Accounting Principals (GAAP) for government entities. The budgets of General Government Funds are prepared on a modified accrual basis. This includes all fund types managed by the Town of Camp Verde.

Section 3-4-2 Debt Policy

The Town utilizes long-term debt to finance capital projects with long useful lives. Financing capital projects with debt provides for an "intergenerational equity", as the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the cost of the asset. The purpose of this debt management policy is to provide for the preservation and eventual enhancement of the Town's bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions and required disclosures to investors, underwriters, and rating agencies. These policy guidelines will also be used when evaluating the purpose, necessity, and condition under which debt will be issued. These policies are meant to supplement the legal framework of public debt laws provided by the Arizona Constitution, State Statutes, City Charter, federal tax laws, and the Town's current bond resolutions and covenants. All projects funded with General Obligation Bonds or Revenue Bonds can only be undertaken after voter approval through a town-wide bond election.

Section 3-4-2.1

1. The overall debt management policy of the Town is to ensure that financial resources of Town are adequate in any general economic situation to not preclude the Town's ability to pay its debt when due.
2. The Town will not use long-term debt to fund current operations or projects that can be financed from current revenues or resources. The Town will first attempt "pay as you go" capital financing.
3. The Town does not intend to issue commercial paper (CP) or bond anticipation notes (BANs) for periods longer than two years or for the term of a construction project. If CP or a BAN is issued for a capital project, it will be converted to a long-term bond or redeemed at its maturity.
4. The issuance of variable rate debt by the Town will be subject to the most careful review and will be issued only in a prudent and fiscally responsible manner.
5. Whenever the Town finds it necessary to issue revenue bonds, the following guidelines will be adhered to:
 - a. Revenue Bonds are defined as a bond on which the debt service is payable from the revenue generated from the operation of the project being financed or a category of facilities, from other non-tax sources of the Town, or from other designated taxes such as Highway User's Revenues, excise tax, or special fees or taxes. For any bonds or leasepurchase obligations in which the debt service is paid from revenue generated by the project, that debt service is deemed to be revenue bonds and are excluded from the calculation of the annual debt service limitation.

b. Revenue Bonds of the Town will be analyzed carefully by the Finance Department for fiscal soundness. The issuance of Revenue Bonds will be subject to the most careful review and must be secured by covenants sufficient to protect the bondholders and the name of the Town.

c. Revenue Bonds should be structured to provide level annual debt service over the life of the issue.

d. Debt Service Reserve Funds should be provided when required by rating agencies, bond insurers, or existing bond covenants.

e. Interest earnings on the reserve fund balances will be used to pay debt service on the bonds unless otherwise committed for other uses or purposes of the project.

f. The term of any revenue bond or lease obligation issue will not exceed the useful life of the capital project, facility or equipment for which the borrowing is intended.

g. The target for the term of Revenue Bonds will typically be between twenty and thirty years. The target for the "average weighted maturities" for Revenue Bonds of the Town (except for those issued through the Arizona Water Infrastructure Finance Authority) will be twelve and one half (12 1/2) years.

6. Improvement District (ID) and Community Facility District (CFD) Bonds shall be issued only when the formation of the district demonstrates a clear and significant purpose for the Town. It is intended that Improvement District and Community Facility District Bonds will be primarily issued for neighborhoods and business districts desiring improvements to their property such as roads, water lines, sewer lines, streetlights, and drainage. The District must provide a specific benefit to the property owner(s). The Town will review each project through active involvement of Town staff and/or selected consultants to prepare projections, review pro-forma information and business plans, perform engineering studies, and analyze minimum debt coverage and value to debt ratios, and other analyses necessary to consider the proposal against specific criteria. Both ID and CFD Bonds will be utilized only when it is expected that they will be outstanding for their full term.

7. Refunding Bonds will be measured against a standard of the net present value debt service savings exceeding 5% of the debt service amount of the bonds being refunded, or if savings exceed \$750,000, or for the purpose of modifying restrictive covenants or to modify the existing debt structure to the benefit of the Town.

8. The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.

9. The Town shall comply with all requirements of Title 15.1 Arizona Revised Statutes and other legal requirements regarding the issuance of bonds and certificates of the Town or its debt issuing authority.

10. The Town will maintain regular contact with rating agencies through meetings and visits on and off-site. The Town will secure ratings on all bonds issued if economically feasible.

Section 3-4-3 Fiscal Policy

The overall goal of the Town of Camp Verde's Fiscal Policy is to establish and maintain effective management of the Town's financial resources. The Town's formal policy statements and major objectives provide the foundation for achieving this goal.

Section 3-4-3.1 General Financial Goals

1. To maintain a financially viable Town that can maintain an adequate level of municipal services.

2. To maintain financial flexibility in order to be able to continually adapt to local and regional economic changes.

3. To maintain and enhance the sound fiscal condition of the Town.

Section 3-4-3.2 Operating Budget Policies

1. The Town will adopt a balanced budget by June 30 of each year.

2. An annual base operating budget will be developed by conservatively projecting revenues and expenditures for the current and forthcoming fiscal year.

3. Current revenues will be sufficient to support current operating expenditures and a budgeted positive operating position will be maintained.

4. Annual operating budgets will provide for adequate design, construction, maintenance and replacement of the Town's capital assets.

5. The purchase of new or replacement capital equipment with a value of \$5,000 or more and with a minimum useful life of two years will require budget approval.

6. The Town will annually project its equipment replacement and maintenance needs for the next five years. A maintenance and replacement schedule will be developed and followed.

7. The Town will annually review the General Fund operating position to determine if funds are available to operate and maintain future capital facilities. If funding is not available for operations and maintenance costs, the Town will delay construction of the new facilities.

Section 3-4-3.3 Revenue Policies

1. The Town will try to maintain a diversified and stable revenue system to shelter it from short-term fluctuations in any one revenue source.

2. The Town will estimate its annual revenues by an objective, analytical process utilizing trend, judgmental, and statistical analysis as appropriate. Revenue estimates adopted by the Town Council must be conservative.

3. User fees will be adjusted as necessary to recover the full cost of services provided, except when the Town Council determines that a subsidy from the General Fund is in the public interest.

4. One-time operating, capital and reserve revenues will be used for one-time expenditures only.

5. The Town will identify as necessary, developer fees and permit charges received from "nonrecurring" services performed in the processing of new development and use those funds to meet peak workload requirements.

Section 3-4-3.4 Expenditure Policies

1. The Town will maintain a level of expenditures, which will provide for the public well-being and safety of the residents of the community.

2. The Town will decrease appropriated expenditures as necessary to keep total expenditures in line with projected revenues unless it materially affects the level of service provided to the public.

Section 3-4-3.5 Capital Improvement Budget Policies

1. The Town will make all capital improvements in accordance with an adopted and funded capital improvement program and will include an annual six-year plan for capital improvements (CIP design, development, implementation, and operating and maintenance costs).

2. The Town will use intergovernmental assistance to finance only those capital improvements that are consistent with the Capital Improvement Plan and Town priorities; and whose operating and maintenance costs have been included in the budget.

3. The Town will coordinate development of the capital improvement budget with the development of the operating budget. All costs for internal professional services needed to implement the CIP will be included in the operating budget for the year the CIP is to be implemented.

4. The Parks Fund and other special development impact funds may only be used to fund facilities included in the Town's master plans.

Section 3-4-3.6 Short-Term Debt Policies

1. The Town may use short-term debt to cover temporary or emergency cash flow shortages. All short-term borrowing will be subject to Council approval by ordinance or resolution.

2. The Town may issue interfund loans, rather than outside debt instruments to meet short-term cash flow needs. Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's current operations.

Section 3-4-3.7 Long-Term Debt Policies

1. The Town will confine long-term borrowing to capital improvements that cannot be funded from current revenues.

2. Where possible, the Town will use special assessment revenue or other self-supporting bonds instead of general obligation bonds.

3. The Town will establish and maintain a Debt Policy.

Section 3-4-3.8 Reserve Policies

1. The Town will maintain emergency reserves (rainy day fund) in the following amounts:

- General Fund - Four (4) months of maintenance and operations expenditures.
- HURF Fund - Three (3) months of expenditures.

The primary purpose of these reserves is to protect the Town's essential service programs and funding requirements during periods of economic downturn (defined as a recession lasting two or more years), or other unanticipated or emergency expenditures that could not be reasonably foreseen during preparation of the budget.

2. The Town will establish an account to accumulate funds to be used for payment of accrued employee benefits for terminated employees. The level of this reserve will be maintained as a level at least equal to projected costs for employees who are eligible for retirement.

3. Self-insurance reserves will be maintained at a level, which, together with purchased insurance policies, adequately protects the Town. The Town will maintain a reserve of three times its selfinsurance retention for those claims covered by the insurance pool (of which the Town is a member). The Town will perform an analysis of past claims not covered by the insurance pool and reserve an appropriate amount to pay for uncovered claims.

4. The Town will establish a Capital Equipment Replacement Reserve and a Facilities/Maintenance Capital Asset Reserve for the accumulation of funds for the replacement of worn and obsolete equipment, other than vehicles, and for costs associated with the maintenance of all Town facilities. These reserves will be maintained at a level at least equal to the projected five-year capital asset replacement and maintenance costs.

5. The Town will establish a Fleet Replacement Reserve for costs associated with the replacement of vehicles and other rolling stock as they become unserviceable, obsolete, or reach a

predetermined service life. The reserve will be maintained at a level at least equal to the projected five-year fleet replacement costs.

Section 3-4-3.9 Investment Policies

1. The Finance Director will submit an Investment Policy to the Town Council bi-annually on odd numbered years for review and adoption.

2. The Finance Director will invest the Town's monies in accordance with applicable laws, adopted investment policies, and direct the investment of bond or note monies on deposit with a trustee or fiscal agent in accordance with the applicable indentures or issuance document.

Section 3-4-3.10 Accounting, Auditing & Financial Reporting Policies

1. The Town's accounting and financial reporting systems will be maintained in conformance with Generally Accepted Accounting Principles and standards of the Government Accounting Standards Board.

2. An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official Comprehensive Annual Financial Report, including an audit opinion. The term for the external auditor will be no longer than three (3) years; the Town will then go to the RFP process for an independent public accounting firm; the firm currently serving the Town will not be eligible to participate in replying to the RFP.

3. A fixed asset system will be maintained to identify all Town assets, their condition, historical cost, replacement value and useful life.

4. Quarterly financial, Capital Improvement Program and Investment reports will be submitted to the Town Council as soon as practicable following the close of the quarter, and will be made available to the public.

5. Full and continuing disclosure will be provided in the general financial statements and bond representations.

6. Maintain a positive municipal credit rating.

Section 3-4-4 Investment Policy

Section 3-4-4.1 Purpose

The purpose of this policy is to create a guide for the investment of Town of Camp Verde (hereinafter referred to as "the Town") funds. The Town currently has no written guidelines advising how the Town should invest its funds, nor guidelines detailing the desired outcomes and priorities. The Town also desires to take advantage of resources not available to the Town through the Local Government Investment Pool.

Therefore, it is the investment policy of the Town and its designee, the Finance Director (hereinafter referred to as "the Finance Director"), to maintain the safety of principal, maintain liquidity to meet cash flow needs and provide competitive investment returns as identified below. The Finance Director will strive to invest with the judgment and care that prudent individuals would exercise in their own affairs.

Section 3-4-4.2 Governing Authority

The investment program of the Town shall be operated in conformance with Federal, State and other legal requirements, primarily outlined in A.R.S. §35-323.

Section 3-4-4.3 Approval of the Investment Policy

The investment policy shall be formally approved and adopted by the Town Council and reviewed on or about July 1 of every odd numbered year by the Town Council or their designee.

04-2010

Section 3-4-4.4 Scope

- This policy is designed to apply to the investment needs of the Town.
- The Town will consolidate cash and reserve balances from all funds in order to maximize investment earnings and to increase efficiencies with regard to investment management pricing, safekeeping costs and administration costs, except for cash in certain restricted and/or special funds, which are exempted from this policy.
- Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.
- The Finance Director will follow A.R.S. §35-323 and other investment guidelines mandated by statute. Investments that need to restrict yield for purposes of the Internal Revenue Service's Arbitrage Bond Regulations (Treasury Regulation Section 1.148-1 *et seq.*) will be deposited into a separate account and invested in a manner that meets arbitrage guidelines permitted by the IRS.

Section 3-4-4.5 Investment Policy Objectives

The primary investment objectives of the Town in order of priority are:

- 1) Safety
- 2) Liquidity
- 3) Optimal yield
- 4) Collateralization

These objectives are defined below:

1) Safety - Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to prudently mitigate credit risk and interest rate risk. It is understood by the Town that no investment is completely free of risk.

a. Credit Risk

The Town will seek to mitigate credit risk, which is defined as the risk of loss due to the failure of the security issuer or backer. Mitigating credit risk is to be accomplished by:

- Limiting investments in the portfolio to the asset classes designated as acceptable in A.R.S. §35-323;
- Diversifying the investment portfolio so that the impact of potential losses from any one individual issuer held in the portfolio will be limited. Specific diversification parameters will be noted in Section VIII. Portfolio Criteria;
- Utilizing external research and advice regarding the current global economic condition and its impact on the outlook for domestic corporate credit quality.

b. Interest Rate Risk

The Town will seek to mitigate interest rate risk, which is defined as the risk that the market value of securities held in the portfolio will decline due to increases in market interest rates subsequent to their purchase. This mitigation will be accomplished by:

- Structuring the investment portfolio so that securities mature concurrent with the anticipated cash requirements for ongoing operations, thereby avoiding, as much as possible, the need to sell securities in an adverse market environment prior to maturity;
- Investing funds primarily in shorter-term securities or similar investment pools and limiting the average maturity of the portfolio in accordance with the needs of the Town;
- Utilizing external research and advice regarding the current interest rate outlook and global economic condition to optimize portfolio duration strategy.

2) Liquidity - The investment portfolio shall remain sufficiently liquid to meet anticipated cash flow requirements. This is to be accomplished by structuring the portfolio so that securities mature concurrent with anticipated cash flow needs (static liquidity). Furthermore, because all possible cash demands cannot be anticipated, the portfolio should consist of securities for which there exist active secondary markets (dynamic liquidity). Alternately, a portion of the portfolio may be placed in money market mutual funds or the Local Government Investment Pool, which offers same-day liquidity for short-term funds.

3) Optimal Yield - Return on investment is of lesser importance compared to the safety and liquidity objectives described above. The investment portfolio shall be designed to optimize the yield the Town obtains from the portfolio taking into account the criteria of the investment policy, the dynamic liquidity needs of the Town and the current interest rate outlook/economic condition.

4) Collateralization – Securities will be registered in the name of the Town of Camp Verde.

Section 3-4-4.6 Investment Management Authority

Authority to manage internally or to delegate the management of the investment program of the Town to an external manager is granted to the Finance Director. If authority to manage all or a part of the investment program of the Town is delegated to an external manager, the Finance Director is responsible for:

- a. Periodic investment portfolio reporting;
- b. Evaluating the performance of the externally managed portfolio;
- c. Monitoring manager compliance with the investment policy;
- d. Conveying the investment needs of the Town to the external manager;
- e. Developing investment strategy with the external manager.

Section 3-4-4.7 Brokers/Dealers

When the Town is investing directly with Brokers/Dealers, investment transactions shall only be conducted with financial institutions that are licensed, as may be required by law, to do business in Arizona. Primary government securities dealers or broker-dealers, engaged in the business of selling government securities, shall be registered in compliance with section 15 or 15C of the Securities Exchange Act of 1934 and registered pursuant to A.R.S. §44-3101, as amended. In addition, investment transactions shall be conducted only with those direct issuers who meet both credit and capital requirements established by the Finance Director. It shall be the responsibility of the broker-dealer to provide the following:

- a. Audited, most recent annual financial statements within six months of the close of the fiscal year;
- b. Unaudited, most recent quarterly financial statements;
- c. Proof of National Association of Security Dealers certification;
- d. Proof of Arizona registration (as needed);
- e. A signed letter acknowledging that they have read and agree to abide by the investment policy.

Section 3-4-4.8 Portfolio Criteria

1. Acceptable Asset Classes

As of 4/16/2007, A.R.S. §35-323A defines the acceptable asset classes available for the Town to invest in as follows:

- A. Certificates of deposit in eligible depositories.
- B. Certificates of deposit in one or more federally insured banks or savings and loan associations in accordance with the procedures prescribed in Section 35-323.01.
- C. Interest bearing savings accounts in banks and savings and loan institutions doing business in this state whose accounts are insured by federal deposit insurance for their industry, but only if deposits in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under this article.
- D. Repurchase agreements with a maximum maturity of one hundred eighty days.
- E. The pooled investment funds established by the state treasurer pursuant to § 35-326.
- F. Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.
- G. Bonds or other evidences of indebtedness of this state or any of its counties, incorporated cities or towns or school districts.

H. Bonds, notes or evidences of indebtedness of any county, municipal district, municipal utility or special taxing district within this state that are payable from revenues, earnings or a special tax specifically pledged for the payment of the principal and interest on the obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment on principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if such obligations were issued less than five years before the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor any other obligations of the issuer within five years of the investment.

I. Bonds, notes or evidences of indebtedness issued by any county improvement district or municipal improvement district in this state to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district. An investment shall not be made if:

(i) The face value of all such obligations, and similar obligations outstanding, exceeds fifty per cent of the market value of the real property, and if improvements on which the bonds or the assessments for the payment of principal and interest on the bonds are liens inferior only to the liens for general ad valorem taxes.

(ii) A default in payment of principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if the obligations were issued less than five years before the date of investment, a default in the payment of principal or interest has occurred on the obligations to be purchased or on any other obligation of the issuer within five years of the investment.

J. Commercial paper of prime quality that is rated "P1" by Moody's Investor Service or rated "A1" or better by Standard and Poor's rating service or their successors. All commercial paper must be issued by corporations organized and doing business in the United States.

K. Bonds, debentures and notes that are issued by corporations organized and doing business in the United States and that are rated "A" or better by Moody's Investor Service or Standard and Poor's rating service or their successors.

All other investments are thereby prohibited from consideration for investment. Furthermore, the Town may desire to be more conservative in its investment portfolio and restrict or prohibit certain of the investments listed above.

Section 3-4-4.9 Benchmark

The performance of an actively managed portfolio on behalf of the Town will be expected to at least match the performance of the Local Government Investment Pool during any one-year period. Occasionally, based on the liquidity needs and the portfolio strategy of the Town it may be reasonable and desirable to measure portfolio performance against a total return benchmark. The Finance Director shall define such a benchmark after consultation with professionals in the field of financial management and the Town Council.

Section 3-4-4.10 Maturity Parameters

Funds Maximum Maturity: 3 Years

Maximum Maturity for Repurchase Agreements: 180 Days

Portfolio Duration Target: To be defined by the Finance Director in consultation with the Town Council.

Portfolio Duration Range: + / - 20% of the Portfolio Duration

Target

Section 3-4-4.11 Concentration and Diversification

At the time of purchase a maximum of 5% of the market value of the portfolio may be invested in debt issued by any single entity. Debt backed by the United States Treasury or GSE's are exempt from this concentration criterion.

Section 3-4-4.12 Minimum Acceptable Credit Quality

As indicated in the table below, all corporate portfolio holdings at the time of purchase must have a minimum rating (*) by at least one of the Nationally Recognized Statistical Rating Organizations (NRSRO's).

S & P Moody's

Short

Term

Rating

Not lower than the Town of Camp Verde current G.O. Bond Rating or its commensurate short term rating * (see exhibit 1)

Not lower than the Town of Camp Verde current G.O. Bond Rating or its commensurate short term rating * (see exhibit 1)

Long

Term

Rating

One grade higher than the Town of Camp Verde current G.O. Bond Rating *

One grade higher than the Town of Camp Verde current G.O. Bond Rating *

*In no case shall the rating be lower than that required by A.R.S. §35-323, as amended.

Section 3-4-4.13 Safekeeping and Custody

B. Delivery vs. Payment - All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

C. Safekeeping - Securities will be held by a custodian selected by the Town and evidenced by custodial reports. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

Section 3-4-4.14 Reporting

The Finance Director shall produce for the governing body of the Town or their designee an investment report at least quarterly. The purpose of the report is to enable the Town to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should include:

- a. A list of individual securities held at the end of the reporting period;
- b. The realized and unrealized gains or losses in the portfolio;
- c. The duration of the portfolio and of each security held in the portfolio;
- d. The maturity date of each security held in the portfolio;
- e. The book value and market value of each security in the portfolio;
- f. The percentage of the total portfolio market value that each security represents;
- g. The yield to maturity of the portfolio and of each security held in the portfolio;

- h. The periodic interest earnings of each security held in the portfolio;
- i. The credit quality of each security held in the portfolio;
- j. A periodic summary of portfolio transactions, including fees incurred for external management and custody services.

Section 3-4-4.15 Custodian Reconciliation – The report of investment holdings shall be reconciled within 30 days of the close of each month to the Finance Director's custodian bank. Discrepancies shall be reported to the Finance Director.

Section 3-4-4.16 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose, within ten (10) days, any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the Town.

Section 3-4-4.17 Policy Considerations

Exemption – Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy. Any deviation from the preceding policy shall require the prior specific written authority of the Town Council.

Section 3-4-4.18 Investment Training

Investment officials shall have a finance, accounting or related degree and knowledge of treasury functions. Investment training must take place not less than once in a two-year period and receive no less than ten hours of instruction relating to investment responsibilities from an independent source such as Government Finance Officers Association, Municipal Treasurers Association, American Institute of Certified Public Accountants, Government Finance Officers Association-Arizona, Arizona Society of Public Accounting or other professional organizations.

The Chief Financial Officer and all investment officials of the Town shall attend at least one training session relating to their cash management and investment responsibilities within 12 months of assuming these duties for the Town. Training must include education in investment controls, security risks, strategy risks, market risks, and compliance with state investment statutes.

A report of the training(s) attended shall be submitted to Council at the time of the bi-annual review of the Investment Policy subject to Section 3-4-4.3.

**(Corrected) MINUTES
MAYOR AND COUNCIL RETREAT
NOVEMBER 12, 2009 at 9:00 a.m.
YAVAPAI COLLEGE CAMP VERDE CAMPUS
321 W. Apache Trail, Rooms 807-808
Camp Verde, AZ**

Retreat Objectives:

- To discuss current issues affecting Camp Verde and local government
- To develop short-term and long-term goals and actions needed to move into the future

1. Call to Order

Mayor Burnside called the meeting to order at 9:06 a.m.

2. Roll Call

Mayor Burnside Vice Mayor Kovacovich, and Councilors Baker, Garrison, German, Roulette, and Whatley were present.

Also Present: Town Manager Michael Scannell and Town Clerk Deborah Barber

Mayor Burnside welcomed attendants. He explained this was a retreat, where Council could not make decisions, but rather discuss the issues. Burnside updated Council on the meeting with the Yavapai-Apache Nation. He explained that he believed that this meeting was a milestone of sorts, noting that the Nation is trying to establish a new protocol and welcoming community input. He explained that the Nation requested a presentation from each community on how they would like to spend the gaming compact monies. He said that they held the meeting in an open session and that he presented a prepared packet. He noted that not many Mayors appeared and he believed that the Nation's Council could have been offended. Burnside noted that they would be short on funds this year. He said that he stood before them to present the Town's request. He explained that he was asked two questions: Every community asked for a dollar amount, Camp Verde did not. Chairman Beauty asked why we did not put a dollar amount. Burnside replied that the Town was not asking for specific amounts, but rather assistance in continuing services. Burnside explained that he felt it would be disrespectful to ask for a slice of bread when there was so much to spread out. The other question came from Norman Smith who asked "how much money has your Town given to the construction of the library?" Burnside said he felt embarrassed when answered, "none". He explained that there is a citizen group raising funds, noting that the non-profit group may not have the collateral and as a result, may have to come to the Town to 'co-sign'. Burnside said that our Town citizens got the money together to build the pool and our citizens got the money to build the existing library. Overall, he felt that our presentation went well.

Burnside also noted that he and Councilor German held a meeting with Camp Verde School District to explain why the Town did not request funds for the school counselor. He noted that the School District also had the opportunity to present their requests, explaining that Chairman Beauty felt if counselors were available when he was in school, his life might have turned out much differently. Burnside said that the Nation's revenues are also down substantially and they would not know how much funds are available until January. He said that they have tough decisions to make.

Council members agreed that they would like the meeting to end at noon.

3. Identifying challenges that Camp Verde faces over the next two years

Mayor Burnside asked each member to state his or her concerns.

Roulette said the budget and business support for those businesses that are failing.

Garrison said the budget, noting that the most severe cuts in 2010/11, with no hope for an upswing, and tourism dollars. She said that \$18.5 billion in tourism dollars come into the state each year. She said that tourism generates income for every community. She explained that successful communities have a 'brand', noting that

Camp Verde does not have a 'brand'. We need to stay true to our 'branding' to ensure that Camp Verde becomes a designation. She said that it was important to decide – what are we? Who are we?

Whatley said that her concerns were the budget, water, and Fort Verde. She said that Fort Verde is our brand.

Baker said that history is our 'brand', noting that Ft. Verde established this town, as did agriculture. She stated that Historic visitors stay longer and spend more money and that this was a focus of the Chamber in the past. She said that she would like to work with the Chamber 'as one', noting that as a municipality, our hands might be tied, but work together hands-on as much as possible. She also said that her concern was looking for cost-cutting measures for at least the next two budget years without impacting our current staff. She said this is a number one priority.

German said that she was also concerned about budget and spending. She said that we need strategic planning – understanding revenues and how we are spending them. She said that it was absolutely necessary to stop spending money on things that we cannot really afford right now, especially on things that just do not benefit the public at this time. She said another thing was economic development. She agreed with the branding concept, noting that Camp Verde is Gateway to the Verde Valley. She said that we needed to market that aspect and look what we have in this valley. She also spoke to the good work accomplished by the Chamber and expressed that businesses need to belong to the Chamber. She said that this feeling of 'entitlement' needed to change.

Kovacovich said that if we had economic development, the budget would take care of itself. He noted that several Councils ago voted the logo, "Arizona's Territorial Town" and it did not go over very well. He said that the Fort is our draw.

Burnside said his concern was the budget and that it was up to Council to monitor it closely. He said that Fort Verde is our history. He said that he did not know if focusing on economic development was a viable action right now since we are looking at surviving. He explained that he was told that it was his responsibility to request a list of previous Council's actions and direction to determine if this Council planned to continue in that vein. He asked members if they were interested in reviewing such a list in order to assist future Councils. He asked if they were doing the right things or doing things right. He said it was important to establish an environment of trust for the public. He noted that he would like to spend quality time today to address these issues since it is the Council's responsibility to set policies and procedures as well as being the stewards of the Town's future.

Scannell said that the comments indicated a common theme – interest in branding downtown, and history. He noted that he had met with State Parks, State Historic Preservation Office and had a follow-up meeting with architects about the possibility of weaving the Town's history into the downtown revitalization plan. He said this was an important step because there are a lot of resources at the State level to assist communities like Camp Verde. He agreed that historic tourists do tend to stay longer and spend more. He said that he was going to ask Council to consider authorization to begin the process and that it might cost a little, but it was an investment in the community. He then explained what happens to areas when a bypass is built. He stressed the importance of developing a plan that would survive the transitions of future Councils. He noted that in his work with Tribal Nations throughout his career that they tend to plan for generations. He noted that State Parks has an interesting vision for Ft. Verde and that he would like to invite them to present this to Council. He explained that the entire country is in uncharted waters with regard to the economy. Scannell advised that developing a plan that defines our vision and then looking for business that fit that vision was critical to the Town's future.

Scannell said that Council comments indicate an interest in the downtown area, branding, history – all that are common themes. Scannell stated that in the next Manager's Report, he has informed Council that he had met with State Parks, Historic Preservation Office, and had a follow-up meeting with architects about the possibility of weaving history into the downtown revitalization plan. Scannell noted it is important because there are a lot of resources available at the State level to assist communities like Camp Verde. Historically, tourists do tend to stay longer and spend more money. Scannell stated he would be coming to the Council requesting that they consider the process – noting it will cost a little bit of money. Scannell continued by stating that bypasses across the country have caused communities to redefine themselves. The Town needs to develop a plan that will survive the transitions of Councils. Scannell indicated that when you think about Indian Nations, they think in terms of 'generations', and that is important to us. State Parks has an interesting vision for Ft. Verde and Scannell stated

he would like to invite them to Camp Verde to present the vision to Council. Scannell stated he thinks a lot about downtown Camp Verde merchants and listens to what they say. Scannell stated the Town is in uncharted waters. The businesses are looking for help, but questioned if that is the role of the government? Scannell suggested developing a plan that defines the Town's vision and then look for those businesses that would meet the Town's plan. Scannell continued by stating the Town needs to involve the Chamber, various civic groups, the use of state resources, universities, etc. Scannell stated that the budget is a huge issue, noting that Arizona is one of 10 states in the country that are in serious condition. Arizona is listed as number two. A significant portion of Camp Verde's funds comes from the state; HURF, state revenue sharing, state sales tax. Scannell indicated that the Town will continue to see reduced revenue for at least another year or two and our 2010-shared revenue already reduced by \$340,000. Scannell also stated that he believes there will be a further decline in the sales tax revenue.

4. Substantive Discussions of Critical Town Issues to include, but not be limited to economic development, the Town Master Plan, the state of the economy in general, Ft. Verde, etc

This item was included in the previous discussion.

5. Identification of Goals for 2009-2010

a. What will we do together to move Camp Verde into the future?

Mayor Burnside stated that each Council member needs to seriously consider their votes – he went on to state he would support the Council, even if he did not agree. Burnside stated that the Council needs to really consider an item when it is brought back, and stop changing our minds. Burnside emphasized that the Council needs to stay together as a group with good solid conversation.

Kovacovich stated it all ties into a long-term vision. Council has a two-year vision. It is hard.

German agreed with Kovacovich stating one problem is that we get information and this Council is doing a much better job of reading the packet & asking questions of staff and are better prepared for the meeting. German stated that sometimes she feels the Council makes a decision without full understanding. "I need time to ponder this a little more". I think it would help us. German stated the most important goal as a group is to set a vision.

Burnside stated that the most "VIP" of this Council is 'we'.

Baker stated that the Town Site master plan has goals that we can work together on for the next two years to make it through this rough time. The Main Street enhancement was the beginning of the plan, and now the question is, how do we move forward? Baker stated that past Councils have researched and set goals and indicated that in 2006 Council approved a sewer plan, and questioned where it was. Baker indicated that the Council needs to move forward, and support those goals.

Scannell stated that TetraTech completed a study and it was presented to the Council. Scannell indicated that Town annexed a significant land mass out to Steve Coury, and there are development agreements that require a sewer study. Scannell stated it will be very expensive because there is no in-fill, and there has been conversations with Mr. Griffith and he knows those issues. Scannell stated he could ask Ron Long to bring this back for your review.

Whatley stated she has tried to go the route of not meeting with Mr. Scannell and indicated she is now meeting with him once per week and finds it very helpful to be prepared for the meetings. Whatley stated she was very impressed that the Council does seem to stand as one on our votes. Whatley also stated she is impressed that we have dissenting votes, but they are from different people indicating that she really appreciates that the Council is able to do that and still work together, stating "We do not have factions."

Garrison stated that in order to move forward in the future, you have to understand the back trail. Garrison said that when Scannell was hired, she carried that development agreement to him. The only reason she knew about it is that she had gone to the Clerk's Office and asked for information. There has to be a better way in tracking our consultant reports, as well as with resolutions and ordinances. Council agreed that everything needed to be in one place.

Roulette questioned the new computer system and asked if there is anyway to keep code/track these items?

Scannell stated the Clerk's Office keeps track of these things. It never made it into a document. Scannell stated that in the development agreement, he was concerned that the Town would not be able to fund this and discovered that each developer was to tender \$10,000 per year. When Scannell questioned who was responsible for administering the terms of this agreement, he discovered the Town left \$30,000 on the table. Scannell stated the bigger issue is administering these items and assigning responsibility. This should be done at the time of adoption.

At 10:30 a.m. Council took a break.

Mayor Burnside called the meeting back to order at 10:38 a.m.

Roulette stated that there are things that we need to act together, indicated the need to focus on community perception, the need to be real and not artificially defending someone. Roulette stated he thinks 'branding' is huge and that the Council needs to come up with a plan, indicated that if there is a common goal, the decisions are much easier to make. Roulette also stated that the community has to be behind the goals, and that is why changes occur during the election. Roulette stated that at some point, we have to get the community on board. Roulette went on to say that as far as historic and farming – we need a "Young's Farm", it can tie into our history.

Scannell stated that Roulettes comments were very perceptive and there are some issues that are incredibly controversial and some issues that everyone can get behind. Scannell stated that coming up with a good downtown Master Plan, with the process to include community meetings and have something the community can be proud of by making downtown a vibrant place where people want to be.

Burnside agreed with Scannell stating the Town needs a vision, and setting a goal to create a vision is very important. Burnside stated the current Town Plan looks good, with the controversial issue of having the library downtown, and the Council would be remiss in not addressing this, along with the current Master Plan does not indicate that it went to the community. Burnside stated that the library was the number one desire in the General Plan, and he was embarrassed that the Town, has not put any money into the plan, stating that we need to make the decision.

Whalley indicated that last Council agreed it was going to be where it was.

Baker stated that her recollection was that the community was involved, and that the Library Commission voted on it as well. Baker continued by stating that the previous Council considered the fact that with the Fort, the Historical Society, and the infrastructure already in place that would be the best site.

Whalley stated that the Community did not get to vote on the location of the library.

Roulette questioned German and asked for three reasons why the library wants to be where it is, and the logic? German stated that with the plan for the Library in the downtown site, the Library would have to be closed when other activities were going on; German stated you could not do that downtown because it is too congested. The current location is not far from downtown, and having the government offices on the 2nd floor were a problem. German stated there was a lack of distrust with Town government, and people did not believe that it would happen.

Garrison stated that three years ago, she was told the library wasn't an issue, she went on to say that when she started knocking doors, everyone talked about the library, it was ugly, it didn't fit Main Street, and there was mistrust. Garrison stated that no one has asked to put the question on the ballot.

German commented that when the Council voted to put the library at its present location, the people said they would put it on the ballot. Then Council voted to keep it at its present location.

Kovacovich noted that the Library vote was 4-1, with 2 members absent. Kovacovich stated that was a vision of the public & Council working together, and if they want to be so selfish they want a 30,000 sq ft. building, then it's a good thing we haven't put anything into it.

Burnside read a statement from former Mayor Dickinson saying that we have to develop a plan. Burnside stated we have a Master Plan, our goal is; do we send it to the public or does this Council want to make a new plan? Burnside stated the library isn't going to go away, it did not go to the public, and questioned Council regarding the Town goals, does the Council start with what they have and build from that.

German stated that there is a group that is trying to raise the money for a library, after the funds are raised, then a decision could be made.

Scannell stated that the people believe that the library funding is going to be a grant; however, it will probably be a low-interest loan. Scannell advised Council that if they take on the loan, it would not be possible to fund a Town Hall. Scannell stated the beauty of the current plan, is that it is visionary; they recognized the limited capacity of the Town, and the only way to get a Town Hall built is the way that it was planned.

b. What is our vision?

Baker stated that we are not looking at putting offices into Rio Verde. Baker stated that in chatting with the Manager, he indicated we could put Rio Verde back for a nominal cost and put businesses in there. Baker continued that we could then spend money on the Parks & Recreation offices, and the Manager has indicated he is working with the State on weaving in history. Baker stated the Council does not need to discuss the library, the Town paid good money for this plan, and part of the plan was purchasing property, Council purchased the Rio Verde Plaza, knowing that in the future they would purchase the other property.

Scannell referred to the site map, and explained what could happen with Rio Verde. Scannell stated the building is slated to stay, so it makes sense to make it a community treasure; Planning & Public Works need to be together, therefore Step one would be to renovate Rio Verde; Step 2 renovate the Community Center, and Step 3 renovate Town Hall.

Garrison stated that the Court should be at the Teen Center, indicating that everything that has to do with law enforcement should be in one area. The consensus was supportive of the idea.

Scannell stated that if Council agreed with this design process, in a couple of months, we could come up with a plan that everyone could get behind. Scannell stated the Council wants the community to say they are proud of our government!

Whatley advised Council that the Parks building does need to be preserved, and questioned how the Chamber works into the Plan.

German stated it is a logical approach. The Town comes up with grandiose plans and they, the plans, go on a shelf, and further stating the Town cannot even afford to start, so by doing it piece-meal at least gives everyone a place to start.

Kovacovich stated that when you are building a downtown plan, you need to have buildings occupied. We have almost the entire block and eventually, it could become the courthouse square where people would want to come.

Baker agreed that the idea of using the Teen Center was a great idea and asked if the Council could look at Rio Verde and the use of the Teen Center as our number one goal.

Scannell stated that this idea would allow the Town to live within its means, and allows the Town time to smooth over ruffled feathers with businesses. Scannell stated that Council can tell him that they would like the Court to relocate the court.

Roulette questioned if the Court moves out, could the Parks & Recreation move into that space, not spending the money on Rio Verde. Scannell asked staff to look into the square footage needs, indicating that having an empty, dilapidated building is not a good thing for Main Street. Roulette questioned if other communities own restaurants.

Scannell advised that there are municipalities who own commercial space, however you need a separate corporation and including that you must watch the square footage that is available for commercial space or you could lose the tax-exempt financing.

Roulette stated that he has been told that Town Halls don't need to be on Main Street. I've heard the concerns from the citizens.

c. What are our priorities?

This item was included in the previous discussion.

d. How will we collaborate with each other and staff to accomplish these goals?

This item was included in the previous discussion.

6. Planning for Action – discussion may include, but not be limited to the following:

a. Identify first steps

1. Branding – we ask the Chamber what they have spent money on and go with that.
2. Common Goals
3. Community Involvement
4. Teen Center converted to Court Offices
5. Rio Verde

Garrison questioned why the Town would be spending money on Rio Verde Plaza when the previous Council was told that the building could not be repaired. Garrison stated that Ron Long and Marvin Buckel toured the building and she remembered an issue with gas lines, and they explained that's why the building had to come down.

Scannell stated that if you think about the building having a life of 20 years and if you amortize the cost per year, it is not unreasonable to spend the money.

Garrison stated the Town has already taken steps, looking into purchasing the maintenance yard with office space. Garrison suggested the Council jot down some goals that we're already doing.

1. Rio Verde Plaza
2. Continue to work with State Parks and SHPO to weave history into the Main Street history.

Baker stated the Town has completed the restroom on the plan; the ramada improvements were also part of the plan; along with Rio Verde Plaza. Council can point out to the public that these are things that have been done, and this is our vision.

Kovacovich stated the Master Plan needs to be more public and if the Town had activity on our property, it should help; small steps.

Scannell stated that there are some legal hurdles and he will bring it back to Council for discussion.

Whatley noted that the Town is funding the Chamber of Commerce and giving them free rent, that's how we help our businesses. Whatley thanked Scannell for the practical idea to move forward; stay away from the library until money is available and indicated she liked the Rio Verde and Court house idea. Whatley stated the Town needs to work with the Chamber on the Gateway to the Verde Valley and indicated she liked 'Camp Verde, the Heart of Arizona', the heart of history, agriculture, outdoor living, heart of the living west. We're focusing on ourselves instead of other communities.

Garrison agreed that she like the idea of moving the Court to the Teen Center building, and access that freed-up space, and further stated the Council needs to make a conscious decision as to our branding.

Kovacovich noted that Sedona brings in millions because of Red Rocks and we have the White Hills.

Scannell distributed a list of goals that he had set for himself, and asked the Council to review and welcomed any comments. Scannell indicated this is the first draft and he will then preset a final list.

Go forward plan will be:

1. State Historic issue: work with SHPO, Chamber of Commerce, State Parks, etc. The Master Plan was discussed and Council has directed the Manager to come up with a series of phases in which it can be implemented. By completing in phases, this will focus the community and let the business community know the Council is making an investment, and no one can say that the Council is not committed to revitalizing our downtown.


Garrison suggested Council have an agenda item regarding the results of the retreat, indicating what has been accomplished and what the next steps would be to accomplish the goals.

BB – item #3 should be item #1; 6 is 2, 3 is #6.

Council agreed they should a) incorporate the accomplishments that have been made: b) Identify stakeholders and primary person(s) responsible for implementing plans/projects/policies; c) Identify measurable outcomes and milestones; d) Evaluate projects/results on a regular basis; and e) Identify alternatives

7. Adjournment

The meeting adjourned at 12:08 p.m.



Bob Burnside, Mayor



Deborah Barber, 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 Manager/Council Retreat, held on the 12th day of November 2009. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 3 day of December, 2009.



Deborah Barber, Town Clerk