

**TOWN OF APPLE VALLEY
TOWN COUNCIL AGENCY**

**SPECIAL MEETING
MINUTES – March 9, 2010**

OPENING CEREMONIES

CALL TO ORDER:

Mayor Allan called to order the meeting of the Apple Valley Town Council at 4:01 p.m.

Roll call was taken with the following members present:

Roll Call

Present: Councilwoman Coleman; Councilman Roelle; Mayor Pro Tem Sagona; Mayor Allan. Absent: Councilman Nassif.

BUSINESS OF THE COUNCIL

1. FY Mid-Year Budget Review

Kevin Smith, Interim Finance Director, presented the staff report as filed with the Town Clerk. Mr. Smith stated that it appeared that the Town would reach approximately 80% of its budgeted revenues this fiscal year. He explained the areas where he believed the Town would not reach its budgeted revenues such as property taxes, Sales and Use Tax and Community Development fees. He stated that foreclosures and defaults could attribute to these deficiencies. He stated that there would be approximately a 63% reduction in community development fees

Mr. Smith commented on the budget savings due to having a conservative staff.

Mr. Smith discussed the Parks and Recreation Budget which would have a total deficit of \$3.7 million to the General Fund. He stated that the deficit for the Golf Course would be approximately \$2.1 million by the end of the year. He commented on additional expenses on the golf course property and the current debt on the golf course of \$1.8 million. He explained that last year the Town used approximately \$400,000 in reserves to balance the budget. This year approximately \$550,000 will be used. He stated that the total cost for the golf course at the end of the next fiscal year including operations, legal fees, and additional expenses could possibly reach \$7 million. He announced that the task force committee would make a presentation to the Town Council within the next month.

Mr. Smith discussed the deficit in the Parks and Recreation Department and the expense of maintaining the parks and the aquatic center.

Mayor Pro Tem Sagona questioned how the Town can address the deficits in both the parks and the golf course.

Mr. Smith stated that staff will review the programs offered at the various parks

Discussion ensued regarding the operational cost and revenue for the aquatics center.

Mayor Allan expressed concern about the condition of James Woody Park and recommended that improvements to that facility be discussed at the budget workshop.

Mr. Smith stated that it would be approximately six to nine months before the Town would see the operations of the Country Club in the black. He outlined all the capital improvement costs and legal fees that are non-recoverable.

Councilman Roelle asked if staff would give the Town Council a recommendation on the golf course.

Mr. Smith stated that as a business owner, he did not believe it would be feasible for the Town to consider the purchase of the golf course.

This was a receive and file item only. There was no action taken.

ADJOURNMENT

Motion by Mayor Pro Tem Sagona, seconded by Councilman Roelle and unanimously carried, to adjourn the Special meeting at 4:53 p.m.

Town Clerk

Mayor