

**TOWN OF APPLE VALLEY
TOWN COUNCIL/REDEVELOPMENT AGENCY**

**SPECIAL MEETING
MINUTES – June 20, 2011**

CALL TO ORDER:

Mayor Nassif called to order the special meeting of the Apple Valley Town Council at 3:03 p.m.

Roll call was taken with the following members present:

Roll Call

Present: Council Members: Coleman; Emick; Roelle; Mayor Pro Tem Stanton; Mayor Nassif.

Absent: None.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Mayor Nassif.

PUBLIC COMMENTS

None.

BUSINESS OF THE COUNCIL

1. FY 2011/2012 Budget Workshop – Continued

Mayor Nassif explained that after discussion with the Town Attorney's office, it has been recommended that the discussion of the budget dealing with the Apple Valley Golf Course be segmented from the Town Budget.

It was the consensus of the Town Council to discuss the Golf Course budget prior to the Town budget.

Council Member Coleman stated that she had a conflict of interest on this item dealing with the Apple Valley Golf Course and therefore excused herself from the dais.

COUNCIL MEMBER COLEMAN WAS EXCUSED FROM THE DAIS AT 3:06 P.M.

Mayor Nassif announced that the Town Council will now enter into discussions on the Golf Course budget.

Mark Puckett, Director of Finance, commented on the funding for the golf course and operating deficit.

Council Member Roelle questioned whether or not the proposed budget includes capital expenditures such as repairs for the well, air conditioning unit, etc.

Mr. Puckett stated that it does not include any of the capital expenditures. This item is scheduled to be heard at the next Town Council meeting on June 28, 2011.

Mayor Pro Tem Stanton commented on various fees included in the proposed budget plus the management costs.

Mr. Puckett explained the operating fees for the course as well as the management fees.

Discussion ensued regarding the various line items on the proposed golf course budget.

Mayor Pro Tem Stanton expressed concern regarding the subsidy provided to the golf course and the lack of revenue received from the course.

Council Member Roelle expressed concern regarding funding this golf course when we are being asked to reduce staffing, salaries and consider furloughs to employees in order to carry the golf course.

Council Member Emick stated that many of these issues should have been discussed prior to considering the purchase of the golf course; however, the Town is now in a position to act or the course will be brown.

Mayor Nassif commented on the history of this issue including the battle that the Town ensued over the water rights. He believed that the Town should not give up on the course at this time after successfully winning the water rights.

Discussion ensued regarding the accuracy of the wastewater fund numbers listed within the budget.

Council Member Roelle reiterated that he did not believe we should continue funding the golf course when we are being asked to cut back staff.

Frank Robinson, Town Manager, recommended that staff come back with a budget that does not include the funding for the golf course. The budget will include projections if golf course is open and projections if golf course is closed and there are no staff cuts.

Mr. Robinson also noted that at the next regular agenda, staff will have a very thorough presentation from the Town's legal team on this issue.

RECESSED MEETING

Mayor Nassif declared a recess at 4:05 p.m.

RECONVENED MEETING

Mayor Nassif reconvened the meeting of the Apple Valley Town Council at 4:20 p.m. All members were present.

Mayor Nassif announced at this time to hear comments regarding the Town budget.

Mayor Pro Tem Stanton commented on all department budgets being cut by 3%. She asked if all departments complied with this request.

Mr. Puckett responded that not all departments were able to adhere to the 3% cut; however, some departments were able to cut more than the 3%.

Discussion ensued regarding the reduction of planning and building and service staffing levels.

Mayor Pro Tem Stanton asked for clarification on these proposed reductions.

Kenneth Henderson, Assistant Town Manager, Economic and Community Development, explained the budget for Building and Safety. Based on this explanation, he did not believe that the departmental staffing requests would impact the budget.

Council Member Coleman asked that future performance measures be broken down by division for easier understanding.

Mr. Henderson answered questions of the council regarding his proposed budget and the figures listed within the budget document. He noted that he was not in agreement with the document as presented and explained his position regarding the funding allocations listed in the document.

Mayor Pro Tem Stanton questioned the amount of transfers from redevelopment funds to the general fund.

Discussion ensued regarding the transfers from redevelopment funds and if it was legal to make these types of transfers being requested by staff based on the state code.

Council Member Roelle questioned whether or not the Town has a cost allocation plan and if there was a copy of it.

Mr. Robinson explained that the Town did have a cost allocation plan that needed to be updated; however, the Town is working using the old plan.

Council Member Roelle asked questions regarding the various increases and decreases in the budget.

Mayor Pro Tem Stanton requested a report from the Town lobbyist's that detailed how the funds we pay them are allocated.

Council Member Roelle questioned the Town Clerk's budget and the request to leave a position unfilled. He asked how this would affect the operation of the Clerk's Office.

La Vonda M-Pearson, Town Clerk, explained that the position that would be left unfilled is the primary scanner for the department. The lack of this position would lead to a reduction in documents scanned in both the Town Clerk's office as well as many other departments within the Town. It will also impact the set-up and maintenance of the Town of Apple Valley vital records center.

Discussion continued with the departments of finance and public information and whether or not these departments were budgeting new positions.

Art Bishop, Fire Chief, distributed information to the Town Council regarding the proposed budget for the Emergency Services Department. He stated that he met with the Town Manager to develop a new budget of approximately \$60,475. He stated that this amount was within the guidelines set by the Town Manager and would be reviewed by the Fire Board at its next meeting. He explained the various items listed in the proposed budget.

Council Member Roelle commented on the amount of funding being subsidized to various departments including the golf course with the number one goal in the Town being Public Safety. He requested staff bring back at the next budget meeting the cost for two additional deputies if included in the budget for review.

RECESSED MEETING

Mayor Nassif recessed the meeting of the Apple Valley Town Council at 6:20 p.m.

RECONVENED MEETING

Mayor Nassif reconvened the meeting of the Apple Valley Town Council at 6:35 p.m.

Council Member Coleman requested that future budgets include a category on program changes and the definition of various line items.

Mayor Pro Tem Stanton asked questions regarding the flat amount for salaries for the Public Services budget. She also asked questions regarding the amounts listed for membership dues and phone allowances in the Town Council budget. She noted that the phone budget was listed as zero.

Mr. Puckett stated that he would make the appropriate corrections to the line items.

Discussion ensued regarding the budget for the Animal Services department.

Gina Schwin-Whiteside, Animal Services Manager, addressed the reductions for both animal services and animal sheltering as requested by the Town Council. She explained that although staff is working very hard at the shelter, there is a need for additional assistance.

Jim Anderson, Code Enforcement Manager, explained the budget for the Code Enforcement Department and explained that his department would still be able to maintain adequate service with the reduction in staff.

Mr. Henderson discussed the budget for the Planning Division explaining the Vision 20/20 goals. He also clarified previous statements made during the budget hearings regarding the redevelopment funds. He explained the health and safety code regarding the appropriate use of redevelopment funds.

Discussion ensued regarding the amount of time that staff was aware of this issue regarding the redevelopment funding.

Mr. Henderson commented on the timeline by staff regarding when the issue was first addressed and brought to the attention of management and the previous acting Finance Director.

Mr. Puckett responded to statements made by Mr. Henderson regarding the redevelopment budget. He also commented on the need for an updated cost allocation plan. He explained that this is a reimbursement from costs incurred from year 1. He stated that next year the Town will complete a cost allocation plan that will reflect current costs as they actually exist and will continually be updated year after year.

Mr. Puckett also commented on the Park and Recreation deficit and its \$5.2 million accumulated debt. He discussed ways to reduce the deficit.

Mayor Pro Tem Stanton commented on the redevelopment budget and its funding. She stated that the Town Council needed absolute clarity on this issue. She requested a legal opinion on the health and safety sections as noted by Mr. Henderson.

Mr. Robinson agreed that there has been a difference of opinion and believed it would be beneficial for the Town to go back and do a cost allocation plan to identify all the costs that were paid for out of the general fund as well as grants for the redevelopment agency.

Council Member Roelle questioned the need to adopt the budget prior to July 1.

Mr. Robinson explained that if the budget is not adopted by July 1, the Town Council would simply adopt a continuing resolution that would allow the Town to continue its operations until a new budget is adopted. He stated that staff will have that item ready for the next Town Council meeting.

Mr. Puckett stated that he would attempt to have the updated cost allocation plan completed within a month. He also stated that the continuing resolution for the budget would be for a minimum of 60 days.

Mr. Robinson summarized that on the next regular agenda, items for discussion will include the closing of escrow for the golf course; funding and operation of the golf course, continuing resolution for the Town budget, presentation on the golf course history and ramifications of closing or not closing escrow.

Discussion ensued regarding whether or not the Town Managers contract would be reviewed at the next regarding meeting.

ADJOURNMENT

MOTION

Motion by Council Member Emick, seconded by Council Member Coleman, and unanimously carried, to adjourn the Special Meeting at 8:13 p.m.

Mayor

Town Clerk