

**TOWN OF PRESCOTT VALLEY
REGULAR WORK STUDY MEETING
MINUTES
May 3, 2012**

Library Auditorium
7401 E. Civic Circle
Prescott Valley, Arizona 86314

1. Call to Order May 3, 2012 Town Work Study & Community Facilities Districts Meetings

Mayor Skoog called the meeting to order at 5:30 p.m.

2. Roll Call

Present: Mayor Skoog, Council Member Nye, Council Member Tjiema, Council Member Whiting, and Council Member Anderson.

Absent: Council Member Mallory, and Vice Mayor Lasker.

3. Discussion of proposed FY2012-13 budget - FOR DISCUSSION ONLY

4. 5:35 p.m. - 6:15 p.m. Sewer Refunding Bonds Bob Casillas, Stone & Youngberg

Bob Casillas, Stone & Youngberg, updated Council about Sewer Revenue Bond refunding saving opportunities which are being impacted by the global economy. On May 24, he hopes to be back before Council to talk a little bit more about refunding of the Series 2003 Bonds which are callable 01/01/2014 at par. Estimated par amount of refunding bonds is \$6,760,000 with an estimated savings of \$375,000 - an approximate 5.50 percent net savings for Prescott Valley.

Tarkowski added that we would not extend the term on bond repayment, but would hopefully get a lower interest rate and get them paid off sooner. Back in 1991 & 1992, Bob Casillas and Michael Cafiso worked very hard to cause the issuance of sewer Phase 1 bonds which have since been retired. The Town appreciates the guidance that Mr. Casillas has provided to the town all these years.

No action was taken.

5. 6:15 p.m. - 6:45 p.m. Human Resources Karen Reed, Human Resources Director Barbara Lear, Blue Cross/Blue Shield update

Karen Reed gave an overview of the responsibilities and accomplishments of the office. She commented that they will be changing one of the two part-time positions into one-full time position. The additional ten hours will allow them to open on Fridays to address customer needs.

Barbara Lear gave an overview of the Town's Blue Cross/Blue Shield renewal status and explained the impacts our large claims will have on the Town's premium. The town will only be paying a 2 percent increase for all current benefits in spite of our unfavorable claims experience. Employees will realize a payroll deduction for dependents at \$6.64 per month. Dental coverage costs will increase \$2.03 per month.

No action was taken.

6. 6:45 p.m. - 7:00 p.m. Library Stuart Mattson, Library Director

Stuart Mattson and Kathy Hellman presented a 'gadget' to each Council member. Stuart commented that utility costs have impacted the budget but hopefully will decrease with the vestibule that was added to the front doors recently. They are working on plans for the Miranda donation received by the Library. The virtual reality room, not currently working, needs some adjustments to make it achieve the expectations. Library staff is working on it. Geo caching is being done in the library which is bringing people in nationally and internationally. Clues are hidden though out the library in form of a puzzle, book etc. which then takes the gamers up to Mingus Mountain to continue their game.

No action was taken.

7. 7:00 p.m. - 7:15 p.m. Public Works HURF Norm Davis, Public Works Director

Norm Davis said the investment in staffing is paying off in service. The newly remodeled OMI building has turned out wonderfully as have the two shops. They got a lot of remodeling done without a lot of expenditure. Council requested a tour of the buildings and expressed an interest in meeting the people who made those changes. He is looking forward to a lot more interdepartmental cooperation such as with the PD fleet. Regional partnerships with CYMPO and ADOT have resulted in some very expensive road improvements funded by those entities. The outsourcing of materials and services will continue this year at a rate the same or less than it was five years ago.

No action was taken.

8. 7:15 p.m. - 7:30 p.m. Capital Projects Kim Moon, Capital Projects Coordinator, Norm Davis, Public Works Director, and other Department Directors

Kim Moon said the budget for 30 capital projects this year is \$9,469,858. Many projects are grant funded but still must be reflected in the budget to spend the money.

No action was taken.

9. 7:30 p.m. - 7:45 p.m. Town Clerk Diane Russell, Town Clerk

Town Clerk Diane Russell commented that the Town Clerk's Office budget is much like it has been the last three years with the exception of a major reduction in the publication line item and an increase in the Elections line items. The figures presented plan for a General Election as well as the Primary Election in 2013 for a Mayor and Council Election, an Alternative Expenditure Limitation Election and General Plan 2025 Election. Yavapai County has again raised their rates and our number of registered voters has increased and been rounded to an even 23,000 voters in planning for the 2013 election. Beyond that the budget is much the same as it has been.

Town Manager Tarkowski requested that Diane explain the impacts of the passage of HB 2826 – the Consolidated Elections; Political Subdivisions bill. Diane presented many potential negative impacts this bill could have not only on the Town and the Counties, but also the voters. Council suggested this bill be blocked. Tarkowski explained that a letter has already been sent to the Governor asking her to veto the bill.

No action was taken.

10. 7:45 p.m. - 8:00 p.m. Management Services William Kauppi, Management Services Director

Bill Kauppi commented that one part-time MS staff member will be moving over to HR full-time. His operating expenditures have gone up by \$10,000 due to the Finance area and IT predominately. Water/wastewater administration expenses are down. Capital expenditures are being reduced this year.

No action was taken.

11. 8:00p.m. - 8:15 p.m. Debt Service William Kauppi, Management Services Director

MPC Debt Service is zero for the Civic Center, street improvements, the north wells and also Phase I Special Assessments. This year's debt service is \$4,080,091 instead of the \$22.9 million of last year.

No action was taken.

13. Adjournment

Mayor Skoog adjourned the meeting at 7:21 p.m.

ATTEST:

APPROVED:

Diane Russell, Town Clerk

Harvey Skoog, Mayor

STATE OF ARIZONA)
COUNTY OF YAVAPAI) ss:
TOWN OF PRESCOTT VALLEY)

CERTIFICATE OF COUNCIL MINUTES

I, Diane Russell, Town Clerk of the Town of Prescott Valley, Arizona, hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Work Study Meeting of the Town Council of the Town of Prescott Valley, held on Thursday, May 3, 2012.

I further certify that the meeting was duly called and held and that a quorum was present.

Dated this May 7, 2012

Diane Russell, Town Clerk