

**MINUTES OF THE BUDGET WORKSHOP  
OF THE CAREFREE TOWN COUNCIL**

**WHEN:** TUESDAY, MAY 26, 2020

**WHERE:** ZOOM WEB <https://us02web.zoom.us/j/82386732075>  
MEETING ID: 823 8673 2075\*

**TIME:** 3:00 P.M.

**Town Council Attending:**

Mayor Les Peterson

Vice Mayor John Crane  
Vince D'Aliesio  
Michael Krahe  
Cheryl Kroyer  
Gene Orrico

**Town Council Absent:**

Stephen Hatcher

**Staff Present:**

Gary Neiss, Town Administrator; Jim Keen, Town Accountant; Kandace French, Town Clerk/Treasurer.

Mayor Peterson called the meeting to order at 3:05 pm.

The Pledge of Allegiance was led by Vince D'Aliesio.

**AGENDA:**

**ITEM #1      **Workshop to discuss Fiscal Year 2020-2021 budget.****

Mayor Peterson announced the agenda item and explained the development of the budget and the numbers used for various costs and revenues. He then introduced Gary Neiss.

Gary Neiss explained the various funds and restricted assets as well as the anticipated revenues that make up the figures presented in the budget.

Mr. Neiss reminded the public in attendance to email [Kandace@Carefree.org](mailto:Kandace@Carefree.org) with any public comments to be read during the meeting.

Mr. Neiss then began his presentation, going over the line item budget provided to the Council members by email and in hard copy packets. He broke down the pages and explained the various department budgets, revenues, costs, restricted accounts, etc. He also presented the bottom line number and the setting of the expenditure limitation.

The Council asked various questions pertaining to the draft line item budget.

Vice Mayor Crane asked about sales tax and construction sales tax. He asked how the construction sales tax will be paid by the hotel currently under construction. He also questioned how the upcoming townhomes will be taxed and paid.

Mr. Neiss responded.

Vice Mayor Crane asked how long of a lag existed before paid taxes were received by the Town of Carefree.

Mr. Neiss responded but reminded the Council that the current COVID-19 staffing at the Department of Revenue may affect how quickly paid taxes are processed.

There were questions regarding rental revenue and the expiration of the rental agreement for the office above the Council Center. There were also questions regarding grants received and other line items.

Vice Mayor Crane asked about items that were considered for in the future that was not being purchased due to the unknown future revenues due to COVID-19.

Town Clerk Kandace French Contreras responded and explained the purchase of the electronic document management system approved in a prior year and the reconsideration and removal of the budget item for social media record retrieval software due to the current revenue concerns.

There were additional questions by the Council

Gary Neiss responded and outlined the possibility of a new RFP for the fire truck due to current costs and anticipated changes in purchase price.

Council Member D'Aliesio questioned the details of the Contingency line item and its anticipated use.

Mr. Neiss responded and explained the funding of contingency expenses.

Council Member D'Aliesio also asked about the Capital Improvement costs. He also asked about future road maintenance.

Mr. Neiss responded.

Council Kroyer asked questions regarding Maricopa County Sheriff Office ("MCSO") costs and the increase in some budget increases per department.

Mr. Neiss responded and explained the cost recovery model for MCSO.

There were additional questions by Council Member Orrico regarding office costs and the legal costs associated with litigation.

Mr. Neiss explained the upgrade required by Office 10 products and additional costs.

There were additional comments by Vice Mayor Crane and further discussion regarding MCSO.

There was discussion and comments by Council Member Krahe regarding infrastructure costs.

The Council asked for an update on the signage project and other costs.

Mr. Neiss responded and provided updates on the signage project and other project costs.

There were additional comments and discussions by the Council and suggested economic develop, increased business and space rental.

Gary reminded the Council and public that the next meeting will be on June 2, 2020 to review and provide approval on a preliminary budget. He stated the final budget approval to take place on July 7<sup>th</sup>.

Mr. Neiss reiterated the opportunity for the public to email [Kandace@Carefree.org](mailto:Kandace@Carefree.org) with any public comments. He asked Ms. French if there were any public comments to be presented to the Council. She responded that none had been received.

**ITEM #2 Adjournment.**

Mayor Peterson announced the agenda item and asked for a motion.

Michael Krahe **moved** to adjourn the meeting. There was a **second** by Council Member Krahe. The motion **carried** unanimously.

Meeting ended at 3:38 p.m.

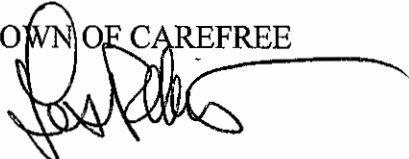
DATED this 29<sup>th</sup> of May, 2020.

TOWN OF CAREFREE

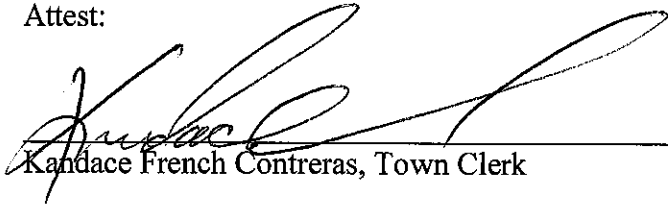
BY:

  
Kandace French Contreras, Town Clerk

TOWN OF CAREFREE

  
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Les Peterson, Mayor

Attest:

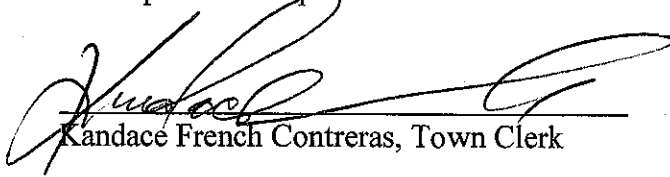


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Kandace French Contreras, Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the meeting of the Town of Carefree held May 26, 2020. I further certify that the meeting was duly called and held and that a quorum was present.



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Kandace French Contreras, Town Clerk