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TOWN OF JEROME, ARIZONA

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MINUTES

BUDGET MEETING OF THE JEROME TOWN COUNCIL JEROME CIVIC CENTER - 600 CLARK STREET – COUNCIL CHAMBERS THURSDAY, JULY 9, 2015 AT 5:30 P.M.

<p>ITEM #1:</p>	<p>CALL TO ORDER/ROLL CALL</p> <p>Mayor/Chairperson to call meeting to order. Town Clerk to call and record the roll.</p> <p><i>Mayor Lew Currier called the meeting to order at 5:30 p.m.</i></p> <p><i>Town Manager/Clerk Candace Gallagher called roll. Present were Mayor Currier, Vice Mayor Freund, Councilmember Vander Horst and Councilmember Barber. Councilmember Stewart had an excused absence.</i></p>
<p>ITEM #2: 5:31</p>	<p>2015-16 BUDGET</p> <p>Council will once again review the budget in preparation for adoption of the tentative budget on July 14, 2015. Discussion will include the proposed increases in transaction privilege taxes for hotels, restaurants and bars.</p> <p><i>Mayor Currier began by saying that the budget has not changed since the last budget meeting on July 6. He said that he hoped that the Council had had a chance to consider the objections voiced at that meeting, and the suggestions that were made, and invited them to comment. He asked that discussion begin with the bed tax.</i></p> <p><i>Councilmember Vander Horst expressed his concern that anything Council enacts might be permanent. He recommended that we put something into effect with a time-limit. He would like the tax to be effective for no more than a year. He also opined that we should be looking into all the tax revenues being collected fairly.</i></p> <p><i>Vice Mayor Freund stated that a time-limited tax may be appropriate for the restaurant and bar tax, but he feels that the bed tax is long overdue for Jerome. It is assessed by all the communities in the Verde Valley, and we can use the money.</i></p> <p><i>Councilmember Barber commented that Jerome is the only town in the Verde Valley that doesn't charge the bed tax. Clarkdale charges 2%, Cottonwood and Camp Verde charge 3% and Sedona charges 3.5%.</i></p> <p><i>Mayor Currier said that he was willing to make a compromise. He had thought that the shuttle service would be useful, however the merchants have informed him that it is not a necessity. He is willing to drop the shuttle service, and cut the bed tax from 3% to 2%.</i></p> <p><i>Vice Mayor Freund said that he still believes the shuttle is a good idea and would enhance the use of the 300 Level parking lot. It would be especially helpful on days when the weather is too hot or too cold, and for elderly visitors.</i></p> <p><i>Councilmember Vander Horst said that he thought it was a good idea too, until he spoke with business owners, and they did <u>not</u> think it was a good idea. We were doing it for them, he said, and if they don't want it, we shouldn't provide that service. Councilmember Barber agreed.</i></p> <p><i>Mayor Currier stated that "the absence of our fifth member makes this decision difficult." Councilmember Stewart, the Mayor said, had been fully on board with the 3% bed tax and 2% restaurant and bar tax, and while Council can change that, Mr. Stewart is a part of the political body. "I am reluctant to thwart that," he said.</i></p>

Liz Gale, a restaurant and inn owner in Jerome, noted that Councilmember Stewart was not present for the meeting where the business owners provided their input. Mayor Currier replied that the business owners were not here for the four or five meetings prior to that, where Mr. Stewart was in attendance.

Rebekah Kennedy, a local Jerome resident and business owner, asked what the bed tax would be used for. Mayor Currier said that the first 2% will go into the General Fund to help deal with the things that the General Fund deals with, and the other 1% was designed to go toward tourism. To do that, he said, "we thought we would put a driver in the van and offer a shuttle service on the weekends, but there was a great deal of pushback at the last meeting, and most of the people here didn't care for that idea." He said that he would be willing to drop that.

Margie Hardie, a local resident, commented that she had gone to one of the budget meetings and had made a request regarding the streets and sidewalks in the residential area, and was told that there was no money to upgrade the streets. That 1% would provide funds for that, she said. She also noted that there has been a proposal going around Town to put in district signs at the Town's expense. The funds could be used for that also.

Mayor Currier returned to the discussion of the "sunset issue," where the tax increases would be effective for one year only. He said that he does not object to a temporary tax, but he does not feel that one year is long enough.

Eric Jurisin, a local restaurant owner, stated, "you are discriminating against us," and noted that in other communities that have a 3% bed tax, the entire 3% is used for marketing and promoting the community. It is not used to pave roads in the neighborhood, he said, adding, "that's what you do bonds for."

Mayor Currier said that he has reviewed the statutes and talked with our attorney, and it is common practice for towns to "discriminate" against the hospitality industry, because they consider it to be a pass-through to the tourists, and the tourists are the most eligible to pay. It is like that all over the state, he said, and added that the question of whether we should raise sales taxes across the board is not on the table.

Ms. Kennedy spoke again to say that she works in retail, and has no problem collecting and paying sales tax, but she does have a problem with how much Town employees are being paid, which she called "outrageous." She questioned whether the tax increase would be necessary if that were not the case.

Councilmember Vander Horst stated that, if there's going to be any tax increase, he would want it to sunset after one year.

Ms. Gale said that she disagreed with Mayor Currier's statement that it is common practice, and (referring to the increased restaurant and bar tax) "there is not one place around us that does this." She agreed with Mr. Jurisin that the bed tax should go entirely toward the promotion of tourism. "You have a legal right to that first two percent," she said, "but I don't think it is commonly used that way." She added, "You will make us a stand out in the Verde Valley at 11.85% with the bar and restaurant tax."

Mayor Currier noted that we are still talking about the proposed 3% bed tax. He suggested that Council reduce that to 2%. Vice Mayor Freund said that he would support that.

Mr. Jurisin stated that he would rather have a 2% or 3% room tax and try to avoid the food and booze tax. He noted that the talk is of tourists, but "I promise when you go to my restaurants, they are full of local people. They are a major part of our business. I don't know any other tourist towns that have this extra 2%." He said again that this is discrimination.

Larry Altherr, owner of the Grand Hotel, said that when Phoenix raised the bed taxes, it was for the Civic Center – something specific. Jerome is primarily dependent upon tourism, he said, and asked why hospitality should support the whole town. "Why would I pay when everyone in Town will benefit?" he asked. He recalled that, during the 1990s, the Town was offered a shuttle but turned it down. He said that the increase would raise his taxes by \$24,000 and questioned the accuracy of the figures showing \$12,000 as one third of the bed tax revenues. The Mayor noted that the \$12,000 figure is the amount we would spend on the shuttle, and is a little more than a third. He also noted that it represents just eight months of revenue. Ms. Gallagher clarified that we are projecting \$34,000.00 for this year (eight months)

and \$51,000.00 per annum for the bed tax.

Mr. Altherr said that he does not feel it is intentional, but it is easier for the Town to impose a tax on the restaurants and hospitality than to convince all the businesses that taxes should increase. He said that the town is pitting businesses against businesses, and he just wants to be fair to everybody. Mayor Currier said that he believes that, if the tax increase were spread equally over all the shops, it would hurt the weaker retail shops, and he doesn't believe that is in the community's best interest. Ms. Kennedy stated that if a shop owner can't pay their taxes they shouldn't be in business. She agreed that the tax should be evenly charged, and said that she would like a specific answer regarding where the tax is going.

Mayor Currier said that he would take just two or three more comments from the public.

Kenny Cooper, the co-owner of Ghost Town Tours, asked if there were other alternatives to creating this revenue, and said that he has heard nothing about cutting unnecessary costs. He noted that outside tour busses come through, use our infrastructure, and leave, and asked if it would be possible to garner a revenue from those outside sources.

Mark Venker, owner of the Mine Café, asked, if the goal is to get a shuttle and bring tourism up here to create revenue, and everybody has the fear that a sales tax increase across the board would hurt the smaller industries, isn't the goal to increase revenue, which would not hurt them and would balance things out in the long run? Mayor Currier said that it is not because the businesses are weak, but "we are interested in start-ups, which are weak to begin with." It is those, he said, that he is worried about stepping on.

Mr. Venker continued and said, "I am a start-up restaurant and I am telling you, this tax is going to hurt me—even though everyone will share in the benefit from this." Some are suffering and others are not, he said, yet the benefit is for all, and that doesn't seem right to him. "If some people are paying for the benefit of everybody when others are not," he said, "I don't believe you are servicing the community. That is selectively targeting individuals in the community and making them pay the burden for the benefit of everybody. It is not fair, it is not just and it is not appropriate."

Ellen Vojnic, a resident and bar owner in Jerome, asked for clarification regarding the target income from the new taxes as proposed. Ms. Gallagher informed her that the combined amount (restaurant/bar and bed tax) for this year's budget is \$122,000, which represents eight months of revenue. That equates to \$183,000 on an annual basis, she said. Mrs. Vojnic said that she feels some expenses could be cut, and referenced budget forms she had downloaded from the Town's website. She asked why Court expenses were going up \$33,000 in one year. She was comparing actual expenditures of the prior year with budgeted expenses for the following year. Ms. Gallagher noted that the Magistrate court expenses were budgeted at \$91,000 last year and are projected at \$87,000 this year, and explained that, with the court, there was money budgeted for the upstairs Courtroom that was not spent during the year, and so it was re-budgeted, therefore actual expenses for the prior year would be considerably less than budgeted expenses for the next year. Those expenses, she added, are being paid for with Court Enhancement fees that have become part of the general fund balance over the years, but are dedicated to the court.

Mr. Jurisin said that "this meeting is about how we are going to pay for this budget," and said that a consistent sales tax rate, "a number that everyone can swallow," would be the best option. "It's the same tourist," he said. "I don't understand your thinking that they can afford to pay the tax on a room or a burger, but not in a retail store."

Mayor Currier noted that, in the last eight years, restaurant revenues in Jerome have increased by 88%, hotel revenues by 50% and retail shops by 25%. "That tells me," he said, "that retail shops are not doing as well as others, therefore they cannot afford to help."

Mr. Jurisin pointed out that his prices (and revenues) have gone up, but his profits have not, as their costs to operate have gone up as well. He said that they are already passing a huge expense on to the customer, and now Council is asking them to pass this on also.

Ms. Hardie said that, from what she can see, there are businesses that have doubled and tripled in Jerome. "Somebody is making a lot of money in this Town," she said, "They aren't doing this to benefit the general population." Addressing the audience, she said, "this issue has been going on for over a month—now you're crying, 'my money'..." Mayor Currier used

his gavel and said "That's enough."

Mayor Currier said that he had initially looked at tourism in Jerome as a daytime thing, and had not considered that there is a nightlife. He said that he would be willing to cut 1% off the proposed restaurant tax increase. Ms. Gale stated that it would then be a total of 10.85% that they would charge.

Mayor Currier said, "I know that doesn't make you happy, but we need money. It is not just Main Street, there are other needs in this Town. We need to educate our people and we take pride in our Library. There are a lot of other things we need. We need to fix School Street and the sewer in the Gulch..."

Mr. Venker apologized for not making it to the previous meetings, and said that he believes the issue is not the tax rate itself, but the "unfair application of taxation." "It would stand to reason," he said, "that we should be raising the sales tax on all businesses."

Mayor Currier asked Council for their thoughts.

Vice Mayor Freund referenced the "whopping costs in our budget," noting that our police and fire budgets combined total over \$600,000 per year. He said that these budgets would not be so large if we didn't have a large number of tourists coming here, and added that he believes that we do need to raise some revenue and do some infrastructure repair, noting specifically our cobblestone streets and sewer lines. The Vice Mayor also said that he agrees with Mayor Currier that Council should consider, in response to comments received, lowering the amount of the increase. That means, he said, that we would have to cut some of the infrastructure repairs and other expenditures.

Councilmember Vander Horst said that he is not in favor of burdening restaurants and hotels with additional taxes. We have millions of dollars worth of drainage issues that need to be fixed, he said, and noted that the number one project identified in the drainage study would cost \$1.5 million and the second would cost \$500,000.00. The Town has not had a capital fund before, he said, but he feels we need that.

Mr. Vander Horst went on to say that:

- The Town should consider outsourcing some of its departments, including sanitation.
- He feels that Council has not looked sufficiently at cutting expenses.
- He thinks that we need to deal with the issue that not everyone may be paying their taxes. "I don't know how much it is," he said, "but I sense this could be a big number."

He said again that he is not in favor of "picking out these two industries in Town and saying 'you're going to fund the things we need.'"

Regarding cutting expenses, Mayor Currier noted that the Manager had already reviewed expenses with the department heads. "It's not that this hasn't been done—it's just that you haven't seen the work. I think if you were here doing the same thing Candace did, you'd come up with the same answers. The dollar isn't the same as it was fifteen years ago." Councilmember Vander Horst opined that "very few department heads are going to say take 10% out of my budget."

Mayor Currier went on to say that "last year we went line by line on the budget, just like we've done every year. This idea that we can cut budgets, that these people don't need to make money and they don't need insurance ..."

Ms. Gale said that they understand that the Town is trying to pay for things, and stated that, if the tax were spread evenly among all businesses, the rate would be 10.45%.¹ "That is the number we're looking at," she said, "and I think it's important to say those numbers." Ms. Gallagher noted that this rate assumes that the bed tax of 3% would be in place. There was a brief discussion regarding rates in the Verde Valley.

Mary Wills, a shop owner and Jerome resident, asked, "Why not cut five percent from every department except Public Works?" Ms. Gallagher stated that that is an oversimplification. She explained that some costs are fixed in some departments. In some cases you might be able to do that, she said, but, in any case, something would have to go in terms of service or

¹ For clarification and further details, see additional discussion on the next page.

projects. Rebecca Cretti, Finance Director, agreed, and said that that is definitely an oversimplification.

Mr. Jurisin asked Ms. Cretti what other cities do when they need to improve roads and infrastructure. Ms. Cretti replied that we could do a bond. It would produce debt, she said, but that is how you get improvements.

Ms. Gallagher noted that, over the last six years, the Town has obtained \$1.7 million in grants. Mayor Currier noted that most of those come through NACOG, and he sits on that board. "We've been told Washington is drying up," he said. "We could try and float property bonds; that calls for a referendum. I would expect a larger audience on that, and it would be very difficult."

Mr. Altherr asked, "Where is the limit? You have to live within the budget. There are things the Town has to do ... it seems that everything is more expensive. However, if the Town continues on this same path, I would say in 20 years we will be at 20% tax."

Mayor Currier said that, for many years, the only thing the Town did was "deferred maintenance, and now it is biting us." He spoke of problems that need to be addressed, including rebuilding our regulators.

Ms. Vojnic said that, in the 1970's, the Town did a bond issue for the water system, and rates were raised accordingly to make the payments. None of the money from the water system could go to anything else. She said that she believes that bonding is the only way to get the infrastructure done. Raising the sales tax won't do it.

Mayor Currier noted that they are worried about being able to get the "honey truck" down to the sewer plant. The engineers said that it would cost \$400,000 to repair that road, and they charged five or six thousand dollars to tell us that.

Donna Chesler, president of the Chamber of Commerce, said that she has spoken to several small businesses in the last two weeks, and the general feeling was that there shouldn't be discrimination, and that all the businesses should be willing to pay a little more tax. She believes that this is the general feeling of the businesses in Town.

Mayor Currier asked Ms. Gallagher how much we were hoping to get out of these two taxes originally. Ms. Gallagher replied that they would provide \$183,000 annually. Mayor Currier asked her how much would we have to raise the sales tax across the Board to bring in the same revenue. Ms. Gallagher asked to take five minutes and she would come back with that information. Mayor Currier called a five minute break at 6:35 p.m.

Mayor Currier called the meeting back to order at 6:54 p.m.

Ms. Gallagher said that, in order to do an across the board increase that would bring in the same amount of revenue we're looking at now, the sales tax rate would need to increase from 3.5% to somewhere between 4.3% and 4.4%. That would bring the total tax rate to somewhere between 10.65% and 10.75%. She distributed handouts with detailed information, and explained her calculations. Ms. Gale asked if this anticipates a bed tax, and Ms. Gallagher replied that it does not.

Ms. Gallagher noted that some of this revenue would go directly into the capital fund for future improvements. Right now, she said, there is \$27,000 going into the capital fund from the general fund.

Anne Conlin, a local business owner and resident, asked if the proposed budget includes across the board raises for Town staff. Ms. Gallagher confirmed that it includes a 2.3% across the board increase for all except the librarian, who would be getting a larger increase because she is being recognized as a department head. Ms. Conlin asked if it was standard Town practice to award a 2.3% increase, and whether the Council has compared Town salary levels. Mayor Currier said that the County just did a 2% increase, but he is not sure what the other towns did. Ms. Conlin asked how much the 2.3% increase amounts to. Council-member Vander Horst said that it comes to \$18,000 more annually.

Mayor Currier said that, while Council was in recess, it was suggested to him that we might abandon the purchase of the bobcat (skid steer). Ms. Gallagher noted that most of the funds for that purchase are coming from the utility accounts.

Jerry Vojnic, a local business owner, said that he understood that we are putting \$13,000 into

repairing a backhoe from the 1990's, and he considers that a waste of money. He asked why we are "stuck with that burden of repairing things." Mayor Currier told him that this is not unique for Jerome--it's happening everywhere in the country. "All the small towns are facing the same thing," he said.

Mrs. Vojnic asked if they could guarantee that this money will "go for something that we can see directly." "I hope so," Mayor Currier replied, adding that one of those things was the purchase of a bobcat, which, he said, may or may not happen, "or maybe we should spend that money on a backhoe," noting that Council had debated this recently. Ms. Gallagher explained that Mr. Dement has looked very carefully at the backhoe. To get a used backhoe with only 400 hours less than ours, she said, would cost us \$25,000 to \$30,000, and he does not feel it is worth it. The repair cost for our backhoe was estimated at between \$5,000 and \$13,000, and the people who looked at it in order to value it for a trade-in said that it was in great shape. Mr. Dement's considered opinion, she said, is that it will be better to put \$13,000 into our existing backhoe than to purchase another used one.

Mr. Vojnic commented that more preventative maintenance could have made the equipment last longer. Ms. Gallagher agreed, and added that the Town is doing better with that now than in the past.

Mary Wills asked if a backhoe could be financed, and how much revenue it would bring in if the tax rate was raised 9.95%.

Mr. Jurisin said, "If we settled the lawsuit, we could have everything." Vice Mayor Freund countered, "We could lose our residents." "We are up against the Goldwater Institute," Mr. Jurisin replied. "It's a harsh reality, but I've never seen the Town fare well in these lawsuits." Ms. Gale commented that there is no upside to these lawsuits. Mayor Currier noted, "You must remember—three out of four citizens said to go for it." Mr. Jurisin said that the citizens don't have a vested interest, because they are not paying for the lawsuit ... the businesses are. The Mayor noted said he represents the people, not only the businesses. He tries to figure out what they want to do, and that's what he does.

Ms. Conlin said, "I know that the people spoke loudly about the vacation rental issue, but as the elected Council, is it not your job to responsibly assess your chances of success in this lawsuit and weigh that against the proposed cost, and make a decision that might not be popular?" Mayor Currier replied, "The prior Council tried that, and you notice where they are." Someone in the audience (not identified) commented that "that doesn't mean it wasn't the right choice."

As this discussion continued, Ms. Gallagher noted that the discussion was veering away from the budget. Mayor Currier called a point of order, and discussion returned to the budget.

With respect to litigation expenses, Ms. Gallagher explained that there is \$100,000.00 set aside in the contingency fund. That fund, she said, has its own revenue source and is not funded by sales tax revenues. If spent, that money would come from the general fund balance.

Mr. Jurisin commented that we could go up to \$400,000, as that is what we have in reserve. Ms. Gallagher clarified that it is equity; there is not \$400,000 in cash. She added that we cannot exceed our budget without suffering consequences from the State. Mr. Jurisin said, "If the lawsuit went over \$100,000, we'd have to figure out different places to get those funds."

Mayor Currier asked that discussion return to the budget. He noted that Council has discussed dropping the bed tax down to 2%, lowering the restaurant and bar tax from 2% to 1%, "a sunset on the one year," and eliminating the purchase of a bobcat.

Someone (not identified) in the audience brought up cutting department expenses. Vice Mayor Freund said, "This is not a fat budget." Ms. Wills disagreed, noting that the police and court budgets together come to about half a million dollars. "I would prefer less protection," she said. Mr. Jurisin agreed.

In response to a comment from Councilmember Vander Horst, Ms. Gallagher clarified that we have not increased the number of our police officers. We still have four full-time and two part-time officers.

There was a brief discussion regarding the profitability of the municipal court. Ms. Cretti noted that the court revenue doesn't come from the court, but the activity of the police department. Ms. Gallagher explained that the court is profitable. Expenses this year are

budgeted at \$67,000 and revenue is anticipated to be \$80,000 (net of court enhancement revenues and their expenditure, which is a wash). Mayor Currier added that, if we used the court in Clarkdale, we would still have the expense of a prosecutor. Mrs. Vojnic could not reconcile those numbers with numbers obtained from the website, and said that she does not see why we would need a full-time judge.

Mayor Currier said that getting into cutting expenses when those involved are not present is not the way to conduct business. He noted that the tentative budget can still be reduced prior to final adoption.

Mrs. Vojnic said that she would like to make a suggestion for next year. "I would like to know why we need some of these departments," she said. "When you have a town this size, you just simply don't need that. We need to look at these departments and why are they full-time, are they truly necessary and beneficial."

Mayor Currier commented that there is something called Parkinson's law: work expands to fill the time allotted, and staff expands to fill the chairs available. He assured her, however, that "we will do what we can to control it."

Ms. Gale said that she believes the sunset tax is a good idea, and that there are other revenue sources that haven't been looked at. As an example, she said, the Civic Center had been rented at one time, but the rent went up so people moved out.

Ms. Wills suggested lowering the rent for the Town Hall rentals. She also asked if the cemetery property had ever been sold. Mayor Currier said that that is in play.

Ms. Kennedy suggested that a sunset sales tax be done for all the businesses. She too brought up the size of Town departments and their payroll.

Mayor Currier asked the Council about their thoughts on the bed tax.

Vice Mayor Freund and Councilmember Barber expressed support for a 2% tax.

Councilmember Vander Horst stated that he was not in favor of the tax. He would be in favor of cutting some of the things out of the budget, such as the skid steer. He feels we could reduce what we need and have an across the board, one year tax increase of something less than what has been discussed.

Mayor Currier then asked how the Council felt about the restaurant and bar tax.

Vice Mayor Freund said that he was in favor of that, and Councilmember Barber, after considerable thought, said that she would agree to a 1% (rather than 2%) increase.

The Mayor asked about "sunsetting" the tax. It appeared that the Council was in favor of making the increase temporary (one year).

Ms. Gallagher said that Council will need to decide what cuts they will make to balance the budget when reducing the restaurant tax increase to 1%. One way to do that, she said, would be to eliminate the \$27,000 transferred from the General Fund to the capital fund for unspecified improvements. The possibility of eliminating the purchase of the bobcat was discussed. It was noted that the equipment would be very useful for some of the projects we have coming up.

Ms. Gallagher said that another way to make up that revenue would be to increase the sanitation rates by 20%. That would eliminate the need for the General Fund to subsidize that account. She said that, for a family of two, this would come to about \$4.50 a month, and for a medium business about \$9.00 a month, but it would bring the sanitation fund to self-balancing. This was discussed at some length.

Mr. Jurisin said that his utility bill was just under a thousand a month, and he would rather pay the extra 20% in sanitation fees than the extra amount in taxes.

Mr. Altherr said that utilities should break even at least. "I am not happy with writing that check either," he said, "but that sounds better than that increase in taxes."

It was generally agreed to increase sanitation rates by 20%.

Ms. Gallagher recapped Council's decisions thus far: 2% bed tax, 1% added restaurant/bar tax with a one year sunset clause, and a 20% increase in sanitation fees.

Mayor Currier asked about sewer rates, noting that the general fund is subsidizing sewer by

	<p>\$9,000. Ms. Gallagher suggested that this may be a discussion for another day, because sewer rates are more complicated than sanitation rates.</p> <p>Discussion returned to the bobcat. Council had no objection to leaving that in the budget if the sanitation rate increase will cover it.</p> <p>Ms. Wills again brought up the rentals in the Civic Center building, stating that the rent is too high. Ms. Gallagher said that the current rental price is close to \$500 a month. Mayor Currier agreed that the rent should be lowered. Ms. Cretti noted that one of the main problems is with the heating and cooling. It was discussed that the solution may be mini splits. Mayor Currier asked that the rentals be discussed at the next Council meeting.</p> <p>Councilmember Vander Horst said that he would like Council to make the commitment over the next year to look at four things: 1. Outsourcing some of our services; 2. Finding additional revenues; 3. Looking at expenses more carefully; and 4. Finding a way to make sure that everyone is paying their sales tax. Mayor Currier said that he agreed with all of that.</p> <p>Councilmember Vander Horst asked that the Council commit to that.</p> <p>Vice Mayor Freund said that he would be concerned about outsourcing some of the things that defines Jerome's character. "If we outsource everything," he asked, "what would we have left?"</p> <p>Councilmember Barber said that she would not object to reviewing overall expenses and possibly looking into outsourcing.</p> <p>Ms. Gallagher addressed those in attendance to say that there were a lot of good suggestions made at this meeting, and she would encourage them to start attending more budget meetings. She noted that budget workshops in the past were scheduled at different times and different locations, and no one showed up. Many in attendance indicated that they would like to be more involved in the budget meetings next year, and Mr. Jurisin stated that, if they had known about the tax increases, they would have been here right away. Mayor Currier noted that he had gone to the Chamber meeting and announced that they were beginning budget meetings. Ms. Gale confirmed that, but said that he did not make it clear that Council was contemplating a tax increase.</p> <p>Councilmember Vander Horst said that "the residents of this Town and the people in our audience are our customers and we need to treat you as such. This also comes with a responsibility from you to let us know what you need."</p> <p>Mr. Jurisin once again expressed his dissatisfaction with the tax increases.</p> <p>Mayor Currier reiterated that Council can still cut the budget after the tentative budget is approved.</p>
<p>ITEM #3:</p>	<p>ADJOURNMENT</p> <p>Motion: Upon motion by Vice Mayor Freund, seconded by Councilmember Vander Horst and unanimously approved, the meeting was adjourned at 7:41 p.m.</p>

Edited by Town Manager/Clerk Candace Gallagher from minutes taken and transcribed by Deputy Town Clerk Joni Savage.

APPROVE:

ATTEST:

Lew Currier, Mayor

Candace B. Gallagher, CMC, Town Manager/Clerk

Date: _____