



Town of Camp Verde Vision Statement

"Camp Verde is welcoming, a safe community, a vibrant economy, thoughtfully growing, and offering an exceptional quality of life."

**AMENDED AGENDA
TOWN OF CAMP VERDE
REGULAR SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, FEBRUARY 4, 2026 at 6:00 P.M.
ZOOM MEETING LINK:
<https://us02web.zoom.us/j/84658505258?pwd=QzcKkM0GExoAIwR4lPQ0hD9C3no6p7.1>
one Tap Mobile: 1-253-215-8782 or 1-346-248-7799
Meeting ID: 846 5850 5258
Passcode: 661369**

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

1. **Call to Order**
2. **Roll Call.** Council Members Brian Bolton, Robert Foreman, Robin Godwin, Jessie Murdock, Patricia Seybold, Vice Mayor Wendy Escoffier, and Mayor Marie Moore.
3. **Pledge of Allegiance**
4. **Consent Agenda** – All those items listed below may be approved by one motion as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.
 - a) **Approval of the Minutes:**
 - 1) Work Session – January 14, 2026 at 5:00 p.m. Pg. 5
 - 2) Regular Session – January 21, 2026 at 5:00 p.m. Pg. 9
 - b) **Set Next Meeting, Date and Time:**
 - 1) Special Session – February 11, 2026 at 5:00 p.m.
 - 2) Regular Session – February 18, 2026 at 6:00 p.m.
 - 3) Special Session – February 20, 2026 at 2:00 p.m.
 - 4) Work Session – February 25, 2026 at 5:00 p.m.
 - 5) Regular Session – March 4, 2026 at 6:00 p.m. - **Cancelled**
 - 6) Special Session – March 11, 2026 at 5:00 p.m.
5. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)** Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to ARS §38-431.01(H))
6. **Summary of Current Events.** The Town Council and the Town Manager may provide brief summaries of current events and activities. These summaries are strictly for informing the public

of such events and activities. The Council will not propose, discuss, deliberate or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda. Summaries may include committee meetings that Council members attend. The Committees are: Copper Canyon Fire & Medical District, Yavapai College Governing Board, Yavapai-Apache Nation, Intergovernmental Association, NACOG Regional Council, Verde Valley Regional Economic Organization (VVREO), League Resolutions Committee, Arizona Municipal Risk Retention Pool, Verde Valley Transportation Org, Verde Valley Transit Committee, Verde Valley Water Users, Verde Valley Homeless Coalition, Verde Front, Verde Valley Steering Committee of MAT Force, Public Safety Personnel Retirement Board, Sustaining Flows, Earth Day, Camp Verde School District, Friends of the Verde River and Verde Valley Housing Advisory Committee.

- ~~7. **Discussion, consideration and possible approval of a wired telecommunications license and right-of-way use agreement between the Town of Camp Verde and Wecom LLC.** Staff Resource: Economic Development Specialist David Meyers. Pg. 17~~
7. **Discussion, consideration, and possible approval of an amendment to the Financial Operations Guide adding an Emergency Expenditure provision to the Purchasing Policies section.** Staff Resource: Town Manager Miranda Fisher. Pg. 59
8. **Discussion, consideration, and possible approval of a contract award to Mulcaire & Son Contracting, in the amount not to exceed \$63,100, for excavation, hauling, and disposal of contaminated soil at the West Lagoon at the Wastewater Treatment Plant.** Staff Resource: Utilities Director Lisa Vaughan and Wastewater Division Manager Chet Teague. Pg. 135
9. **Discussion, consideration and possible approval of amendments to the Town's Personnel Manual.** Staff Resource: HR Director Julia Kaiser. Pg. 147
10. **Discussion, consideration, and possible approval of Ordinance 2026-A510, an ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, amending Chapter 3 (Administration), Article 2 (Officers), Sections 3-2-1(C) and 3-2-4 of the Town Municipal Code to remove position-specific residency requirements for the Town Manager and Town Marshal.** Staff Resource: Town Manager Miranda Fisher. Pg. 247
11. **Discussion, consideration and possible direction on the annual Community Satisfaction and Strategic Priorities Survey questions.** Staff Resource: Town Manager Miranda Fisher. Pg. 253
12. **Adjournment**
Note: Upon a public majority vote of a quorum of the Town Council, the Council may hold an executive session, which will not be open to the public, regarding any item listed on the agenda but only for the purpose of discussion or consultation for legal advice with the Town Attorney as permitted by A.R.S. § 38-431.03(A)(3). Any other executive sessions will be separately included on the agenda above if an executive session will be held at the meeting.

Pursuant to A.R.S. §38-431.01 Meetings shall be open to the public - All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public

meeting. Pursuant to Town Code, Section 2-3-7.1 the Mayor shall call for a vote of the Council to allow the meeting to continue past the deadline of 10:00 p.m. The Town of Camp Verde Council Chambers is accessible to persons with disabilities. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk at 928-554-0021.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the Town of Camp Verde and Bashas on February 2, 2026 at 5:00 p.m. in accordance with the statement filed by the Camp Verde Town Council with the Town Clerk

Leah Rhodes

Leah Rhodes, Town Clerk

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DRAFT MINUTES
TOWN OF CAMP VERDE
WORK SESSION (PUBLIC PORTION)
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, JANUARY 14, 2026 at 5:00 P.M.

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

1. Call to Order

Mayor Moore called the meeting to order at 5:00 p.m.

2. Roll Call.

Councilor Brian Bolton, Councilor Robert Foreman, Councilor Robin Godwin, Councilor Jessie Murdock, Councilor Patricia Seybold, Vice Mayor Wendy Escoffier and Mayor Marie Moore.

Also Present

Town Manager Miranda Fisher, Town Attorney Amy Chan and Town Clerk Leah Rhodes.

3. Pledge of Allegiance

Councilor Murdock led the Pledge.

4. Discussion, consideration, and possible approval of up to \$250,000 from the existing WIFA infrastructure grant to complete replacement of the Town's remaining water meters, integrate the new meters with Town systems, and conduct visual inspections with photographic documentation at each installation. Staff Resource: Utilities Director Lisa Vaughan.

Water Division Manager Rich Jewel and Utilities Director Lisa Vaughn provided an overview of the project involving the installation and replacement of integrated water meters throughout the Town, including a summary of the grant funding and required grant match. The approval of the request would authorize staff to award the installation contract to Tierra Water Management.

Town Manager Fisher, Utilities Director Lisa Vaughn and Water Division Manager Jewel responded to questions from the Council.

On a **motion** made by Councilor Bolton, seconded by Vice Mayor Escoffier, the Council **moved to approve** authorizing up to \$250,000 from the existing WIFA infrastructure grant to complete replacement of the Town's remaining water meters, integrate the new meters

with Town systems, and conduct visual inspections with photographic documentation at each installation.

Roll Call Vote:

Councilor Bolton: aye
Councilor Seybold: aye
Councilor Foreman: aye
Councilor Murdock: aye
Councilor Godwin: aye
Vice Mayor Escoffier: aye
Mayor Moore: aye

Motion Carried 7-0.

Mayor Moore read Agenda Items 5 and 6.

A **motion** was made by Vice Mayor Escoffier to go into Executive Session for Items 5 and 6. Councilor Godwin seconded the motion.

Roll Call Vote:

Councilor Bolton: aye
Councilor Seybold: aye
Councilor Foreman: aye
Councilor Murdock: aye
Councilor Godwin: aye
Vice Mayor Escoffier: aye
Mayor Moore: aye

Motion Carried 7-0.

5. **An executive session pursuant to A.R.S. § 38-431.03(A)(3) and (A)(4) for legal advice, discussion, and possible instruction to the Town Attorney regarding contracts subject to negotiation; all related to library operations.** Staff Resource: Town Manager Miranda Fisher.
6. **An executive session pursuant to A.R.S. § 38-431.03(A)(3), (A)(4) and (A)(7) for discussion or consultation for legal advice and to instruct its attorneys regarding contracts that are subject to negotiation for the lease of real property; all related to an Intergovernmental Agreement between the Town of Camp Verde and the Camp Verde Unified School District.** Staff Resource: Town Manager Miranda Fisher.

Mayor Moore reconvened the Regular Session at 6:27pm.

Mayor Moore stated direction was given to staff for Items 5 and 6.

7. Adjournment

Mayor Moore adjourned the meeting at 6:27 p.m.

Mayor Marie Moore

Attest: Leah Rhodes, Town Clerk

CERTIFICATION

I, Town Clerk Leah Rhodes, hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Work Session of the Town Council of Camp Verde, Arizona, held on January 14, 2026. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2026.

Leah Rhodes, Town Clerk

DRAFT

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DRAFT MINUTES
TOWN OF CAMP VERDE
REGULAR SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, JANUARY 21, 2026 at 6:00 P.M.

Note: Council member(s) may attend Council Sessions either in person, by telephone, or internet/video conferencing.

1. Call to Order

Mayor Moore called meeting to order at 6:00 p.m.

2. Roll Call. Council Members Brian Bolton, Robert Foreman (absent), Robin Godwin, Jessie Murdock, Patricia Seybold, Vice Mayor Wendy Escoffier, and Mayor Marie Moore.

Also Present

Town Manager Miranda Fisher, Town Attorney Trish Stuhan, and Town Clerk Leah Rhodes.

3. Pledge of Allegiance

Councilor Godwin led the Pledge.

Mayor Moore stated that on Agenda Item 8, the applicant withdrew their request for a text amendment, therefore, the agenda item will not be discussed.

4. Consent Agenda – All those items listed below may be approved by one motion as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

a) Approval of the Minutes:

- 1) Regular Session – January 7, 2026 at 6:00 p.m.

b) Set Next Meeting, Date and Time:

- 1) Work Session – January 28, 2026 at 5:00 p.m.
- 2) Regular Session – February 4, 2026 at 6:00 p.m.
- 3) Regular Session – February 18, 2026 at 6:00 p.m.

On a **motion** made by Vice Mayor Escoffier, seconded by Councilor Seybold, the Council **moved to approve** the consent agenda as presented.

Roll Call Vote:

Councilor Bolton: aye

Councilor Seybold: aye

Councilor Foreman: absent

Councilor Murdock: aye

Councilor Godwin: aye

Vice Mayor Escoffier: aye

Mayor Moore: aye

Motion Carried 6-0.

5. **Call to the Public for items not on the Agenda. (Please complete Request to Speak Card and turn in to the Clerk.)** Residents are encouraged to comment about any matter NOT included on the agenda. State law prevents the Council from taking any action on items not on the agenda. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. (Pursuant to ARS §38-431.01(H))

Public Comment:

Brian Brosgart, on behalf of Salt Mine Road residents, requested that instead of limiting notification to individuals within 300 feet of a significant agenda item, the Town post meeting notice, whether for Town Council or Planning and Zoning meetings, on or near the affected property to better inform area residents.

6. **Summary of Current Events.** The Town Council and the Town Manager may provide brief summaries of current events and activities. These summaries are strictly for informing the public of such events and activities. The Council will not propose, discuss, deliberate or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda. Summaries may include committee meetings that Council members attend. The Committees are: Copper Canyon Fire & Medical District, Yavapai College Governing Board, Yavapai-Apache Nation, Intergovernmental Association, NACOG Regional Council, Verde Valley Regional Economic Organization (VVREO), League Resolutions Committee, Arizona Municipal Risk Retention Pool, Verde Valley Transportation Org, Verde Valley Transit Committee, Verde Valley Water Users, Verde Valley Homeless Coalition, Verde Front, Verde Valley Steering Committee of MAT Force, Public Safety Personnel Retirement Board, Sustaining Flows, Earth Day, Camp Verde School District, Friends of the Verde River and Verde Valley Housing Advisory Committee.

The Mayor, Council and Town Manager shared updates regarding current events and events they previously attended.

7. **Special Announcements and Presentations.** All presentations are limited to 15-minutes.

- **Presentation on the Town Facilities Low-Water Fixture Project Resulting from the EcoBlue Audit.** Staff Resource: Stormwater Specialist Patricia Mancini.

Stormwater Specialist Patricia Mancini provided a summary of the EcoBlue Water Audit, conducted as part of the Growing Water Smart action plan, which identified the potential to save the Town up to 600,000 gallons of water annually through the installation of low-water-use fixtures. Stormwater Specialist Mancini reported that installation of the fixtures had begun and that project completion is anticipated by January 31, 2026.

Stormwater Specialist Mancini introduced Water Planning Analyst Caitlin Montano from the Salt River Project (SRP) whose support was instrumental in making the project possible. Ms. Montano shared SRP's involvement in the Town and the sustainability goals; including a goal to help conserve 5 billion gallons of water in the community through partnerships by 2035.

- **Parks and Recreation Q4 2025 Update.** Resource: Chair Candra Faulkner.

Parks and Recreation Commission Chair Faulkner presented the 2025 Quarter Four updates from the Parks and Recreation Commission to the Council.

- **Planning and Zoning Commission Q4 Update.** Resource: Vice Chair Renee Hall.

Planning and Zoning Commission Vice Chair Hall presented the 2025 Quarter Four updates from the Planning and Zoning Commission to the Council.

Presentation of the FY26 Strategic Plan Action Plan Quarterly Update. Staff Resource: Town Manager Miranda Fisher.

Town Manager Fisher reported that staff are continuing to advance the objectives outlined in the Strategic Plan Action Plan.

Vice Mayor Escoffier applauded that the Agenda Information Memorandums include a reference indicating how each agenda item aligns with the Town's Strategic Plan.

- **Status update on agenda items discussed by Town Council in Q4 2025.** Staff Resource: Town Manager Miranda Fisher.

Town Manager Fisher noted that updates on agenda items that were discussed by Council in Quarter Four 2025 were included in the meeting packet and inquired whether Council had any questions.

Mayor Moore suggested that, going forward, the status of agenda items be provided on a quarterly basis via the Town's website and included in the Town Manager's Report.

8. **Public Hearing Continuation: Discussion, consideration, and possible approval of Ordinance 2024-A508, an Ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, amending the Planning and Zoning Ordinance Section 203.A – R1L District, allowing Wedding Venues with a Use Permit.** Staff Resource: Town Manager Miranda Fisher.

Mayor Moore reminded the audience in attendance that Item 8 was removed for consideration following the applicant's withdrawal of the text amendment request.

9. Presentation of FY25 Community Outreach Fund awardee reports and discussion, consideration, and possible direction on FY26 Community Outreach fund distribution. Staff Resource: Town Manager Miranda Fisher.

Town Manager Fisher provided a summary of the awardees of the FY25 Community Outreach fund distribution. Additionally, Town Manager Fisher stated that she needed direction from Council on the FY26 Community Outreach fund distributions.

Town Manager Fisher stated that several of the awardees were in the audience. Mayor Moore asked the award recipients if they would like to speak.

Corbett Stone, Pastor of Calvary Chapel, provided an overview of the funds used to help the residents in need in the Town of Camp Verde. Town Council directed Mr. Stone to keep Town staff informed when they spent all the funds, since their award has not been fully expended.

Erin Mabery, Executive Director of The Station on 6th (formerly the Verde Valley Senior Center), provided an overview of the funds used to help the residents of the Town and the surrounding communities.

Candra Faulkner, President of the Camp Verde Senior Center, provided an overview of the funds used to install new windows at the Camp Verde Senior Center.

Dan Maya, Representative of the 7th Day Adventist Food Bank, provided an overview of the funds used to install a concrete pad for residents with disabilities to access the food bank.

Pam Barton, Representative of Home for New Beginnings, provided an overview of the funds used to accumulate data on homeless kids in the community as well as a new program implemented called Teens in Action.

Mayor Moore stated the FY26 Community Outreach fund has been reduced from \$50,000 to \$20,000. Mayor Moore expressed interest in exploring possibly using the funds to assist community members after they've experienced a major tragedy or emergency situation. Mayor Moore requested input from Town Attorney Trish Stuhan on clarification regarding what circumstances would qualify as an extreme or emergency situation.

Attorney Stuhan stated that establishing funds for community assistance or emergency relief is a common practice among cities and towns. Attorney Stuhan also provided guidance on how to go about implementing programs for community assistance.

Town Manager Fisher discussed the potential for partnering with other organizations who provide emergency support services and allocating funding to assist residents within the community.

Several Council Members expressed support for the Town's current process for distributing Community Outreach funds to local organizations.

The Council reached consensus to form a subcommittee to evaluate the FY26 Community Outreach Funds once received. Town staff were directed to assess the possibility of creating an emergency fund for the FY27 budget.

Town Manager Fisher stated her intention was to release the applications as soon as possible with a possible award date of May 2027. Town Manager Fisher responded to questions from the Council.

Mayor Moore recessed the meeting for a break at 7:30 p.m. and reconvened the meeting at 7:38 p.m.

10. Status Update for the Phase 1 Improvement Projects at the Sports Complex. Staff Resource: CIP Manager Martin Smith.

CIP Manager Smith provided an overview of the recent progress, current activities, and upcoming milestones related to the Sports Complex. In addition, CIP Manager Smith highlighted the work that has been completed to date, identified remaining components of Phase 1 and outlined the timeline and next steps for bringing the project full completion.

CIP Manager Smith requested input from the Council on whether they wanted to revisit making the McCracken Lane entrance an official entrance point to the Sports Complex.

The Council discussed their concerns as well as some public input from residents regarding opening the McCracken Lane Entrance to the Sports Complex.

Town Manager Fisher reported on discussions she has had with the Arizona Department of Transportation (ADOT) and the Camp Verde Marshal's Office regarding safety concerns at the McCracken, Quarterhorse, and 260 area. Town Manager Fisher stated the possibility of evaluating the feasibility of a signalized intersection at that location, noting that any such determination would be subject to ADOT's review.

Mayor Moore spoke on the need for additional signage at the McCracken entrance and road.

The Council agreed for staff to engage in conversations with representatives from ADOT and then organize a neighborhood meeting to hear the concerns of the residents with a representative from ADOT.

Town Manger Fisher and CIP Manager Smith responded to questions from the Council.

11. **Discussion, consideration, and possible award of proposal for the installation of the Sports Complex concession and restroom building to AW Contracting in an amount not to exceed \$125,000.00.** Staff Resource: CIP Manager Martin Smith.

CIP Manager Smith provided an overview of the proposal with AW contracting for the concession and restroom building at the Sports Complex.

CIP Manager Smith responded to questions from the Council.

On a **motion** made by Councilor Godwin, seconded by Councilor Bolton, the Council **moved to award** the contract for the Installation of the Sports Complex Concession / Restroom Building to AW Contracting in an amount not to exceed \$125,000.00.

Roll Call Vote:

Councilor Bolton: aye

Councilor Seybold: aye

Councilor Foreman: absent

Councilor Murdock: aye

Councilor Godwin: aye

Vice Mayor Escoffier: aye

Mayor Moore: aye

Motion Carried 6-0.

12. **Discussion, consideration, and possible approval of Change Order 1 for the Sports Complex concession and restroom building to Restroom Facilities, Ltd. in an amount not to exceed \$50,000.00.** CIP Manager Martin Smith.

CIP Manager Smith provided an overview of the installation process and stated that the Change Order 1 for the Sports Complex concession and restroom building addresses costs associated with the current storage of the building offsite.

Town Manager Fisher and CIP Manager Smith responded to questions from Council.

On a **motion** made by Councilor Murdock, seconded by Vice Mayor Escoffier, the Council **moved to approve** Change Order 1 for the Sports Complex Concession / Restroom Building to Restroom Facilities, Ltd. for storage fees in an amount not to exceed \$50,000.00.

Roll Call Vote:

Councilor Bolton: aye

Councilor Seybold: aye

Councilor Foreman: absent

Councilor Murdock: aye

Councilor Godwin: aye

Vice Mayor Escoffier: aye

Mayor Moore: aye

Motion Carried 6-0.

13. **Discussion, consideration, and ratification of Change Orders 1 and 2 for the Community Park Irrigation Improvements Project.** Staff Resource: CIP Manager Martin Smith.

CIP Manager Smith provided an overview of Change Order 1, which would allow for a line to connect to the ditch for water access for irrigation for the Community Park. Change Order 2 was for the meter necessary for the use of potable water.

Town Manager Fisher stated that the Change Orders would need to be approved through a ratification because Mayor Moore had already signed the agreement because the vendor was already on site, and it was important to keep the work moving forward.

Town Manager Fisher and CIP Manager Smith responded to questions from the Council.

On a **motion** made by Councilor Godwin, seconded by Councilor Seybold, the Council **moved to ratify** the Mayor's prior approval of Change Order No. 1 and Change Order No. 2 for the Community Park Irrigation Improvements Project, including installation of the 4-inch irrigation water main and the potable water connection, in amounts not to exceed \$32,316.57 and \$29,813.00, respectively.

Roll Call Vote:

Councilor Bolton: aye

Councilor Seybold: aye

Councilor Foreman: absent

Councilor Murdock: aye

Councilor Godwin: aye

Vice Mayor Escoffier: aye

Mayor Moore: aye

Motion Carried 6-0.

14. **Discussion, consideration, and possible award of proposal for the engineering design of the Moonrise Drive Watermain Replacement Project to Valentine Environmental Engineers in an amount not to exceed \$75,000.00.** Staff Resource: CIP Manager Martin Smith.

CIP Manager Smith provided an overview of the Moonrise Drive Watermain and the increasing frequency of leaks, resulting in a continual and growing demand on Town resources for emergency repairs and maintenance. CIP Manager Smith summarized the Request for Proposal process and reported that Valentine Environmental Engineers received the highest overall score from the evaluation committee.

CIP Manager Smith responded to questions from the Council.

On a **motion** made by Vice Mayor Escoffier, seconded by Councilor Seybold, the Council **moved to award** the contract for Professional Services for the engineering design of the Moonrise Drive Watermain Replacement Project to Valentine Environmental Engineers in an amount not to exceed \$75,000.00.

Roll Call Vote:

Councilor Bolton: aye

Councilor Seybold: aye

Councilor Foreman: absent

Councilor Murdock: aye

Councilor Godwin: aye

Vice Mayor Escoffier: aye

Mayor Moore: aye

Motion Carried 6-0.

15. Adjournment

Mayor Moore adjourned the meeting at 8:48 p.m.

Mayor Marie Moore

Attest: Leah Rhodes, Town Clerk

CERTIFICATION

I, Town Clerk Leah Rhodes, hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on January 21, 2026. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2026.

Leah Rhodes, Town Clerk



~~Meeting Date:~~ February 4, 2026

~~Agenda Item Type:~~

- | | | |
|---|--|---|
| ☐ ~~Consent Agenda~~ | ☐ ~~Informational Presentation~~ | ☐ ~~Discussion Item~~ |
| ☒ ~~Action/Decision Item~~ | ☐ ~~Executive Session Request~~ | ☐ ~~Other:~~ |

~~Requesting Department:~~ Economic Development

~~Staff Resource:~~ Economic Development Specialist Dave Meyers

~~Agenda Title:~~ Discussion, consideration and possible approval of a wired telecommunications license and right-of-way use agreement between the Town of Camp Verde and Wecom LLC.

~~Attached Documents:~~ Camp Verde Wired Telecommunications License and ROW Use Agreement (2026.1.7)

~~Estimated Presentation Time:~~ 5 minutes

~~Estimated Discussion Time:~~ 10 minutes

~~Reviewed By:~~

- | | | | | |
|---|--|---|---|--|
| ☒ ~~Town Manager~~ | ☒ ~~Legal~~ | ☐ ~~Risk Management~~ | ☐ ~~Finance~~ | ☐ ~~Other:~~ |
|---|--|---|---|--|

~~Financial Review (if applicable):~~

- ~~Funding Source / GL Account Number:~~
- ~~Approved in the FY26 Budget?~~ ☐ ~~Yes~~ ☐ ~~No~~ ☒ ~~N/A~~ ☐ ~~Other:~~
- ~~Is this an approved CIP Project?~~ ☐ ~~Yes~~ ☐ ~~No~~ ☒ ~~N/A~~ ☐ ~~Other:~~

~~Background Information:~~

The Town of Camp Verde has been approached by Wecom LLC, a Kingman, AZ based telecommunications company, seeking authorization to utilize the Town's public rights-of-way to install and operate fiber optic telecommunications facilities. The purpose of this request is to enable Wecom to provide broadband and related wired communication services within the Town of Camp Verde.

Under Arizona law and federal telecommunications statutes, municipalities retain the authority to regulate and manage the use of their public rights-of-way, and to grant non-exclusive licenses to providers of telecommunications services. This authority is derived from A.R.S. §§ 9-581 through 9-583 and 47 U.S.C. § 253, which affirm local control over right-of-way management and allow the Town to require fair, reasonable, and non-discriminatory compensation for use of public property.

The proposed Wired Telecommunications License and Right-of-Way Use Agreement outlines the terms and conditions under which Wecom LLC may construct, operate, and maintain its fiber optic infrastructure within Town-controlled rights-of-way. This Agreement also ensures that such use remains consistent with Town Code requirements, public safety standards, and local permitting and inspection processes.



Town Council Agenda Information Memorandum

~~Connection to the~~ FY25- FY30 Strategic Plan

~~This action supports the FY25- 30 Strategic Plan by enabling improved internet access and telecommunications reliability for local businesses and residents.~~

~~Question(s) before the Council:~~

- ~~• Does Council have any questions for staff?~~

~~Proposed Motion:~~

~~Move to **APPROVE** the Wired Telecommunications License and Right of Way Use Agreement between the Town of Camp Verde and Wecom LLC.~~

~~OR~~

~~Move to **APPROVE** the Wired Telecommunications License and Right of Way Use Agreement between the Town of Camp Verde and Wecom LLC **with the following amendments...**~~

~~OR~~

~~Move to **DENY** the Wired Telecommunications License and Right of Way Use Agreement between the Town of Camp Verde and Wecom LLC.~~

**WIRED TELECOMMUNICATIONS LICENSE
AND
RIGHT-OF-WAY USE AGREEMENT**

This Wired Telecommunications License ("License") and Right-of-Way Use Agreement ("Agreement") is effective as of this ____ day of _____, 2026 (the "Effective Date"), by and between the Town of Camp Verde, an Arizona municipal corporation ("Town") and Wecom LLC.

RECITALS

WHEREAS, Licensee has approached the Town for a telecommunications license and permission to use public right-of-way to enable it to provide services in the Town subject to the requirements of this License and Agreement; and

WHEREAS, Town is authorized to regulate its streets, alleys, and public utility easements, and to grant, renew, deny, amend, and terminate licenses for and otherwise regulate the installation, operation, and maintenance of telecommunications facilities within the Town's boundaries pursuant to the Town's police powers, Camp Verde Town Code, and by virtue of federal (47 U.S.C. § 253) and state statutes (including, but not limited to A.R.S. §§ 9-581, 9-582, and 9-583), and other governmental powers and authority, which provide Town authority over public right-of-way; and

WHEREAS, Town desires to reserve rights to construct, use, and allow others to construct and use all manner of additional improvements in the public right-of-way, while granting Licensee a License to install, operate, maintain, and repair its telecommunications facilities (i.e., cable containing bundles of multiple optical fibers) within the right-of-way; and

WHEREAS Licensee desires a wired telecommunications license and agrees to provide and maintain accurate maps showing the location of its facilities in the Town's right-of-way and other reasonable mapping requirements the Town may establish from time to time to ensure accurate information regarding the location of such facilities;

NOW THEREFORE, in consideration of the foregoing and the covenants and agreements contained in this License and Agreement, and for other good and valuable consideration, the Town hereby grants to Licensee a License pursuant to the terms and conditions set forth herein.

AGREEMENT

SECTION 1. Definitions

ACC means the Arizona Corporation Commission.

A.R.S. means Arizona Revised Statutes.

Backbone means a high-speed network that interconnects smaller, independent networks and is the through-portion of a transmission network (not the spurs that branch off).

Call means the operations required to set up or establish, maintain, and terminate or release a connection through a telephone network in support of a communication between two or more stations. A call comprises a sequence of events that begins when an end user at an originating station initiates a call request to a switch that may work in conjunction with other switches to establish a connection to an end user at a destination station, and concludes when one party (user) terminates the connection.

Claim(s) means and includes losses, claims, damages, suits, actions, payments, judgments, demands, expenses and costs, including, but not limited to, attorney's fees incurred through all appeals.

Coarse Wavelength Division Multiplexing ("CWDM") is a variation of WDM that carries four to eight wavelengths per fiber or more that is designed for short- to medium-haul networks (regional and metropolitan areas).

Commercial Mobile Radio Services means two-way voice commercial mobile radio service as defined by the FCC in 47 CFR 20.3.

Common Carrier means a private company offering interstate or foreign communication by wire or radio or the interstate or foreign transmission of energy to the general public on a non-discriminatory basis.

Conduit means a pipe of either metal, ceramic or plastic that protects buried cables.

Conduit System means any combination of Ducts, Conduits, Manholes, and handholes joined to form an integrated whole.

Contractor means any person, firm, partnership, corporation, association or other organization, or a combination of any of them, that performs services or provides goods relating to this Agreement. Contractor shall include any subcontractor hired and/or used for the performance of services or provision of goods relating to this Agreement.

Dark Fiber means fiber optic strands that are not connected to transmission equipment.

Dense Wavelength Division Multiplex ("DWDM") is a variation of WDM but with much higher bandwidth and density. Using DWDM, up to 80 or more separate wavelengths or channels of data can be multiplexed on a single optical fiber. Each channel carries a time division multiplexed (TDM) signal. Since each channel can carry up to 2.5 Gbps, up to 200 billion bits per second can be delivered by the optical fiber simultaneously.

Duct means a single enclosed tube, pipe, or channel for enclosing and carrying cables, wires and other Facilities.

Equipment means any tangible asset used to install, repair, or maintain Facilities in any ROW.

Facilities means the plant, equipment, and property used in the provision of communication and telecommunication services and not owned by the Town, including, but not limited to, poles, wires, pipe, conduits, pedestals, antenna, and other appurtenances placed in, on, or under Public Highways.

FCC means the Federal Communications Commission.

Fiber-Optic Network is a communication system consisting of an optical transmitter to convert an electrical signal into an optical signal to send into the optical fiber, a cable containing bundles of multiple optical fibers that are routed through underground conduits and buildings, multiple kinds of amplifiers, and an optical receiver to recover the signal as an electrical signal.

Information Service means the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications.

Inner-Duct means a pathway created by subdividing a Duct into smaller channels.

Intrastate Call means a call in a conventional circuit-switched network that originates and terminates in a single state.

Interstate Call means a call in a conventional circuit-switched network that originates in one state and terminates in a different state (or country).

Interstate Telecommunications Services Provider means a Telecommunications Corporation that places underground or above ground Facilities in the Public Highway for interstate telecommunications services.

Interstate Traffic means a communication or transmission that originates in any state, territory, possession of the United States, or the District of Columbia and terminates in another state, territory, possession, or the District of Columbia.

Manhole means an enclosure, usually below ground level and entered through a hole on the surface covered with a cast iron or concrete manhole cover, which personnel may enter and use for the purpose of installing, operating and maintaining cable and fiber in a Conduit.

Multichannel Video System includes:

- A. A “cable system,” as the term is defined in Title VI of the Federal Communications Act of 1934, providing service within the Town;
- B. An “Open Video System,” as the term is defined in Title VI of the Federal Communications Act of 1934, 47 U.S.C. § 573 and implementing regulations (47 CFR § 76.1500), providing service within the Town;
- C. Any other system providing Multichannel Video Programming Services within the Town, where the service is transmitted in whole or in part via wires or lines that are in or cross any ROW within the Town. The preceding sentence shall apply whether the provider owns, leases or otherwise obtains the right to use the wires or lines, including wires or lines of a telecommunications provider used pursuant to tariff or otherwise for that purpose;
- D. Any other system providing Multichannel Video Programming Services within the Town where a license or similar permission or approval from the Town is required under applicable law.

For purposes of this License “Multichannel Video Programming Services” means multiple channels of video programming where some or all of the video programming is generally considered comparable to programming provided by a television broadcast station or by a direct to home satellite service. Multichannel Video Programming Services specifically includes but is not limited to "cable service" as the term is used in Title VI of the Federal Communications Act of 1934.

Parties shall collectively mean the Town and Licensee.

Point of Presence (POP) means a telecommunications facility where network equipment is located to be used to connect customers to a network Backbone.

Provider means a Telecommunications Corporation that constructs, installs, operates of maintains telecommunications Facilities in the Town Public Highways.

Public Emergency means any condition which, in the opinion of Town officials, poses an immediate threat to the lives or property of the citizens of Camp Verde or others caused by any natural or man-made disaster, including but not limited to, storms, floods, fire, accidents, explosions, major water main breaks, hazardous material spills, etc.

Public Highway means all the roads, streets and alleys and all other public rights-of-way and public easements of the Town.

Public Service Corporation means a corporation engaged in furnishing gas, oil, or electricity for light, fuel, or power; or in furnishing water for irrigation, fire protection, or other public

purposes; or in furnishing, for profit, hot or cold air or steam for heating or cooling purposes; or engaged in collecting, transporting, treating, purifying and disposing of sewage through a system, for profit; or in transmitting messages or furnishing public telecommunication services, and all corporations other than municipal, operating as common carriers. However, a message transmitting company is only a public service corporation if it is a common carrier.

Public Utility Easement means an easement or other real property right that is granted, dedicated, reserved or otherwise conveyed for the use of utility facilities, regardless of the language used in creating such right, and regardless of the inclusion of other authorized uses.

Right-of-way ("ROW") means an area of land, which by deed, conveyance, agreement, easement, dedication, usage or process of law, is reserved or dedicated to the Town for public purposes, including, but not limited to, street, highway, alley, public utility, pedestrian walkway, bikeway, or drainage.

Service Lateral means an underground facility that is used to transmit, distribute, or furnish communications from a common source to an end-use customer.

Telecommunications means the transmission, between or among points specified by the user or information of the user's choosing, without change in the form or content of the information as sent and received. **However, the term does not include commercial mobile radio services, pay phone services, interstate services, cable services, information services, or the leasing of dark fiber for transmission purposes.**

Telecommunications Corporation means any Public Service Corporation to the extent that it provides telecommunications services in this state.

Telecommunications Services means the offering of telecommunications for a fee directly to the public, or to such users as to be effectively available directly to the public, regardless of the facilities used.

Wavelength Division Multiplexer ("WDM") means a device that combines optical signals from multiple different single-wavelength end devices onto a single fiber. WDM carries two to four wavelengths per fiber.

SECTION 2. Permission to Use Right-of-Way

2.1 Grant of License. Subject to the provisions of this Agreement, the Camp Verde Town Code, and Arizona and federal law, Town grants to Licensee permission through a telecommunication license to use the designated "Use Area" portions of the ROW subject to and conditioned upon Licensee's full, timely, complete, and faithful performance of all terms and conditions of this Agreement.

2.1.1 Use Areas Defined. The Use Areas are the portion of ROW within the Town's corporate boundaries as shown on Exhibit A attached hereto and incorporated herein by reference. The ROW is limited to the public street and alley rights-of-way and public utility easements that are owned by Town from time to time

comprising Town's Public Utility Easement network. The land comprising the ROW will decrease, increase, and otherwise change over time due to abandonments, dedications, annexations, de-annexations, and other events that affect the amount of land included in Town's public utility ROW network inventory. This Agreement does not allow Licensee to use ROW that is abandoned, condemned, removed from the Town's corporate boundaries, or is otherwise no longer part of the Town's public utility easement network. It is the obligation of the Licensee to, from time to time, confirm that the Use Area is Town ROW.

- 2.1.2 Non-Use Areas. Licensee shall not use or occupy any area other than as permitted pursuant to this Agreement. The Facilities shall be confined to the Use Areas. The Use Areas do not include any third-party areas. Licensee agrees that its use of the third-party areas is dependent upon third party permission, which permission is outside of the control of the Town.

2.2 Conditions of Grant; Permitted Uses. Licensee's use and occupation of the ROW shall in all respects conform to all and each of the following provisions:

- 2.2.1 Permitted Uses. Licensee shall use the portions of the ROW solely for the uses allowed under this License and Agreement and shall conduct no other activity at or from those designated portions of the ROW where it has permission to be. The permitted uses are limited to the following:

2.2.1.1 Constructing, maintaining, repairing, and operating the Facilities as described in this Agreement.

2.2.1.2 To the extent that any Fiber Optic Networks within the route within the Town carry intrastate and/or interstate Calls as referenced by A.R.S. §§ 9-582 and 9-583, the Town hereby grants Licensee a revocable and nonexclusive Telecommunications License ("Nonexclusive License") to run concurrently with the term of this Agreement. The permission granted herein shall be limited to the Fiber Optic Network routes identified in the map submitted to the Town as part of Licensee's application and to future expansions or extensions that are done by Licensee in accordance with Section 12.

2.2.1.3 Such additional related uses for which Town may give consent from time to time. Such additional uses may only be conducted following Town's giving to Licensee notice of such consent. Town may terminate or impose conditions and limitations on such consent from time to time in Town's sole and absolute discretion.

2.3 Prohibited Uses. All other uses of the ROW are prohibited. Licensee may not allow third parties to use the Facilities for any use that Licensee itself does not have the authority under this License and Agreement to use the Facilities for. The Telecommunications License granted by this Agreement does not allow Licensee to provide one-way transmissions by anyone directly

to customers or any other type of video programming or other programming or transmission that may be subject to a cable television or video services system license or franchise. This License does not allow a Multichannel Video System and/or the providing of Multichannel Video Programming Services and the Parties agree that a separate agreement would be needed in order to have such a system or to provide such services.

2.4 Facilities Limited. The authority to install and construct any Conduit System and/or Fiber Optic Networks on Town property granted herein authorizes Licensee only to install such fiber as is necessary to construct and operate the infrastructure described in this Agreement in order to provide the authorized services and does not authorize Licensee to install or construct any Facilities not expressly provided for in this Agreement. Future expansions may be approved by a site license, if determined appropriate by the Town Engineer in his discretion, however, the terms and conditions of this Agreement shall apply to any such expansion area and Licensee shall provide to the Town an updated Exhibit A depicting the area by map. Any expansion requesting payment-in-kind of any nature in lieu of any part of the right-of-way use fee shall require Council approval and amendment of this Agreement to specify the terms of payment.

2.5 Empty Conduit. To the extent that Licensee occupies the ROW with solely empty Conduit and/or leased Dark Fiber and/or uses ROW to provide services other than telecommunication services as defined by A.R.S. § 9-581, such use and/or occupation of the ROW is subject to the terms and conditions of this Agreement and any applicable fees, permits and laws.

2.6 Compliance with Applicable Law. Licensee shall comply, in all material respects, with all applicable laws as amended from time to time, including but not limited to, the Camp Verde Town Code and Arizona and federal law in the exercise and performance of its rights and obligations under this Agreement.

SECTION 3. Non-Exclusive Rights/Priority Rights

3.1 Non-Exclusive Grant. This grant is not exclusive, and nothing herein contained shall be construed to prevent Town from granting other like or similar grants or privileges to any other person, firm or corporation, or to deny to or lessen the powers and privileges granted to the Town under the Constitution and laws of the State of Arizona.

3.2 Subject to Town's Use or Occupancy. Any and all rights granted to Licensee shall be subject to the prior and continuing right of Town to use the ROW exclusively or concurrently, with any other person or persons, and to manage Town's owned facilities. Any and all rights to occupy the ROW granted to Licensee shall also be subject to all deeds, easements, dedications, conditions, covenants, restrictions, encumbrances, and claims to title which may affect public property. Nothing in this License shall be construed to grant, convey, create, or vest a perpetual real property interest in land to Licensee, including any fee or leasehold interest, easement, or any franchise rights.

3.3 Subject to Others' Use or Occupancy. Any right or privilege claimed pursuant to this Agreement by Licensee for any use of any ROW shall be subordinate to: A) any prior or subsequent lawful occupancy or use thereof by the Town or any other governmental entity; B)

any prior lawful occupancy or use thereof by any other person; C) and to any prior easements therein, provided however, that nothing herein shall extinguish or otherwise interfere with property rights established independently of this Agreement.

3.4 Rights Reserved to Town. There is hereby reserved to Town every right and power required pursuant to this Agreement to be herein reserved or provided by any lawful ordinance and Licensee by its execution of this Agreement agrees to be bound thereby and to comply with any lawful action or lawful requirements of the Town in its exercise of such rights or power, heretofore or hereinafter enacted or established. Neither the granting of any Agreement nor any provision hereof shall constitute a waiver or bar to the exercise of any lawful governmental right or power of Town.

3.5 Town's Modification Rights. Nothing in this Agreement shall be construed to prevent the Town from abandoning, altering, improving, repairing, or maintaining its Facilities and/or the ROW, and for that purpose to require Licensee, at no expense to the Town, to remove, relocate or abandon in place Licensee's Facilities in order to accommodate the reasonable activities of the Town. The Town shall not be liable for lost revenues sustained by Licensee, however caused, because of damage, modification, alteration, or destruction of its Facilities in the ROW, when such costs or lost revenues result from the construction, operation, and/or maintenance of Town facilities and/or the ROW, provided that the activities resulting in such costs or lost revenues are conducted in accordance with applicable laws and regulations and do not result due to the Town's gross negligence or willful misconduct.

SECTION 4. Notice of Other Users

4.1 Third Party Contracts. Licensee may enter into contracts with unrelated third parties ("Users") in the ordinary course of Licensee's business for use of the Conduit Systems and/or Fiber Optic Networks within the portions of the ROW subject to this Agreement. Such contracts ("User Contracts") shall be subject to all requirements and provisions of this Agreement and the following:

- 4.1.1 No person shall transmit voice, video, or data over the Fiber Optic Networks or otherwise use the Conduit System(s) except under a User Contract with Licensee.
- 4.1.2 Such Users shall not perform any construction, maintenance, repair or other work of any kinds in the ROW related to the Fiber Optic Networks or Conduit System(s) and the identity of such Users must be disclosed to the Town upon request but such information will be considered Confidential and Proprietary under Section 31. All User Contracts shall prohibit such Users from performing any construction, maintenance, repair, or other work of any description in the ROW related to the Fiber Optic Networks or Conduit System(s), unless such Users have an agreement with the Town.
- 4.1.3 In the event the User Contract provide for the User to construct, install, operate or maintain any portion of the Fiber Optic Networks or Conduit System(s) within the route in the ROW, no such arrangement shall proceed until the User enters into an Agreement with the Town for use of the Town's ROW.

4.2 Responsible for Third Party Users. Licensee shall cause to comply with this Agreement all persons using the ROW through or under Licensee or this Agreement. Licensee is responsible for any violations of this Agreement by persons using the ROW through or under Licensee or this Agreement.

SECTION 5. Description of the Services and Routes

Licensee currently uses its Fiber Optic Network to provide the following services: Provider of Internet based service for the general use of residential and commercial customers.

SECTION 6. Regulatory Conditions Relating to Right-of-Way Usage

For purposes of this Agreement, whenever work is done in the ROW relating to any of the Facilities, Licensee agrees that it is solely responsible for the acts, errors, omissions, and any negligence of any or all of its Contractors and that the obligations of Sections 6 and 7 are imposed on both Licensee and any of its Contractors, who will be considered Licensee's agents and for whom Licensee will be responsible. Licensee will ensure that Licensee and its agents comply with ROW use requirements as follows:

6.1 Registration. Licensee agrees to register with the Town by completing an application or renewal form and paying the applicable application fee.

6.2 Notice of Changes. Licensee shall file a proposed amendment to the registration before it makes any change that would render the registration information incomplete or inaccurate. A change of Licensee's name or address must be filed at least 10 days prior to the date the change becomes effective; a change in the telephone number must be filed 10 days before the change becomes effective.

6.3 Facilities Construction. Licensee is completely responsible for ensuring that its Facilities are constructed, installed, operated and/or maintained in accordance with the Camp Verde Town Code and established practices with respect to such ROW and easements such as the proper permits being applied for prior to commencing any work and that the terms and conditions of such permits are strictly followed.

6.4 Plan Approval. Licensee's use of the ROW and easements under the control of the Town shall be according to plans approved by the Town Engineer, provided that such approval shall not be unreasonably withheld or delayed.

6.5 Interference Minimized. The Facilities to be constructed, installed, operated maintained, upgraded, and removed hereunder, shall be so located or relocated as to interfere as little as possible with traffic or other authorized uses within said ROW and easements. Any phases of construction and/or installation relating to traffic control, backfilling, compaction, and paving, as well as the location or relocation of said Facilities shall be subject to regulation by the Town Engineer.

6.6 Town's Reserved Powers. Licensee and its agents shall be subject to the Town's exercise of such police, regulatory, and other powers as it now has or may later obtain. Town shall have continuing jurisdiction and supervision over any Facilities located within or on ROW. Daily administrative, supervisory, and enforcement responsibilities shall be delegated and entrusted to the Town Manager or designee to interpret, administer, and enforce the provisions of this License and Agreement.

SECTION 7. Plan Approval, Permits, and Inspection

7.1 Required Approvals. No Facilities shall be installed, constructed, located on, or attached to any property within the Town until Licensee has applied for and received approval for permits from the Town Engineer. Licensee shall be solely responsible for any and all acts, errors, omissions and negligence of its Contractor(s) who are involved in the installation, construction, maintenance, repair, location, relocation and any other activity involving Licensee's Facilities subject to this License and Agreement. Additionally, Licensee and its Contractor(s) shall comply with all other provisions of the Camp Verde Town Code, regarding streets and sidewalks, and other applicable Town and/or county regulations, as applicable. All rights hereunder are granted under the express condition that the Town shall have the power at any time to impose lawful restrictions and limitations upon, and to make regulations as to Licensee's use of the ROW as may be deemed best for the public interest, safety, or welfare to the same extent that such restrictions and limitations are applied to all non-governmental users of the ROW.

7.2 Permits; Licenses. Licensee shall submit the applicable permit application(s) together with the details, plans, and specifications for Town review and approval, and pay all applicable application, review and inspection fees prior to any and all construction work performed pursuant to the rights granted under this Agreement. Licensee and/or its Contractor(s) shall abide by all stipulations of all licenses and permits issued. If Licensee desires to change the location of any portion of the Conduit System(s) and/or Fiber Optic Network(s), including any related Facilities or Equipment, from that set forth in the initial Permit Application, Licensee shall apply for and obtain approval for an amendment to the permit prior to installation or construction.

7.3 Multiple Permit Policy. The Town may issue reasonable policy guidelines to all licensees/users to establish procedures for determining how to control issuance of engineering permits to multiple licensees/users for the same one-mile segments of their Facilities. Licensee agrees to cooperate with the Town in establishing such policy and comply with the procedures established by the Town Engineer or designee to coordinate the issuance of multiple engineering permits in the same one-mile segments.

7.4 Approval; Denial. Town will approve or deny such applications based on the availability of space at the location sought by Licensee, safety, and other considerations in accordance with the Town's Code, applicable ROW construction regulations, and other applicable law. The Town agrees to work in good faith with Licensee to approve any requested permit as promptly as possible and agrees to approve any application for a permit (or provide a detailed explanation of the reason(s) for a rejected application) within fourteen (14) days of Licensee's submission of such application. Licensee and/or its Contractor(s) agree to comply with the terms of Town-issued licenses and permits.

7.5 Construction Standards. Any new Conduit or other Facilities placed in the ROW will be constructed using industry standard construction techniques, including microtrenching, aerial attachment, directional boring, standard trenching, and vibratory plowing. Other material placed in the ground may include concrete manholes and fiber optic cable, splice cases, tracer wire, grounding material, mule tape, jet string and conduit plugs and shall be installed in an organized fashion approved by the Town. Construction shall be in full compliance with Uniform Standard Specifications and Details for Public Works Construction sponsored and distributed by the Maricopa Association of Governments as amended (hereinafter referred to as "MAG"), any Town supplements to MAG, and the Town of Camp Verde encroachment and other permit regulations, as may be applicable.

7.6 System Component Changes. If Licensee desires to change the components of any of the Fiber Optic Network and such would require Licensee to obtain a permit, written approval of such change must be obtained from the Town Engineer.

7.7 Specifications. The Town shall have the right to inspect all construction or installation work performed subject to the provisions of this License and to make such tests as it shall find necessary to meet Town standards and the MAG Uniform Standard Specifications and Details for Public Works Construction to ensure compliance with the terms of this License and other pertinent provisions of law.

7.8 New System Installation. Any new Conduit system(s) and/or Fiber Optic Network(s) shall be installed as agreed upon by Licensee and the Town. If portions of this project will take place on the major arterial streets in Town, Licensee and Town will work to minimize the inconvenience to the citizens of Town and others who use those major arterial streets impacted by the project by developing segments of the project to be completed in sequence.

7.9 Minimal Interference with Town Uses. Any Conduit systems and/or Fiber Optic Network(s) to be constructed, installed, operated, and maintained under this Agreement shall be located or relocated so as to not unreasonably interfere with traffic, existing utilities, existing or future fire, emergency, or other Equipment, methodology, or technology (i.e., voice or other data carrying receiving of transmitting equipment), or other authorized uses over, under, or through said streets and public ways. If such unreasonable interference should occur, Licensee shall immediately discontinue using the Equipment, methodology, or technology that causes the interference until Licensee takes corrective measures to alter or eliminate such interference to the satisfaction of Town. Any such corrective measures shall be made at no cost to Town.

7.10 [Reserved.]

7.11 Facility Location Street Opening. Although the exact placement and location of any additional Facilities shall be determined by Town through the permit process and Town understands that Licensee's construction efforts will include microtrenching, Town has expressed its desire to have any Facilities installed outside of the paved street areas whenever such location is feasible and reasonable (taking into consideration the relative cost of construction methods to Licensee). Arterial streets shall not be bored unless approved by the Town Engineer, in his reasonable discretion. In the event that a street opening in new pavement

or resurfaced pavement cannot be avoided, Town Ordinance 2024-A497 placing restrictions on which streets are eligible for trenching shall be invoked; provided, however, that Town will work in good faith with Licensee to consider Licensee's reasonable requests for waivers to allow microtrenching where required for Licensee's network build. Once installation is complete, Licensee shall restore the property, improvements, or landscaping disturbed by Licensee or its Contractors to a condition substantially comparable to the condition before the construction in compliance with Town standards, as applicable, and the restoration shall be performed with due diligence within a reasonably prompt time.

7.12 Representative. Licensee shall also provide and identify a representative, such as a project manager, who shall be the contact person for the Town during any construction periods.

7.13 Neighbor Notification. Prior to the start of any construction work, Licensee shall provide written notice to the businesses and/or residences adjacent to the work being done. If an emergency requires activity without such written notice, Licensee shall use reasonable best efforts to provide timely actual notice to the owners or other persons having lawful control of the adjoining property.

7.14 Opening or Alteration. Whenever Licensee or its Contractors shall cause any opening or alteration to be made for any purpose in any public streets, or public places, the opening or alteration shall be completed and restored with due diligence within seven (7) business days, or such time as allowed by the Town Engineer. Licensee shall upon the completion of the opening or alteration, restore the property, improvements, or landscaping disturbed to a condition substantially comparable to the condition before the opening or alteration and in compliance with any Town standards, as applicable, and the restoration shall be performed with due diligence within a reasonably prompt time.

7.15 Traffic Control

All traffic shall be regulated in accordance with the Manual on Uniform Traffic Control Devices (MUTCD) standards and applicable Town policies and regulations, with a plan for such traffic control provided to the Town for review and approval. Licensee shall designate an American Traffic Safety Services Association (ATSSA) certified individual who is well-qualified and experienced in construction traffic control and safety, to be responsible for implementing, monitoring, and altering traffic control measures as necessary to insure that traffic is carried through the work area in an effective manner and that motorists, pedestrians, bicyclists, and workers are protected from hazard and accidents. Licensee shall have full responsibility and liability for traffic control for work performed by Licensee or their Contractors. Town will make no payment for traffic control. In the event Licensee or its Contractor(s) damage any traffic signal equipment, traffic signal conduit, loop detectors, and/or circuits, it shall have them repaired immediately at its expense by an electrical contractor that has had traffic signal experience which is approved by the Town. Any damage caused by Licensee or its Contractor(s) or subcontractors that are repaired by the Town will be billed to Licensee at two times the cost. For the avoidance of doubt, Licensee shall have the ability to self-perform any required traffic control.

7.16 Clean Up. Licensee and/or its Contractor(s) shall, during construction and upon completion of the work, remove all temporary construction facilities, debris, and unused materials provided for in the work, and keep the work site of the work and ROW in a safe, neat and clean condition.

7.17 Safety. Licensee and Licensee's Contractor(s) shall be solely and completely responsible for the conditions of any job site where the infrastructure is being placed, including safety of all persons (including employees) and property during performance of the work. This requirement shall apply continuously and not be limited to normal working hours. Safety provisions shall conform to all applicable federal (including OSHA), state, county, and local laws, ordinances, codes, and regulations. Where any of these are in conflict, the more stringent requirement shall be followed.

7.18 Blue Stake. Licensee and its Contractor(s) shall comply with A.R.S. §§ 40-360.21 through 40-360.32.

SECTION 8. Hazardous Substances

8.1 Applicable Law. Licensee's and its Contractor(s)' activities upon or about the ROW shall be subject to the following regarding any hazardous or toxic substances, waste, or materials, or any substance now or hereafter subject to regulation under the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §§ 9601, *et. seq.*, the Arizona Hazardous Waste Management Act, A.R.S. §§ 49-901, *et. seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, *et. seq.* or the Toxic Substances Control Act, 15 U.S.C. § 2601, *et. seq.* or any other federal, state, county or local law pertaining to hazardous substances, waste or toxic substances and their reporting requirements (collectively "Toxic Substances").

8.2 Toxic Substance Restrictions. Licensee and/or its Contractor(s) shall not produce, dispose, transport, treat, use or store any Toxic Substances upon or about the ROW. The prohibitions of the preceding sentence only shall not apply to:

8.2.1 Vehicle Use. Ordinary gasoline, diesel fuel or other fuels or lubricants necessary for ordinary use in motor vehicles and ordinary construction machinery are permitted upon the ROW. Such materials must be properly and lawfully contained in ordinary quantities in ordinary tanks and receptacles that are permanently installed in such vehicles and machinery, or small portable tanks that are being used for fueling permitted construction machinery.

8.2.2 Batteries. Electric backup batteries.

8.3 Disposal. Licensee and/or its Contractor(s) shall dispose of any Toxic Substances away from the ROW as required by law and as reasonably required by Town.

8.4 Use Restriction. Licensee and/or its Contractor(s) shall not use the ROW in a manner inconsistent with regulations issued by the Arizona Department of Environmental Quality, or in a manner that would require a permit or approval from the Arizona Department of Environment

Quality or any other governmental agency. The preceding sentence does not prohibit ordinary permits for control of dust during construction permitted by this Agreement.

8.5 Town Held Harmless. In addition to and without limitation of any other indemnities or obligations, Licensee shall pay, indemnify, defend and hold Town harmless against any loss or liability incurred by reason of any Toxic Substance on or affecting the portion of the ROW used that is attributable to or directly caused by Licensee, its Contractor(s) or anyone using the ROW under this Agreement.

8.6 Notice to Town. Licensee and/or its Contractor(s) shall immediately notify Town of any Toxic Substance at any time discovered or existing upon the ROW. Licensee is not responsible for Toxic Substances that may exist at the ROW if Licensee's Contractors and/or any other persons using the ROW under this Agreement did not do any of the following: (A) Participate in the Toxic Substance coming to the ROW; (B) Fail to immediately report the Toxic Substance to Town; (C) Participate in spreading or otherwise disturbing the Toxic Substance; or (D) Exacerbate the effects of the Toxic Substance or the difficulty or cost of dealing with the Toxic Substance.

8.7 Acknowledgement of Potential Toxic Substances. Licensee understands the hazards presented to persons, property, and the environment by dealing with Toxic Substances. Licensee acknowledges the possibility that the ROW may contain actual or presumed asbestos and other Toxic Substances containing materials.

8.8 Notice of Violation. Within twenty-four (24) hours after any violation by Licensee and/or by its Contractor(s) of this Agreement pertaining to Toxic Substances, Licensee shall give Town notice reporting such violation.

SECTION 9. On-Call Assistance

Licensee shall be available to staff employees of any Town department having jurisdiction over Licensee's activities twenty-four (24) hours a day, seven (7) days a week, regarding problems or complaints resulting from the installation, operation, maintenance, or removal of its Facilities. Licensee shall use reasonable efforts to respond to any issues within the time frames specified in its service level agreements. Licensee shall make arrangements with a local entity to handle any necessary problems or complaints.

SECTION 10. Mapping Requirement

10.1 As-Built Drawings. Licensee shall maintain As-Built Drawings of its Facilities located within the ROW and furnish a copy both electronically (or in a mapping format compatible with the current Town electronic mapping format as specified by the Town) and in hard copy form upon reasonable request by the Town. Licensee shall create and maintain maps of any of its Conduit System and/or Fiber Optic Network routes, new routes, and any above ground Equipment located in the ROW and precise and verifiable horizontal and vertical location information and will make this information available to the Town. Licensee will also provide surface-location marking of any of Licensee's Facilities that are located underground within any

public ROW within 10 business days of installation. The information provided by Licensee under this section shall be accurate to the best of Licensee's knowledge. Licensee shall make every reasonable effort to provide accurate and useful information. Licensee shall be permitted to remove any information from the drawings provided hereunder that is not required for the Town's purposes or is otherwise confidential to Licensee.

10.2 Failure to Provide Updates. If complete updates are not provided in a compatible format, Licensee shall pay the actual, reasonable costs the Town incurs to update the Town's electronic mapping format due to the location or relocation of Licensee's Facilities.

10.3 Incorrect Format Records. In the event Licensee fails to supply records in the Town specified format and there is a cost to the Town in converting Licensee provided files, Licensee will be responsible for the conversion costs and will pay such costs within 30 days of the date of the bill from the Town invoicing the amount due.

10.4 Confidentiality. The files and drawings provided by Licensee to the Town shall be considered confidential and subject to the restrictions in Section 31 below and disclosed as a public record only to the extent required by A.R.S. § 39-126.01.

SECTION 11. Relocation

11.1 Relocation Costs. Licensee shall relocate at no expense to the Town any Facilities or other encroachment installed or maintained in, on or under any public place or ROW, as may be necessary to facilitate any public purpose and Town project whenever directed to do so by Town. However, to the extent that the Town receives grant funds from any third parties or government entities for a project that requires the relocation of Facilities owned, operated, and/or maintained by Licensee, the Town shall allocate such funds to the relocation of Licensee's Facilities, if such allowance is permitted by such grant funds. If more than one licensee is required to relocate for the same project, and is eligible for reimbursement, any such funds shall be distributed on a pro rata basis based on the total relocation costs of each of the licensees eligible for such reimbursement. Licensee shall not hold the Town liable for failure to request or file a claim for any funds for the relocation of the Licensee's Facilities. Such relocations shall be accomplished in accordance with the directions from Town and shall be pursuant to the same terms and conditions as the initial installation allowed pursuant to this Agreement and any applicable issued permits.

Within 90 days after service of notice by the Town, Licensee shall remove the designated portions of the Facilities, or in the event that, by the nature of the removal such removal cannot be performed within the 90-day period, Licensee shall take reasonable steps to remove the Facilities and diligently prosecute the removal to completion, and, if requested, restore the sidewalks and other ROW to a condition comparable to the condition before the construction of the public improvement at no cost and expense to the Town. Town agrees to cooperate with Licensee to identify alternate locations where available within the ROW.

11.2 Relocation Permits. Licensee agrees to obtain a permit as required by this Agreement prior to removing, abandoning, relocating or reconstructing any portion of its Conduit System(s)

or Fiber Optic Network(s) on public property or ROW. Notwithstanding the foregoing, Town understands and acknowledges there may be instances when Licensee is required to make repairs that are of an emergency nature or in connection with an unscheduled disruption of the Facilities. Licensee will maintain any annual permits required by the Town for such maintenance and emergency repairs. Licensee will notify Town before the repairs and will apply for and obtain the necessary permits in a reasonable time after notification.

11.3 Town Self-Help. If the Town needs to perform any part of the necessary relocation or removal work that has not been done within the time required by the Town, it shall be entitled to seek payment for such relocation costs by drawing upon the letter of credit or security fund required by this Agreement pursuant to Section 25.

11.4 Consent. Except as otherwise provided herein, Town shall not, without the prior written approval of Licensee, intentionally alter, remove, relocate, or otherwise interfere with any portion of Licensee's Facilities unless otherwise allowed by this Agreement. Any written approval required shall be promptly reviewed and processed by Licensee and shall not be unreasonably withheld.

SECTION 12. Expansion or Extension of the Current Use Area

12.1 Approval Required. Any further expansion and/or extension of Licensee's Fiber Optic Network and or empty Conduit placement shall require written approval from Town, which may be approved by a site license approved by the Town Engineer so long as any expansion requesting payment-in-kind of any nature in lieu of any part of the right-of-way use fee shall require Council approval and amendment of this Agreement to specify the terms of payment.

12.2 Expansions Governed by this Agreement. Licensee agrees that such further expansions and/or extensions shall be at all times governed by the terms and conditions of this Agreement.

12.3 Information Required. Requests for expansions and/or extensions should identify the route, number of conduits, size of conduits, fiber count, and intended use.

SECTION 13. Damage to Public Property

13.1 Duty to Restore Damage. In addition to any indemnity obligation under this License and Agreement, whenever the installation, use, maintenance, removal, or relocation of any of Licensee's Facilities is required or permitted under this Agreement, and such installation, removal or relocation damages or disturbs the surface or subsurface of any ROW or public property or the public improvement located thereon, therein, or thereunder, however such damage or disturbance was caused, Licensee, at its sole cost and expense, shall promptly restore the surface or subsurface of the ROW or public property and/or repair or replace the surface, subsurface and/or public improvement therein, or thereunder, in as good a condition as before in accordance with applicable laws, normal wear and tear excepted, reasonably satisfactory to the Town Engineer. If Licensee does not repair the damage or disturbance as just described, then Town shall have the option, upon 10 days prior written notice to Licensee, to perform or cause to be performed such reasonable and necessary work on behalf of Licensee and to charge Licensee

for the proposed costs to be incurred or the actual costs incurred by the Town at Town's standard rates.

13.2 Emergency Restoration. Notwithstanding the notice provision above, in the event of a Public Emergency, the Town shall have the right to immediately perform, without prior written notice to Licensee, such reasonable and necessary work on behalf of Licensee to repair and return public property to a safe and satisfactory condition in accordance with applicable laws, normal wear and tear excepted, reasonably satisfactory to the Town Engineer. The Town shall provide written notice to Licensee of the repairs as soon as practicable after the work has begun. Licensee agrees that any severed Town-owned Conduit and/or fiber must be completely repaired or replaced to the nearest splice point. If the Town needs to perform any part of the necessary repairs, relocation and/or removal work, it shall be entitled to seek payment for such repairs, relocation and/or removal costs from Licensee and may draw upon a bond and/or letter of credit or security fund required by this Agreement in full or partial satisfaction of such costs, if payment is not made by Licensee as required by Section 13.3 below.

13.3 Pavement Restoration Costs. Licensee agrees to restore, or reimburse Town for restoring, the pavement to repair any pavement cuts by Licensee. Licensee agrees to pay within 30 days from the date of issuance of an invoice from Town. Failure to do so shall entitle Town to draw upon the letter of credit or security fund and/or performance bond.

13.4 Payment Deadline. Upon the receipt of a demand for payment by Town, Licensee shall, within 30 days, reimburse Town for any costs.

SECTION 14. Public Emergency Disruption by Town

Town shall have the right, because of a Public Emergency, to sever, disrupt, remove, tear out, dig-up, or otherwise damage and/or destroy Facilities of Licensee without any prior notice if the action is deemed necessary by the Town Manager, Town Marshal, Town Engineer, or Public Works Director. In such event, neither the Town nor any agent, contractor, or employee of the Town shall be liable to Licensee, its Contractors or its customers or their parties for any harm so caused to them or the Facilities, unless such damages are caused by Town's gross negligence or willful misconduct. When practical and if possible, Town will consult with Licensee in advance to assess the necessity of such actions and to minimize to the extent practical damage to and disruption of operation of the Fiber Optic Networks. Town shall inform Licensee of any actions taken. Licensee shall be responsible for repair at its sole expense of any of its Facilities damaged pursuant to any such action taken by Town.

SECTION 15. Public Safety/Hazards

If any of Licensee's Facilities or activities present any immediate hazard or impediment to the public, to the Town, to other improvements or activities within or outside of the route area(s), or to Town's ability to safely and conveniently operate the ROW or perform Town's utility, public safety and/or other public health, safety and welfare functions, then Licensee shall immediately remedy the hazard at no expense to Town to remove any such hazard or impediment. If the

Licensee's response is delayed or the work cannot be completed within a reasonably practicable time, the Town may take action to remove any immediate hazard or impediment to the public.

SECTION 16. Contractors

The specific independent Contractors and/or subcontractors identified and used by Licensee for the construction activities to expand and extend Licensee's Facilities and Service Area will need to be approved by the Town Engineer or designee prior to issuance of construction permit. Approval shall not be unreasonably withheld, delayed, conditioned, or denied. Any Contractors performing construction work within the ROW or public easements shall comply with licensing requirements of the Arizona General Contractors. Licensee represents and warrants all independent Contractors maintain coverages the same as all the requirements stated herein for Licensee.

SECTION 17. Legal Workers

If, and to the extent A.R.S. § 41-4401 is applicable to this Agreement, Licensee shall comply with laws regarding workers as follows:

17.1 Warranty of Compliance. Licensee warrants to Town that Licensee and all of its Contractors will comply with federal immigration laws and regulations that relate to their employees and that there is compliance with the E-Verify Program under A.R.S. § 23-214.

17.2 Breach of Warranty. A breach of the foregoing warranty by Licensee shall be deemed a material breach of this Agreement that is subject to penalties up to and including termination of this Agreement.

17.3 Inspection of Records. Town retains the legal right to inspect records to ensure compliance with the warrant given above.

17.4 Warranty of Violations. Licensee shall indemnify, defend, and hold Town harmless for, from, and against all losses and liabilities arising from any and all violations of the warranty given above.

SECTION 18. Effective Date and Validity of Agreement

18.1 [RESERVED]

18.2 Representation and Validity of Agreement. Licensee shall acknowledge that as a condition of acceptance of this Agreement, Licensee was required to be represented throughout the negotiations of the Agreement by its own attorneys and Licensee had the opportunity to consult with its own attorneys about its rights and obligations regarding the Agreement. Licensee acknowledges and accepts the right and authority of Town to execute this Agreement and to enforce the terms herein.

SECTION 19. Term of Agreement

The original term of this License and Agreement shall terminate 11:59 p.m. on the date prior to the date that is the fifth (5th) annual anniversary of the Effective Date of this Agreement, unless sooner terminated as set forth in this Agreement.

SECTION 20. Modification, Renewal, Extension

20.1 Renewal Process. At the end of the then-current term, this License and Agreement shall automatically be renewed for an additional five (5) years (each, an "Extension Term"), if Licensee has complied with the License and Agreement's terms and conditions. Such Extension Term would expire at 11:59 p.m. on the fifth (5th) anniversary of the beginning date of the then-current Extension Term, unless Licensee provides written notice of non-extension to Town at least ninety (90) days prior to the expiration of the then-current Extension Term.

20.2 [Reserved].

20.3 Agreement Changes. Town shall have the right to renegotiate any of the terms that may be required by applicable federal, state or local law or regulations. Licensee understands that the Town may adopt future code amendments and/or fee schedules relating to Facilities located within the ROW, which may replace in its entirety the current fees and other costs imposed under this Agreement. Licensee acknowledges the right of the Town to adopt and implement such lawful code amendments and/or fee schedules.

20.4 Holdover Term. If Licensee's Facilities remain in the ROW, and Licensee continues to use such Facilities beyond the expiration of the license term and pay the annual fees, the License shall be considered to be in a "Holdover Term," subject to the terms and conditions of this Agreement. Such Holdover Term, however, shall not exceed sixty (60) days beyond the expiration of the term or until the date of the first Town Council meeting scheduled immediately after the expiration of the term, and no permits will be issued to Licensee by the Town until a new License has been approved by the Town Council.

20.5 Expiration of Holdover Term. Failure by Licensee to have a valid License and Agreement to use the ROW by the expiration of the Holdover Term shall result in immediate withdrawal and revocation of any existing permits issued by the Town to Licensee. If, however, Licensee has timely filed its application and is in active negotiations with the Town prior to the expiration of the License and Agreement, the Town may, in its discretion, grant, extend, or take no action on permits issued to Licensee prior to the expiration of the Agreement.

SECTION 21. Payments

21.1 No Rights Waived. By entering into this Agreement, neither party waives any current or future rights reserved under the Telecommunications Act of 1996, including but not limited to, those rights set forth in Section 253(c), reserving the Town's right to manage the public ROW and to require fair, non-discriminatory and reasonable compensation for use of the public ROW.

21.2 Payments to Town. Licensee shall be solely responsible for payment to Town as follows:

- 21.2.1 Application Fee. Licensee shall pay Town an application fee in the amount of two thousand five hundred dollars (\$2,500.00) for the administrative costs involved in the issuance of this License, which shall be due after execution of this Agreement at the time of the submittal of the application.
- 21.2.2 Transaction Privilege Tax. Licensee will owe transaction privilege tax on any qualifying services under the Camp Verde Town Code.
- 21.2.3 ROW Usage Fee for Provision of Interstate Telecommunications Services. A Fiber Optic Network in the ROW that carries interstate traffic between and among Licensee's interstate points of presence exclusive of the Fiber Optic Network used by the local network and the portion of the interstate network that carries intrastate calls is subject to an annual fee based on the number of linear feet of trench in the ROW. The annual fee is \$2.10 per linear foot of trench in the ROW, which may be adjusted annually based on the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index-All Urban Consumers, West Region for All Items (CPI). If there is no increase in the CPI, the fee shall remain what it was for the prior year. The total annual fee shall be paid in four equal quarterly installments, due on the first day of each calendar quarter.
- 21.2.4 Compensation for Use of ROW. Licensee agrees to pay an annual fee for the portion of the ROW used by Licensee for Dark Fiber or Conduit leasing to Users, empty Conduit occupation of the ROW, and any other uses other than those conforming to the definition of Telecommunication Services as defined in A.R.S. § 9-581. Unless a different calculation for fair and reasonable compensation is agreed to by the Town, the fee will be calculated at the same linear foot rate as in Section 21.2.3 above.
- 21.2.4.1 Licensee warrants and represents that at the time of the execution of this Agreement, it is not leasing Dark Fiber or Conduit to third party Users within the ROW. In the future, should Licensee lease any of its Dark Fiber or Conduits to a third-party User, Licensee shall immediately notify the Town of the location and footage of such leased Dark Fiber or Conduit route(s) and pay a pro-rated linear foot fee that is due for the length of such route(s), unless a different calculation for fair and reasonable compensation is agreed to by the Town.
- 21.2.4.2 Alternative Compensation for use of ROW. The annual fee payment set forth in Subsection 21.2.3 above, shall be reduced in the event the Parties agree to an in-kind payment arrangement, which may include Conduit and/or fiber, and shall be less than or equal to and offset against the linear foot charge, as agreed to by the parties. The terms of any such alternative compensation shall be set forth below in Section 22, which may be amended from time to time along with

Exhibit A to this Agreement, if Licensee expands its areas in the Town.

21.3 Annual Payments. For any annual payment(s) owed, Licensee shall make such payment(s) to the Town within 30 business days of the Effective date of this Agreement and by the anniversary of such Effective Date thereof for the duration of the term, except as expressly stated otherwise in this Agreement.

21.4 Arrearage. As of the date of this Agreement, the Town agrees that Licensee has no outstanding amounts owed to the Town and will begin this Agreement in good standing.

21.5 Permit Fees. Licensee shall pay all applicable plan review and construction permit fees to place Facilities in the ROW, which includes charges for encroachment permit applications, issuance, inspection, testing, plan review and any other fees adopted by Town and applicable to persons doing work and/or encroaching in the Town's ROW pursuant to Camp Verde Town Code.

21.6 Damage Fees. Licensee shall pay any reasonable costs associated with any damage caused to the ROW or public property.

21.7 Pro-rated Fees. Within thirty (30) days after the issuance of a permit for the installation of additional footage of Conduit(s), if such installation subjects Licensee to an annual fee pursuant to Section 21.2.3 or Section 21.2.4 above (if applicable), Licensee will pay a pro-rated portion of the annual fee, as adjusted, per linear foot for that section of its expanded route. The prorated annual fee shall be determined by multiplying the annual footage fee, as adjusted, for the year of payment, by a fraction, the numerator of which is the number of full months between the month installation and the next following anniversary date of this Agreement and the denominator of which is 12. In the event, Licensee cancels or returns a permit and does not construct or install Facilities, which had been approved by such a permit, the footage fees previously paid for ROW or public property used or occupied by Licensee shall be applied as a credit toward any annual fee or refunded to Licensee by Town.

21.8 Checks. Any checks should be sent to the Town at Town of Camp Verde Finance Department, 600 S 1st Street, Camp Verde, AZ 86322, or as otherwise directed by the Town.

21.9 Interest. Licensee agrees that if it fails to pay any amounts owed to the Town by the time prescribed for payment, Licensee shall pay interest on the amounts owed, at the rate of one percent (1%) per month. If the dispute is later resolved in favor of the Town, Licensee will owe the interest on the amount determined to be owed.

SECTION 22. In-Kind Payment as an Offset to Fees Owed

[Reserved.]

SECTION 23. Taxes

Licensee shall pay any applicable Town, county, and state transaction privilege and use tax. Such taxes are in addition to any non-tax amounts owed by Licensee pursuant to Section 21. Licensee consents to the disclosure of information reported on Licensee's transaction privilege tax returns by authorizing the Town's tax collector to release information to the Town Manager or designee.

SECTION 24. Performance Bond

24.1 Bond Requirements. Prior to receiving any permit to construct, install, maintain or perform any work on public property that requires a permit from the Town pursuant to applicable Town codes, Licensee shall cause to be filed and maintain until either completion of the construction or termination of this Agreement as determined by Licensee, a faithful performance bond in favor of Town in the sum of Three Hundred Thousand Dollars (\$300,000) to guarantee that Licensee shall observe, fulfill and perform each and every term of this Agreement. In case of any breach of any condition of this Agreement, any amount of the sum in the bond, up to the whole thereof, may be forfeited to compensate Town for any damages it may suffer by reason of such breach. Said bond shall be acknowledged by Licensee, as principal, and shall be issued by a surety with an AM Best rating of A-VII or better for the last four quarters. Upon material default that remains uncured (after written notice) for greater than 30 days, the Town shall have the full power to draw upon the performance bond to cure such material default. No draws on the performance bond shall be made without the prior written approval of the Town Manager and 60 days prior written notice of intent to draw to Licensee.

24.2 Withdrawal. If Licensee fails, within 10 business days of a notice of intent to draw on the performance bond, to either (a) dispute the notice in writing; (b) pay Town any taxes or fees due and unpaid; (c) repay to Town, within such 10 business days of such notice, any damages, costs or expenses which Town shall be compelled to pay by reason of any act or default of Licensee in connection with this Agreement; or (d) within 30 days of such notice of failure by Licensee to dispute the notice in writing, or comply with any provision of this Agreement which Town reasonably determines can be remedied by a draw on the performance bond, Town may immediately draw the amount thereof. Upon such draw, Town shall notify Licensee of the amounts and date thereof.

24.3 Restoration of Bond. Within 20 days after notice to Licensee that any amount has been drawn by Town on the performance bond, Licensee shall restore the performance bond to the original available amount (\$300,000.00).

24.4 Erroneous Withdrawal. Any funds that Town erroneously or wrongfully draws on the performance bond shall be returned to Licensee or its surety, within 30 business days of such a determination. If the Licensee believes any funds have been erroneously or wrongfully drawn from the performance bond, the Licensee shall provide written notice to the Town and allow the Town an opportunity to resolve the issue in good faith.

24.5 Bond Release. If Licensee has completed the above construction and wants the bond released, the Town will need to inspect and approve the construction prior to such release. However, a performance bond will be required for each subsequent or additional construction project and/or work on public property.

24.6 Rights Reserved. The rights reserved to Town, with respect to the performance bond, are in addition to all other rights of Town whether reserved by this Agreement or authorized by law, and no action, proceeding or exercise of a right with respect to performance bond shall affect any other right Town may have.

SECTION 25. [Reserved.]

SECTION 26. Insurance. [Note: Under review by Wecom's insurance broker.]

26.1 Minimum Limits of Insurance. Licensee shall at all times during the term of this Agreement, at its own cost and expense, carry and maintain for the mutual benefit of the Town and Licensee, general public liability insurance against claims for bodily injury, death or property damage, products/completed operations and personal and advertising injury, which insurance shall cover claims as may be occasioned by the operations, act, omission or negligence of Licensee or its officers, agents, representatives, employees or servants during all times that this License and Agreement is in effect. Insurance limits are inclusive of umbrella coverage. Licensee shall maintain limits no less than those stated herein for each type of insurance.

26.2 General Requirements. Licensee's insurance, the types and amounts required in this section, shall be from companies possessing a current A.M. Best, Inc. rating of A-V, or better and legally authorized to do business in the State of Arizona.

26.2.1 All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of Town, constitute a material breach of this Agreement and may result in termination of this Agreement.

26.2.2 The insurance coverage, except workers' compensation, required by this Agreement, shall name Town, its agents, representatives, directors, officials, and employees, as additional insureds, and shall specify that insurance afforded Licensee shall be primary insurance, and that any self-insured retention and/or insurance coverage carried by Town, or its employees shall not contribute to the coverages provided by Licensee. This provision and the naming of the Town as an additional insured shall not be construed as giving rise to responsibility or liability of the Town for applicable deductible amounts under such policy(ies).

26.2.3 The insurance policies shall contain a waiver of transfer rights of recovery (subrogation) against Town, its agents, representatives, officers, directors, officials and employees for any claims arising out of Licensee's acts, errors, mistakes, omissions, work or service.

26.2.4 The insurance policies may provide coverage, which contain deductibles or self-insured retentions. Such deductible and/or self-insured retention shall be assumed by and be for the account of, and at the sole risk of Licensee who shall be solely

responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. Self-insured retentions of up to One Million Dollars (\$1,000,000) shall be accepted.

- 26.2.5 All policies shall contain an endorsement providing that the coverage afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to Town ten (10) days prior to a written notice for non-payment of premiums.
- 26.2.6 Licensee shall be responsible for ensuring that the Town is notified within the above noted time period of the occurrence of any reduction in the insurance coverage amounts, cancellation or expiration of any of the policies as required by this License and Agreement.
- 26.2.7 Licensee shall include all Contractors as additional insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for Contractors shall be subject to all the requirements stated herein for Licensee.
- 26.2.8 Town reserves the right to periodically review said insurance limits to ensure coverage based on market and risk requirements throughout the effective term of this Agreement.

26.3 Proof of Insurance-Certificates of Insurance.

- 26.3.1 Prior to or upon execution of this Agreement, Licensee shall furnish to Town Certificates of Insurance issued by Licensee's agent or broker, as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the Town's Risk Management Division approval of such Certificates. Such certificate(s) shall include the endorsement listing the Town as an Additional Insured pursuant to Section 26.2.2 and shall be attached as Exhibit B to this Agreement.
- 26.3.2 If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the Town prior to the expiration date.
- 26.3.3 All Certificates of Insurance shall identify the required policies in effect on behalf of Licensee, their policy period(s), and limits of liability. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the Agreement documents. Information required to be on the Certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance carrier or agent. Copies of the initial Certificate of Insurance and any and all subsequent renewals that are required under this Agreement shall be sent to the Town.
- 26.3.4. Town reserves the right to request, within 10 business days, certified copies of any or all of the herein required insurance policies and/or endorsements. Town

shall not be obligated, however, to review same or to advise Licensee of any deficiencies in such policies and endorsements, and such receipt shall not relieve Licensee from, or be deemed a waiver of Town's right to insist on, strict fulfillment of Licensee's obligations under this Agreement.

26.4 Required Coverage.

26.4.1 Such insurance shall protect Licensee from claims set forth below that may arise out of or result from the operations of Licensee under this Agreement and for which Licensee may be legally liable, whether such operations be by Licensee or by a consultant or Contractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts Licensee may be legally liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG 00 01 10 01 and CG 20 37 07 04 or equivalent thereof, including, but not limited to, severability of interest and waiver of subrogation clauses.

26.4.2 Claims for damages because of bodily injury, sickness or disease, or death of any person other than the Licensee's employees;

26.4.3 Claims for damages insured by usual personal and advertising injury liability coverage;

26.4.4 Claims for damages, because of injury to or destruction of tangible property, including loss of use resulting therefrom;

26.4.5 Claims involving contractual liability insurance applicable to Licensee's obligations under the Indemnification Agreement.

26.5 Commercial General Liability – Minimum Coverage Limits. The Commercial General Liability insurance required herein shall be written for not less than Five Million Dollars (\$5,000,000) limits of liability. Any combination between general liability and excess general liability alone amounting to a minimum of Five Million Dollars (\$5,000,000) per occurrence and an aggregate of Six Million Dollars (\$6,000,000) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc.'s (ISO) Additional Insured, Form B, CG 20 10 10 01 and CG 20 37 07 04, and shall include coverage for Licensee's completed operations and products.

26.6 Worker's Compensation and Employer's Liability. Licensee shall maintain Worker's Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Licensee's employees engaged in the performance of the work or services; and Employer's Liability insurance of not less than One Million Dollars (\$1,000,000) for each accident, One Million Dollars (\$1,000,000) disease coverage for each employee, and One Million Dollars (\$1,000,000) disease policy limit. In case any work is subcontracted, Licensee will require the Contractor to provide Worker's Compensation and Employer's Liability to at least the same extent as required of Licensee.

26.7 Automobile Liability. If Licensee owns and/or operates vehicles in Arizona, Licensee shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than One Million Dollars (\$1,000,000) each occurrence, together with a Five Million (\$5,000,000) umbrella overlaying that coverage, with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of Licensee's work. Coverage shall be at least as broad as coverage Symbol 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 0001 0306, or any replacements thereof).

SECTION 27. Indemnity

27.1 Generally. Licensee acknowledges that it has liability for any and all of its Facilities installed in the public ROW and for its use of the ROW and for its exercise of its rights under this License and Agreement directly or through its Contractor(s), except to the extent of intentional acts or gross negligence on the part of the Town. To the fullest extent permitted by law, Licensee, shall defend, indemnify and hold harmless the Town, or its officials, boards, commissions, agents or employees, individually and collectively, from and against any and all Claims as defined in Section 1 arising out of or alleged to have resulted from or materially related to the acts, errors, mistakes, omissions of Licensee, its employees, agents, or any tier of Contractors or any other person for whose acts, errors, mistakes, or omissions Licensee may be legally liable and from any Claims or amounts arising or recovered under workers compensation laws or any other law, bylaw, or ordinance, order or decree related to any failure on the part of Licensee, its agent, employees or representatives to fulfill Licensee's obligations under this Agreement, whether resolution of the above Claim(s) proceeds to judgment or not. The provisions of this paragraph shall survive termination of this Agreement. This indemnification applies even if the party seeking damages makes a claim against the Town or brings a claim against the Town based on vicarious liability or non-delegable duty.

27.2 Defense Costs. Licensee further agrees to indemnify and hold harmless the Town, its officers and its employees from and against all costs, damages, and expenses incurred by the Town, its officers and its employees in the defense of any litigation brought by third parties challenging the right of the Town to enter into this Agreement with Licensee under Town or other applicable law.

27.3 Tender of Defense. In the event that any notice of claim is served, or litigation is commenced, Town shall tender the defense of the litigation to Licensee, who shall immediately defend the litigation. Licensee shall have the right to retain counsel of its own choice, to settle all or any part of the litigation on terms acceptable to Licensee (and, where such terms directly obligate or affect Town, acceptable to Town). Licensee agrees to keep the Camp Verde Town Attorney informed of the status and progress of all litigation involving the Town that has been tendered to Licensee or its insurance carrier.

27.3.1 Notice. The Parties shall promptly notify each other in writing of any claims, demands, or lawsuits which may involve the Town and provide copies of all relevant accident reports, incident reports, statements or other documents relevant to or which may lead to relevant materials or information, in the possession of the

other party, its employees, agents, subcontractors, and/or others, promptly upon request.

27.3.2 Relevant Information. Both Parties agree to make their employees, agents, and Contractors available to the other party to gather any relevant information relating to an incident in which claims, demands, or lawsuits arise from.

27.4 Construction of Interpretation. It is the purpose of this section to provide maximum indemnification to Town under the terms and conditions expressed and, in the event of a dispute, this section shall be construed (to the greatest extent permitted by law) to provide for the indemnification of the Town by Licensee against any and all Claims. The sole exception shall be an express determination by a court of competent jurisdiction upon full adjudication of the case that the damages arose only from Town's sole gross negligence or intentional acts. Only in this event may Licensee then commence an action against Town for damages related to that portion judicially determined to be Town's fault.

27.5 Survival. The provisions of Section 27 shall be and remain a binding right and obligation of the Town and Licensee. It is the intent of Licensee and the Town upon the Effective Date of this Agreement that this Section serves as any such declaration and shall be a binding obligation of and inure to the benefit of Licensee and the Town and their respective successors and assigns, if any. Any failure by Licensee to indemnify the Town as required under this Section 27 shall be considered a material breach of this License and Agreement. Notwithstanding anything to the contrary herein, Licensee shall not be obligated to indemnify the Town on any provision of this Agreement that is later determined to be invalid.

27.6 Insurance No Limit. The amount and type of insurance coverage requirements set forth in this Agreement will in no way be construed as limiting the scope of the indemnity in this Section 27.

27.7 Reformation. As a condition to Licensor's executing this Agreement, Licensee specifically agrees that to the extent any provision of this paragraph is not fully enforceable against Licensee for any reason whatsoever, this paragraph shall be deemed automatically reformed to the minimal extent necessary to cause it to be enforceable to the fullest extent permitted by law.

SECTION 28. Limitation of Liability

28.1 Limitation. The Town and its officers, agents, elected or appointed officials, employees, departments, boards and commissions, shall not be liable to Licensee or to its affiliates or customers for any interference with or disruption in the operations of Licensee's Fiber Optic Networks or the provision of services, or for any damages arising out of or materially related to Licensee's use of the ROW, except to the extent of intentional misconduct or gross negligence on the part of the Town its officers, agents, elected or appointed officials, employees, departments, boards and commissions.

28.2 No Liability for Agreement Enforcement. Licensee also agrees that it shall have no recourse whatsoever against the Town or its officials, boards, commissions, agents or employees

for any loss, costs, expense or damages arising out of or materially related to any provision or requirement of the Town because of the enforcement of this License and Agreement.

28.3 Assumption of Risk. Licensee shall assume the risk of, and hereby relinquishes any claim against the Town in connection with any final, non-appealable determination by a court of competent jurisdiction that the Town lacked the current statutory authority under Arizona law to issue this License.

SECTION 29. Transferability of License and Agreement

29.1 Personal License. This License is personal to Licensee.

29.2 Transfer to Related Entity. Notwithstanding the foregoing, Licensee may transfer or assign this Agreement to any affiliate entity under common corporate control, or to the surviving entity in the event of a merger or acquisition of Licensee without Town's prior consent. Licensee shall however give notice to the Town of any such transfer or assignment.

29.3 Transfer to Unrelated Entity. Any transfer or assignment for reasons other than provided for in Section 29.2 above shall require the Town's prior consent, which shall not be unreasonably withheld, conditioned, or delayed provided that Licensee agrees that it will provide reasonable documentation about the proposed transfer or assignment.

29.4 Transfer Conditions. In making a determination as to whether to approve a transfer or assignment, the Town may consider the following:

29.4.1 The same information required on an original application for the License.

29.4.2 Whether Licensee is in compliance with its License and Camp Verde Town Code and if not, the proposed transferee's commitment to cure such noncompliance.

29.4.3 Whether the proposed transfer or assignment would result in an evasion of other applicable provisions of law or impair lawful contracts.

29.4.4 The effect of the transfer or assignment on the Town's interests.

29.5 Acceptance by Assignee. No application for a transfer of a license shall be granted unless the proposed transferee or assignee agrees in writing that it will abide by and accept all terms of the License and the Camp Verde Town Code and that it will assume all obligations, liabilities, and responsibility for all acts and omissions, known and unknown, of Licensee under the Camp Verde Town Code and this License for all purposes, including renewal.

29.6 Approval not Waiver. Approval of the Town of a transfer or assignment of this License does not constitute a waiver or release of any of the rights of the Town, whether arising before or after the date of the transfer or assignment.

29.7 Transfer Remedies. When consent is required, any transfer without Town's consent shall be void and shall not result in the transferee obtaining any rights or interests in, under or related

to this License and Agreement. Town may, in its sole discretion and in addition to all other lawful remedies available to Town under this Agreement or otherwise, and in any combination, terminate this Agreement, collect any fees owed from Licensee and/or declare the transfer to be void, all without prejudicing any other right or remedy of Town under this Agreement. No cure or grace periods shall apply to transfers or assignments prohibited by this Agreement or to enforcement of any provision of this Agreement against an assignee who did not receive Town's consent.

29.8 Transfer Fee. Licensee shall pay to Town in advance a nonrefundable fee for legal, administrative and other expenses related to every transfer (other than the sale of publicly traded stock) or to any request for a consent to transfer, whether or not Town grants such request, in an amount approved by Town in its fee schedule.

SECTION 30. No Third-Party Beneficiaries

No person or entity shall be a third-party beneficiary to this Agreement or shall have any right or cause of action hereunder. Town shall have no liability to third parties for any approval of plans, Licensee's construction of improvements, Licensee's negligence, Licensee's failure to comply with the provisions of this Agreement (including any absence or inadequacy of insurance) required to be carried by Licensee, or otherwise as a result of the existence of this Agreement.

SECTION 31. Records

31.1 Recordkeeping. During the entire term of this License and Agreement, Licensee shall keep records and provide information to Town regarding the following:

31.1.1 The status of the construction, repair, location or relocation of Licensee's Facilities.

31.1.2 Information relating to any Fiber Optic Networks on portions of the route that are not exempt from a fee imposed for occupation of the ROW.

31.1.3 Information relating to this License and Agreement and/or to Town's or Licensee's rights or obligations under this License and/or Agreement.

31.2 Record Form. Licensee shall make available to Town the requested reports or records in the formats in which they are customarily prepared by Licensee.

31.3 Inspection. If necessary for the Town to determine Licensee's compliance with the terms of this License and Agreement or other applicable law, Licensee shall provide relevant documentation as requested by the Town and respond to questions in a format and time period to be decided by the Parties based on the nature of the request. Licensee shall also require its employees, agents, and accountants to give their cooperation and assistance in connection with Town's access to such records.

31.3.1 Such documentation can include information on the type of services Licensee is offering its customers (but not necessarily information disclosing any particular

service being provided to a specific customer) and/or the financial information used in calculating any payments or taxes due to the Town under this Agreement. If Licensee determines that in order to respond to Town's request for documentation, it must reasonably provide Proprietary Information, Licensee shall so mark such documentation as "Confidential."

31.3.2 Proprietary Information disclosed by Licensee to the Town, or its constituent departments shall be regarded as Proprietary as to third parties. If the Town receives a request to disclose such information, the Town shall notify Licensee of such request and allow Licensee a reasonable opportunity to defend its information from disclosure.

31.3.3 Information that is already in the public domain shall not be considered Proprietary Information. If public domain information is included with Proprietary Information on the same document, the Town shall only disclose those portions within the public domain.

31.3.4 Notwithstanding any provision in this License, Licensee acknowledges and understands that the Town is subject to the disclosure requirements of Arizona's Public Records Law (A.R.S. § 39-121 *et seq*).

31.4 Reports. Upon request and subject to any necessary confidentiality requirements, Licensee shall provide to Town copies of any communications and reports submitted by Licensee to the FCC or any other federal or state regulatory commission or agency having jurisdiction in respect to any matters directly affecting enforcement of this Agreement.

SECTION 32. Penalties for Violation of Terms

32.1 Cumulative Remedies. Town may pursue any remedy at law, including but not limited to injunctive relief, civil trespass, and withholding other Town permits and authorizations until Licensee complies with the terms of the License, Agreement or the applicable law. Such remedies are cumulative and may be pursued in the alternative.

32.2 No Special Damages. Neither party will be liable under this Agreement for lost revenues or indirect, special, incidental, consequential, exemplary, or punitive damages, even if the party knew or should have known that such damages were possible and even if direct damages do not satisfy a remedy.

SECTION 33.RESERVED .

SECTION 34. Revocation/Termination

34.1 Early Termination. The License granted hereunder may be revoked and/or the Agreement terminated prior to its date of expiration by the Town for the following reasons:

- 34.1.1 Licensee fails to comply with the material terms and conditions of the Agreement or applicable law, including, but not limited to, failing to maintain any insurance, security fund, letter of credit, and/or a performance bond.
 - 34.1.2 Licensee fails to make payments in the amounts and at the time specified in this Agreement after a final determination that the payments were owed.
 - 34.1.3 Licensee ceases doing business in the Town.
 - 34.1.4 Licensee fails to provide current, accurate as-built plans and maps showing the location of all Facilities installed or constructed in the Town.
 - 34.1.5 Licensee is or becomes insolvent or is a party to a voluntary or involuntary bankruptcy, reorganization, or receivership case or proceeding, makes an assignment for the benefit of creditors, is subject to other actions by creditors that, in the reasonable, good faith opinion of the Town, threaten the financial viability of Licensee as a going concern, or if there is any similar action that affects Licensee's capability to perform its obligations under this License and/or Agreement.
 - 34.1.6 Licensee fails to obtain or maintain any licenses, permits, or other governmental approvals pertaining to the ROW or timely pay any taxes pertaining to the ROW.
 - 34.1.7 A court has issued an injunction that in any way prevents or restrains Licensee's use of any portion of the ROW and remaining in force for a period of at least 30 consecutive days.
- 34.2 Cure Period. Before terminating the Agreement under Sections 34.1.1, 34.1.2, 34.1.4, and 34.1.6, the Town Manager or a designee, shall give prior written notice to Licensee of the defect in performance and give Licensee 60 days within which to cure the defect in performance.
- 34.3 Cure Period Waived for Misconduct. The Town need not provide a 60-day cure period prior to termination if the Town finds that the defect in performance under the Agreement is due to intentional misconduct, is a violation of criminal law, or is a part of a pattern of repeated and persistent violations where Licensee has already had notice and opportunity to cure.
- 34.4 Manager Authority. The Town Manager has the authority to exercise any right of Town to terminate, subject to Licensee's right to notice and cure where provided, this License and/or Agreement.
- 34.5 Hearing Prior to Revocation of License. Prior to the revocation or refusal to renew the License, the Town will hold a hearing if requested by Licensee.
- 34.6 Termination by Mutual Agreement. This License and/or Agreement may be terminated prior to its date of expiration by Licensee by providing the Town with 90 days written notice and only upon making arrangements satisfactory with the Town Engineer to remove all Licensee's Facilities from public property and the ROW, unless the Town Engineer agrees in writing to

allow Licensee to abandon part or all of its Facilities in place. If the Town Engineer agrees to allow Licensee to abandon its Facilities in place, the ownership of such Facilities, including everything permitted by Town to be abandoned in place, shall transfer to Town and Licensee shall cooperate to execute any documents necessary to accomplish such transfer within 30 days of such allowance of abandonment.

34.7 Equipment Removal. Notwithstanding anything in Section 34.6 above, upon termination of this Agreement, Licensee shall remove all of its optical repeaters, DWDM and CWDM multiplexers, antennae, fiber optic cables, wires, and related equipment within ninety (90) days.

SECTION 35. Non-use/Abandonment of the Facilities

35.1 Removal on Abandonment. An "Abandoned Facility" will mean a Facility no longer in service or physically disconnected from a portion of the operating Facility or from any other Facility that is in use or still carries service. If Licensee ceases to provide services or abandons use of any of its Facilities, upon cancellation or termination of the Agreement, Licensee shall notify the Town and may, subject to the Town's approval, permanently abandon the Facilities in place. In such event, the Town, at its option, may acquire ownership of the Facilities. In lieu of permanent abandonment, the Town may require Licensee, to the reasonable satisfaction of the Town and without cost or expense to the Town, to promptly remove the Facilities and to restore the public property and ROW to a reasonable condition under the supervision of the Town.

35.2 Town Property. Upon permanent abandonment, if the Town does not require removal, Licensee shall submit to the Town a proposal and instruments for transferring ownership to the Town. Any such Facilities, which are not removed as required by the Town within ninety (90) days of either such date of termination or cancellation or of the date the Town issued a permit authorizing removal, whichever is later, automatically shall become the property of the Town. Licensee will notify the Arizona Blue Stake Center to record the Facilities that have been abandoned.

35.3 Title to Property. Title to any and all personal property installed by Licensee upon the ROW that is not removed during the period set forth in Section 35.2 shall automatically vest in Town.

35.4 On-going Use. Nothing in Section 35.1 shall be deemed to require Licensee to remove Facilities that the Licensee uses for the provision of services other than Telecommunications Services or Interstate Telecommunications Services, so long as such use of Facilities for the provisions of the ongoing other services is authorized by the Town.

SECTION 36. Cancellation for Conflict of Interest

This Agreement is governed by A.R.S. § 38-511, which is incorporated herein by reference.

SECTION 37. Gratuities

Town may, by written notice, terminate this Agreement, in whole or in part, if Town determines that employment or a gratuity was offered or made by Licensee or a representative of Licensee to

any officer or employee of Town for the purpose of influencing the outcome of the procurement or securing the Agreement, an amendment to the Agreement, or favorable treatment concerning the Agreement, including the making of any determination or decision about Agreement performance. Town, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the gratuity offered by Licensee.

SECTION 38. Condemnation

38.1 Generally. The following shall govern any condemnation of any part of or interest in the area used and/or occupied by Licensee and any conveyance to Town or another condemnor in avoidance or settlement of condemnation or a threat of condemnation:

38.1.1 Termination for Condemnation. This Agreement shall terminate as to the portion taken on the date that is the earlier of the date title vests in the condemnor, or the date upon which the condemnor is let into possession.

38.1.2 Power to Condemn. Licensee acknowledges that Town and others from time to time may sue and exercise its power to condemn the area used by Licensee or any interest therein or rights thereto.

38.1.2.1 Town reserves the right of condemnation or eminent domain over the area used and/or occupied by Licensee. Town does not warrant that it will not condemn the area(s) used and/or occupied by Licensee during the term of this Agreement, but Town does not presently have intentions to condemn such area(s).

38.1.2.2 Town also reserves the right through its powers of eminent domain to acquire all or any portion of the Facilities owned by Licensee in accordance with the applicable conditions set forth in the Arizona Revised Statutes. However, under no circumstances shall any valuation be made for any right or privilege granted by this Agreement should the Town acquire the property of Licensee.

SECTION 39. Notice

39.1 All notices shall be in writing and transmitted through the U.S. certified or registered mail, postage prepaid, by means of prepaid private delivery systems, or by facsimile or email transmission showing a valid delivery receipt if a hard copy of the same is followed by delivery through the U.S. mail or by private delivery systems, addressed as follows:

TOWN OF CAMP VERDE:

Town of Camp Verde
Attn: Town Manager
473 South Main Street, Suite 102

Camp Verde, Arizona 86322

With copy to:

Pierce Coleman PLLC
Attention: Trish Stuhan, Esq.
Town Attorney
17851 N. 85th St Suite 175
Scottsdale, Arizona 85255

LICENSEE:

Wecom LLC
Attn: Legal Notices
2332 Kingman Ave
Kingman, Arizona 86401

With copy to:

Wecom LLC
Attn: CEO
2332 Kingman Ave
Kingman, Arizona 86401

39.2 Notices shall be deemed sufficiently given and served if delivered personally or by email transmission, the first (1st) business day after deposit if sent by private delivery systems and the fifth (5) business day after deposit in U.S. Mail.

39.3 Either party may from time to time designate any other address for this purpose by written notice to the other party in the manner set forth above. Licensee shall notify the Town within ten (10) business days of any change in address.

SECTION 40. Governing Law

It is mutually understood and agreed that this Agreement shall be governed by the laws of the State of Arizona. Any action at law, suit in equity, or judicial proceeding for the enforcement of this Agreement shall be instituted only in Yavapai County, Arizona.

SECTION 41. Partial Invalidity

If any section, paragraph, subdivision, clause, phrase or provision of this Agreement shall be adjudged invalid or unenforceable, or is preempted by federal or state laws or regulations, the same shall not affect the validity of this Agreement as a whole or any part of the provisions of this Agreement other than the part adjudged to be invalid, unenforceable or preempted.

SECTION 42. No Warranty

42.1 As to License. The issuance of a license, permit or other authorization by the Town is not a representation or warranty that such license, permit, or authorization is a legally sufficient substitute for a franchise, and is not a representation of warranty that a franchise is not required.

42.2 As to ROW. LICENSEE ACKNOWLEDGES AND AGREES THAT TOWN DOES NOT WARRANT THE CONDITION OR SAFETY OF ITS ROW OR THE PREMISES SURROUNDING THE SAME, AND LICENSEE HEREBY ASSUMES ALL RISKS OF ANY DAMAGE, INJURY OR LOSS OF ANY NATURE WHATSOEVER CAUSED BY OR IN CONNECTION WITH THE USE OF ANY TOWN ROW.

SECTION 43. Non-Waiver

Neither party shall be excused from complying with any of the terms and conditions of this Agreement by any failure of the other party upon any one or more occasions to insist upon or to seek compliance with any such terms or conditions.

SECTION 44. Remedies Not Exclusive

The remedies set forth in this License and Agreement are not exclusive. Election of one remedy does not preclude the use of other remedies.

SECTION 45. Force Majeure

With respect to any provision of this Agreement, the violation or non-compliance of which could result in the imposition of a financial penalty, liquidated damages, forfeiture or other sanction upon Licensee, such violation or non-compliance shall be excused where such violation or non-compliance is the result of acts of God, war, civil disturbance, strike or other labor unrest, or other events, the occurrence of which was not reasonably foreseeable by Licensee and is beyond its reasonable control.

SECTION 46. Dispute Resolution

In the event of a dispute between the Parties regarding a provision of this Agreement, a Party's performance of its obligations as stated in this Agreement or any other matter governed by the terms of this Agreement, the Parties shall meet in good faith to attempt to resolve the dispute, and may use mediation to facilitate such resolution, with any costs of mediation to be shared equally by the Parties. If the dispute is not resolved within a reasonable time, the disputing Parties shall be free to use other remedies such as litigation to resolve the dispute.

SECTION 47. Exhibits

All Exhibits referred to in this Agreement and any addenda, attachments, and schedules which may, from time to time, be referred to in any duly executed amendment to this Agreement are by such reference incorporated in this Agreement and shall be deemed a part of this Agreement.

SECTION 48. Survival of Liability

All obligations of Licensee and Town hereunder and all warranties and indemnities of Licensee hereunder shall survive termination of this Agreement.

SECTION 49. Complete Agreement

This Agreement, including any Exhibits, are incorporated into this Agreement and all of which constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior or contemporaneous agreements whether written or oral.

SECTION 50. Modification or Amendment

This Agreement cannot be modified or amended except in writing signed by both Parties.

SECTION 51. Incorporation of Recitals

The recitals set forth above are hereby incorporated into this Agreement by this reference as if fully set forth herein.

[SIGNATURES ON FOLLOWING PAGE]

Town of Camp Verde, Arizona,
an Arizona municipal corporation

Licensee: Wecom LLC,
a Delaware limited liability company

By _____
Mayor

By _____
Paul Fleming, CEO

ATTEST:

ATTEST:

Town Clerk

Name: _____
Title: _____

APPROVED AS TO FORM

Town Attorney

EXHIBIT A

Map of Use Areas

The map contained within this Exhibit is considered confidential and proprietary. The map will be kept on file in the appropriate Town office and will be release publicly only pursuant to Section 31 of this Agreement.

Exhibit B

Insurance Certificate

[See following page(s).]

[Page intentionally left blank]

**Meeting Date:** February 4, 2026**Agenda Item Type:**

- | | | |
|--|---|--|
| ☐ Consent Agenda | ☐ Informational Presentation | ☐ Discussion Item |
| ☒ Action/Decision Item | ☐ Executive Session Request | ☐ Other: |

Requesting Department: Finance**Staff Resource:** Town Manager Miranda Fisher

Agenda Title: Discussion, consideration, and possible approval of an amendment to the Financial Operations Guide adding an Emergency Expenditure provision to the Purchasing Policies section.

Attached Documents:

- Amended Financial Operations Guide

Estimated Presentation Time: 5 minutes**Estimated Discussion Time:** 10 minutes**Reviewed By:**

- | | | | | |
|--|---|--|----------------------------------|---------------------------------|
| ☒ Town Manager | ☒ Legal | ☐ Risk Management | ☐ Finance | ☐ Other: |
|--|---|--|----------------------------------|---------------------------------|

Financial Review (if applicable): N/A

- Funding Source / GL Account Number:
- Approved in the FY26 Budget? ☐ Yes ☐ No ☒ N/A ☐ Other:
- Is this an approved CIP Project? ☐ Yes ☐ No ☒ N/A ☐ Other:

Background Information:

The Town's Financial & Operating Guidelines (FOG) establish procurement requirements intended to promote transparency, competition, and fiscal accountability. While the FOG includes detailed provisions for sealed bidding, cooperative purchasing, professional services, and other procurement methods, staff identified that it does not currently contain an explicit emergency procurement or emergency expenditure provision.

When Council previously directed that the Town discontinue the use of Job Order Contracts (JOCs), it was acknowledged that an emergency procurement pathway would still be necessary to address unforeseen, time-sensitive situations. At the time, it was assumed that such authority existed within the FOG; however, upon further review, staff determined that no formal emergency expenditure provision was included.

This gap became immediately relevant during recent remediation efforts at the Wastewater Treatment Plant, where contaminated material must be removed under a deadline imposed by the Arizona Department of Environmental Quality (ADEQ). In this case, compliance with the standard sealed bidding timeline is impractical due to the need to act promptly to protect public health and meet regulatory requirements. The proposed lagoon remediation contract, which appears as the following agenda item, highlights the need for a clear and codified emergency expenditure process.



Town Council Agenda Information Memorandum

Most Arizona municipalities include such provisions to ensure that emergency actions are taken lawfully, transparently, and consistently, without undermining the intent of competitive procurement policies.

PROPOSED SOLUTION

Staff recommends adding an Emergency Expenditure section to the FOG to formally address situations where immediate action is required to preserve public peace, health, safety, or property, and where standard procurement timelines are impractical or contrary to the public interest. This addition does not eliminate competitive procurement, nor does it expand spending authority beyond existing Council oversight. Instead, it provides a structured and transparent process for rare, time-sensitive circumstances.

Question(s) before the Council:

- Does Council have any questions for staff?

Proposed Motion(s):

I move to **APPROVE** the amendment to the Financial Operations Guide adding an Emergency Expenditure provision to the Purchasing Policies section.

OR

I move to **APPROVE** the amendment to the Financial Operations Guide adding an Emergency Expenditure provision to the Purchasing Policies section **with the following changes...**

OR

I move to **DENY** the amendment to the Financial Operations Guide.

Town of Camp Verde

Financial Operations Guide



Amended & Approved

~~October 8th~~ February 4, 2026

PREPARED BY TOWN OF CAMP VERDE'S FINANCE DEPARTMENT

TABLE OF CONTENTS

Section	Page
INTRODUCTION.....	i
ACCOUNTING, AUDIT & GENERAL FINANCIAL	2
CAPITAL ASSETS	4
CASH	7
Bank Accounts.....	8
Petty Cash	9
Cash Receipts	11
Credit Card Payments Received.....	13
Accounts Receivable	14
Allowance for Doubtful Accounts	15
Special Event Cash Handling	16
Dishonored Checks	17
Grants.....	18
Donations	21
PURCHASING	22
Procurement.....	23
Receiving.....	27
Contract Services	28
Emergency Expenditures.....	29
DISBURSEMENTS	3029
Cash Disbursements	310
Credit Card/Business Charge Card Use	332
Travel & Training	365
Unclaimed Property	410
GENERAL LEDGER	424
Journal Entries.....	432
Town Funds.....	443
PAYROLL.....	465
BUDGET	498
DEBT	543
INVESTMENTS.....	576
MISCELLANEOUS.....	624
Fraud	632
Cell Phones	698
Uniform Allowance Policy	7069

INTRODUCTION

PURPOSE: The purpose of this manual is to set forth those policies and procedures established to govern and to implement all aspects of fiscal policy and financial management related to the Town of Camp Verde. The general purpose of this document is to provide a working guide to established financial policies and procedures.

I. RESPONSIBILITIES

Camp Verde's Town Code charges the Town Finance Director with implementing the financial policies of the Town Council. In the event that the Finance Director's position is vacant, the duties of the Finance Director will be performed by a designee appointed by the Town Manager. In the absence of the Town Manager, the Acting Manager shall appoint the designee with Council approval, if the assignment is to exceed 20 days.

The Finance Director is responsible for the assignment of duties to appropriate Staff members, as necessary, to ensure proper segregation of duties.

All matters discussed in this operations guide shall be carried out within applicable laws and regulations, and with generally recognized principles of good financial management and accounting. Town employees who do not follow the policies and procedures set forth in this manual may be subject to discipline, up to and including termination of employment.

II. COMMENTS/CLARIFICATION OF POLICY

All comments and requests for clarification of this guide shall be addressed to the Town's Finance Director.

**ACCOUNTING, AUDIT & GENERAL
FINANCIAL POLICIES
SECTION**

ACCOUNTING, AUDIT & GENERAL FINANCIAL

PURPOSE: To establish standard policies and procedures relating to the general overview and accountability of the Finance Department

POLICIES/PROCEDURES:

A. ACCOUNTING

1. The Town's accounting and financial reporting systems will be maintained in conformance with Generally Accepted Accounting Principles, which set the rules for financial reporting in the United States, and standards of the Government Accounting Standards Board.
2. A fixed asset system will be maintained to identify all Town assets, their condition, historical cost, and useful life.

B. AUDIT

1. An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official Annual Comprehensive Financial Report, including an audit opinion.

C. FINANCIAL

1. STABILITY

- a. To maintain a financially viable Town that can preserve an adequate level of municipal services.
- b. To maintain financial flexibility in order to be able to continually adapt to local and regional economic changes.
- c. To maintain and enhance the sound fiscal condition of the Town.
- d. To maintain a positive municipal credit rating.

2. REPORTING

- a. Per Town Code Section 3-2-3B, the Finance Director shall make monthly reports to the Council of all receipts and disbursements, and the balance in each fund.
- b. Quarterly financial, Capital Improvement Program and Investment reports will be submitted to the Town Council as soon as practicable following the close of the quarter and will be made available to the public.
- c. Full and continuing disclosure will be provided in the general financial statements and bond representations.

3. RESERVES

- a. Reserve balances shall not be utilized without Council approval.
- b. The Town will maintain General Fund reserves of unrestricted monies in the amount of \$2,000,000.
- c. The Town will maintain HURF Fund reserves in an amount equal to 25% of current annual budgeted HURF operational expenditures. .

CAPITAL ASSET POLICIES

SECTION

CAPITAL ASSETS

PURPOSE: To establish standard policies and procedures for the accurate tracking of capital assets.

POLICIES: Capital assets are described as any item (property, vehicle, equipment, etc.) that has a purchase price or valuation (for donated items) of \$5,000 or more. Stewardship assets are described as any item (property, vehicle, equipment, etc.) that has a purchase price or valuation (for donated items) of \$1,000 to \$4,999. Right-of-Use assets are described as leased assets, including subscription-based technology, that has a purchase price or calculated valuation of \$20,000 or more.

I. ACQUISITION

- A. Departments shall notify the Finance Department in writing when any item is acquired, disposed of, or transferred to another department when the item was purchased or valued at \$1,000 or more.
- B. For items valued at \$1,000 or more or lease/software agreements with total contractual payments of more than \$20,000, the department shall complete and submit an Asset Acquisition Form to the Finance Department for inclusion on either the Capital Asset Listing or the Stewardship Asset Listing.
- C. Capital assets are depreciated on a straight-line basis.
- D. In consultation with department heads, the Finance Director assigns useful lives to individual assets based on asset category.
- E. When equipment items are acquired, departments shall request property tags from the Finance Department to be affixed to the assets, if feasible. Property tags should not be affixed to any item if this would seriously impair the item's value or usefulness. Engraving or other means of identification of such items is recommended to facilitate their possible return if they are lost or stolen.

Departments indicate the property tag number assigned on the vendor invoice before forwarding to the Finance Department. Staff provides copies of such invoices to the Finance Department for updating the Capital Asset/Stewardship Listings.

- F. If an asset has been donated to the Town, the receiving department shall complete the "Asset Acquisition Form" and submit to the Finance Department at the time of receipt of assets. The Finance Department will issue a property tag as applicable, and staff will update the Capital Asset/Stewardship Listings.
- G. For capital projects (assets acquired through construction or assets acquired through similar multiple payments), a separate account code shall be created to track the costs to be capitalized. For existing assets, projects should be identified as to whether they are improvement projects or repair/maintenance projects. Improvement projects significantly extend the useful life of an asset or increase the value of an asset. Repair/maintenance projects generally maintain the condition of an asset so that the expected useful life is attained.

II. MAINTENANCE

- A. Each year Finance staff must provide an updated Capital Asset Listing and Stewardship Listing to the HR Director for insurance purposes.
- B. Once a year, the Finance Department distributes current equipment listings for verification and physical inventory by department heads or designees, along with instructions regarding how physical inventories are to be performed. If there are any discrepancies, the proper corrections to the listing are indicated noting the date of the change and any other needed information (price, useful life, etc.). In addition, during the physical inventory process, the department heads or designees examine assets for possible impairments and designate surplus assets available for auction/disposal. The listings are returned to the Finance Department. The Finance Director researches and resolves any discrepancies between the physical inventory and the Capital Asset Listing. Each year, the Finance Department will physically sample a random selection of the Capital Asset Listing for verification that the items are still in the possession of the Town and are in working condition. During this review, staff will also search for items not listed on the Capital Asset Listing.
- C. Staff reviews and reconciles the Capital Asset Listing to the general ledger on an annual basis. The Finance Director reviews the reconciliation, initialing and dating as evidence of review.

III. DISPOSAL

- A. Departments shall complete a Request for Authorization to Dispose of/Transfer Equipment form and submit it to the Finance Department prior to the disposal or transfer of assets. The Finance Director reviews and approves all Requests for Authorization to Dispose of/Transfer Equipment forms.
- B. Departments shall report lost, stolen, or destroyed assets within ten working days of discovery to the HR Director and the Finance Department.
- C. The Town utilizes the Public Service website to dispose of surplus supplies and/or assets in compliance with A.R.S. Section 9-402. This website adheres to the specific procurement requirements that public agencies must follow in disposing surplus supplies and/or assets. The website address is <http://www.publicsurplus.com/sms/campverde.az>.
- D. For smaller dollar items under the stewardship and capital asset thresholds, disposals shall avoid any conflict with Article 9 section 7 of the Arizona Constitution, which prohibits “gifts of public funds” which includes government property. Therefore, surplus supplies and/or assets cannot be donated to non-governmental organizations. The law does allow for donation to other governmental entities. Town property may not be given or sold directly to Town employees. Items that are deemed inappropriate to sell, shall be disposed of in Town waste bins.
- E. The following steps shall be adhered to regarding the disposal of surplus supplies and/or assets:
 - 1. The disposition of surplus supplies and/or assets shall be authorized by the department head of that department.
 - 2. Send an email to “All Employees” describing the item (include a photo if available) available. Allow at least four (4) working days to allow requests for the item to be transferred to another Town department.
 - 3. If no requests to transfer the item to another Town department are received, prepare the item for submission to the Public Service website as follows:
 - a. Take a digital photo of the item.
 - b. Complete the Vehicle Property or General Property description form.
 - c. Email the description form, digital photo, and any suggestions for a start price or reserve (minimum amount for the item) if applicable to auctions@campverde.az.gov. Indicate whether

the item has instruction manuals and/or accessories, as well as the working condition and general condition of the item. Provide as much information as possible.

- d. Indicate in the email who should be contacted to pick-up the item when sold and when it will be available for pick-up.
4. At the end of the auction timeframe, if the item sells, a Closing Notification report is generated from the Public Surplus website detailing the item sold as well as the sales price and the purchaser. A copy of this report is to be given to the Finance Department. This report is used to update the assets listed on the Stewardship and Capital Asset listings.
5. When the purchaser pays for the item, an "Auction Receipt" report is generated. A copy of this report is to be given to the Finance Department. Payment from the purchaser is received by Public Surplus and transmitted to the Town.

CASH POLICIES

SECTION

BANK ACCOUNTS AND RECONCILIATION

PURPOSE: To ensure that all activity within the general ledger is complete and properly reconciled to the bank.

I. POLICIES

- A. The General Account serves as the general operating bank account of the Town and represents the pooled cash of all funds, except those amounts retained in separate bank accounts for legal or operational purposes.
- B. Each fund's share of the pooled cash is recorded on the general ledger as Equity in Pooled Cash.
- C. In accordance with Arizona Revised Statutes 35-1207, each bank account that the Town maintains over the FDIC insured amount shall be collateralized by the bank for the amount over the FDIC insured amount.
- D. All bank accounts and related activity shall be properly recorded in the general ledger.
- E. Prior to opening or closing any Town bank accounts, Council authorization shall be obtained.
- F. Only the Mayor, Vice Mayor, Finance Director, and Town Clerk are authorized check signers on the Town's accounts as established in Resolution 2008-744 and the individuals in all four positions shall be listed as signers on each Town checking account. Signature cards shall be updated when necessary to reflect any changes in those positions.
- G. Authorization is given by Council to the Finance Director to initiate and approve direct transfers of funds between Town bank accounts to provide for the payment of accounts payable, payroll transactions, debt payments and investments. Authorization is further given to the Finance Director to make transfers to outside agencies for the purposes of normal payroll functions and payments on Town approved debt.
- H. Each bank account shall be reconciled monthly and on a timely basis to resolve any discrepancy. Reconciliations shall be signed and dated by the preparer and forwarded to the designated person for review. Once reviewed and signed, the reconciliations are returned to the Finance Department.
- I. Once all bank accounts have been reconciled for the month, the Finance Director reviews and reconciles the Equity in Pooled Cash balances to ensure the amounts agree to the offsetting entries in the General Fund.

PETTY CASH ACCOUNTS

PURPOSE: To account for minor disbursements when immediate payment is required.

I. POLICIES

- A. Petty cash shall be properly safeguarded at all times.
- B. At a minimum, the Petty Cash Custodians shall request replenishment when the petty cash balances are more than 50% below the established beginning balance or an immediate need for replenishment is anticipated.
- C. All petty cash receipts shall be submitted for reimbursement no later than the fiscal year-end in which the purchase is made, to ensure all amounts are recorded correctly.
- D. Petty cash funds may not be used for personal services/items.

II. PROCEDURES

A. DISBURSEMENTS

- 1. The requesting employee shall obtain the department head approval before purchases are made.
- 2. The requesting employee completes the Petty Cash Withdrawal Request form and initials the actual receipt.
- 3. The Petty Cash Custodian receives all Petty Cash Withdrawal Request forms and vendor receipts and ensures receipts are initialed, the form is complete and properly approved before any disbursement is made from the Petty Cash Account.
- 4. The Petty Cash Custodian maintains a Petty Cash Disbursement/Replenishment Log for all disbursements and replenishments.
- 5. The Petty Cash Custodian checks the amount requested for mathematical accuracy and notes any discrepancy.
- 6. Upon disbursement of cash to the employee, the employee signs the Petty Cash Withdrawal Request form for acknowledgement of receipt of cash.
- 7. If there is change from the purchase, the employee signs the form acknowledging his/her return of any monies and the Petty Cash Custodian verifies the amount of the vendor receipt against the amount of the original disbursement.

B. RECONCILIATION

- 1. On a quarterly basis or as needed, using the Petty Cash Disbursement/Replenishment Log, the Petty Cash Custodian reconciles the disbursement and change returned amounts listed on the various Petty Cash Withdrawal Request forms.
- 2. The Petty Cash Custodian also reconciles the Petty Cash Fund comparing the established beginning balance to amounts disbursed and remaining cash.
- 3. The Petty Cash Custodian researches and resolves any discrepancies.
- 4. The department head reviews the reconciliation.

5. The Petty Cash Custodian prepares a check request to replenish petty cash funds, when necessary. All receipts and Petty Cash Withdrawal Request forms shall be attached to the check request.
6. The Petty Cash Custodian receives a petty cash fund reimbursement check made payable to the applicable petty cash custodian for the purposes of replenishing the petty cash fund.

CASH RECEIPTS

PURPOSE: To describe the policies and procedures for obtaining and receipting all revenues received by the Town of Camp Verde.

POLICIES/PROCEDURES

- A. All cash received must have a receipt generated either in a manual receipt book or the computer accounting system depending on the department setup. Any payments taken in person should be receipted with one copy going to the payer. All checks are stamped "For Deposit Only, Town of Camp Verde" immediately upon receipt. All receipts are immediately placed into a secure location (e.g. locked drawer or safe).
 - a. Each individual authorized, by their respective department, to accept cash payments shall maintain their own separate receipt book and enter those receipts into their own computer deposit batch.
 - b. One copy of each receipt shall be given to the customer. A second copy of each receipt shall be turned into the Finance Department with the applicable batch. Receipts not in consecutive order must be explained and documented.
- B. For departments that accept credit cards, a batch report for all credit cards processed for the day shall be generated at the end of each day and reconciled to applicable receipts.
- C. Receipts are entered into a weekly batch in the computer accounting system by the receiving department. The batches are posted and closed at the end of each week. If cash on hand accumulates to over \$2,000.00, the batch should be closed that day and taken to the Finance Department.
- D. Each batch report is initialed by the department director and taken to the Finance Department by Thursday of each week. The money is counted by the Accountant in front of the department representative. Any discrepancies are noted at that time and are dealt with appropriately. After verifying the cash balances with the report, the Accountant initials the correct cash balance and places the report in a holding file for the actual deposit and places the money in the Finance Department in a secure locked location. All cash reconciliation reports, receipts, and/or cash register tapes, should be attached to each batch report submitted to the Finance Department.
- E. The Finance Department prepares bank deposits from all received batches weekly or once actual cash on hand is greater than \$10,000. A summary deposit report of all batches is created by the Finance Director through the accounting system and balanced to actual cash on hand as counted by the Accountant. The deposit is then taken to the bank. The deposit receipt and deposit slip are attached to the combined batch reports and summary report and filed.
- F. Funds deposited directly to Town bank accounts are entered into the computer accounting system during the bank reconciliation process.
- G. The Town Pool facility maintains a cash register for the receipt of funds. The cash register is opened with a \$100.00 change fund. Daily receipts are closed out each day by the Head Life Guard and the Cashier. The daily receipts along with the daily reconciliation report are put into a sealed bag and placed into a locked drop box. Pool revenues are picked up weekly by authorized Parks & Rec personnel and entered into the weekly batch for the Parks and Recreation Department.

- H. All bank accounts are reconciled monthly by staff (initialing and dating upon completion), reviewed by a separate employee, (the Finance Director, the Town Manager or Clerk, initialing and dating as evidence of review), and filed. (See the Bank Reconciliations Section for further details.)
- I. Customer Complaints. Customer complaints regarding payments to the Town should not be handled by the same person who receives the monies in dispute. If the person receipting monies receives a customer complaint regarding such monies, the customer should be directed first to a supervisor. If the complaint is not resolved, it shall be forwarded as follows until resolution is achieved:
- Finance Director
 - Town Manager
 - Town Council

Note: For non-finance related complaints, please reference the Complaint Policy.

CREDIT CARD PAYMENTS RECEIVED

PURPOSE: To communicate the policies and procedures for accepting credit card payments.

I. POLICIES

- A. Any and all departments must have authorization from the Finance Department to accept credit cards for payment.
- B. General Town departments may not accept credit card payments in excess of \$10,000.00. The Water and Wastewater Funds may not accept credit card payments in excess of \$2,000.
- C. Credit card numbers shall never be stored or retained by the Town.

II. PROCEDURES

- A. Receipts from on-site payments shall be signed by the presenter at time of payment.
- B. Receipts shall be entered into their own batches, separate from cash and checks.
 - a. Receipt batches shall not cross months (e.g. January receipts shall not be included in a batch with February receipts).
 - b. The only exception to above are receipts from the last 2 days of any given month are to be entered in a batch for the next month (e.g., receipts from January 30th and 31st shall be entered with February receipts).
- C. Credit card batches should be turned in to the Finance Department weekly, but at a minimum monthly by the 5th of the following month.
- D. Batches are processed monthly in the Finance Department along with the Main Checking account bank reconciliation.
- E. Credit card payments over the internet shall be imported each month by the Finance Department and entered into their own batch.
- F. Discrepancies shall be referred to the initializing department for clarification or to correct errors.
- G. Credit card information taken over the phone shall be shredded immediately upon completion of the transaction.

ACCOUNTS RECEIVABLE

PURPOSE: To establish procedures for proper management of accounts receivable.

POLICIES/PROCEDURES

A. COURT RECEIVABLES

1. The Municipal Court maintains records of outstanding receivables.
2. On a monthly basis, the Court Administrator identifies delinquent accounts and forwards the accounts to the collection agency.
3. Each month, the Court Administrator forwards the Monthly Transmittal Report, Bond Report and Bank Reconciliation to the Finance Department.

B. MISCELLANEOUS RECEIVABLES

1. Following each fiscal year end, the Finance Director reviews July and August cash receipts to identify any unrecorded receivables.
2. Any amounts collected by the Town prior to June 30 and remitted to the bank after June 30 are recorded as cash on hand.
3. Any amounts collected after June 30 for services provided prior to June 30 are recorded as accounts receivable.

ALLOWANCE FOR DOUBTFUL ACCOUNTS

PURPOSE: To establish procedures regarding the amount of receivables that is annually estimated as “uncollectable” by the Finance Director. The establishment of an allowance account ensures that the Town’s receivables are not overstated for financial reporting purposes.

I. POLICIES/PROCEDURES

- A. The Finance Director shall establish an allowance for doubtful accounts.
- B. The estimated allowance should be based upon historical data or other pertinent information relative to the receivables in question.
- C. Generally Accepted Accounting Principles allows for the allowance to be based on a percentage of “net charges” on an annual basis or based on a percentage of aged receivables.
- D. The estimated Allowance for Doubtful Accounts shall be updated on an annual basis.

SPECIAL EVENT CASH HANDLING

PURPOSE: To describe the policies and procedures for collecting and reporting amounts received during special event functions.

POLICIES/PROCEDURES

- A. The responsible department shall turn in a check request for the required bank amount 10 business days before the event. The amount of the starting bank is entered on the Special Event Start Bank Form and initialed by the Finance Department.
- B. A cash box or register shall be used for all special events. Once the starting bank check is cashed, all money should be placed in the cash box or register, which must be stored in a locked and secure location
- C. Cash registers and central ticket areas shall be used for food, drink, and admission.
- D. Any overflow cash removed during the event must be documented and initialed on the Special Event Start Bank Form. The amount should be verified and initialed by the person transporting the money. Removed cash shall immediately be moved to a locked and secure location. For transfers of \$2,000 or more, a Camp Verde Town employee shall accompany the transporter.
- E. When making change, the exact amount must be returned to the cash box that was taken from the cash box (e.g. four (4) fives for a twenty).
- F. At the end of the event, two (2) Town employees shall transport the money to a secure location (e.g. safe or locked drawer) with each verifying the count of cash.
- G. The first work day following the special event, a minimum of two (2) Town employees shall count and receipt in the funds, and in another department, two (2) Town employees shall count tickets. Amounts are to be recorded on the Special Event Cash Count Sheet. Funds and ticket counts shall then be turned over to the Finance Department for verification.

DISHONORED CHECKS

PURPOSE: To describe the policies and procedures for recording and collecting amounts due from dishonored checks.

POLICIES/PROCEDURES

- A. Upon receipt of notice from the bank that a check has been dishonored, the Finance Department issues a letter to the Payer (the party that issued the check) demanding payment for the amount of the check plus a returned check fee as established by Council resolution. This notice allows the Payer five (5) days from the receipt of the letter to remit the total amount due to the Finance Department or face collection from the Yavapai County Attorney Bad Check Program. A copy of the letter, a copy of the notice from the bank, and the original dishonored check are placed in a file for follow up.
- B. The Finance Department notifies the original receiving department of the dishonored check.
- C. The original notice from the bank is attached to the corresponding bank reconciliation as backup.
- D. An entry through the bank reconciliation process is made to record the reduction from the Town's bank account as well as record the amount of the check as an accounts receivable in the proper fund (General Fund, HURF Fund, etc.). Upon payment of the total amount due, the amount of the check is coded to accounts receivable, the returned check fee is coded to Miscellaneous Revenues, and the total is coded to the Town's bank account.
- E. If the Payer has not made payment in full, or payment arrangements, within the allowed timeframe, the check is forwarded to the Yavapai County Attorney Bad Check Program for collection. A copy of the Yavapai County Attorney's form as well as all of the backup is retained in the file for future reference.
- F. Upon payment from the Yavapai County Attorney Bad Check Program, the backup from the file is attached to the receipt for reference.
- G. All payments on dishonored checks shall be forwarded to the Finance Department for entry. Only the Finance Director is authorized to setup payment arrangements for amounts due to the Town.

GRANTS

PURPOSE: To ensure grants are properly approved and accounted for.

I. POLICIES

- A. All grant applications shall be approved by the Town Manager prior to the application being submitted. The approval shall be made through email. The approved grant application shall be forwarded to the Finance Director in digital format along with a copy of the Town Managers approval either in writing or from email.
- B. Grants larger than \$50,000 or that require any amount of Town matching funds require approval from the Town Council prior to application. Approval by Council of a grant application can be done through ratification with Town Manager approval if the deadline for the grant is set before the next Council meeting and if the grant does not require any match funding.
- C. The department administering the grant must complete a Grant Summary Report that is submitted to the Finance Department at the time of grant submittal.
- D. The department administering the grant shall be responsible for the submission of any required financial reports at the frequency determined by the granting agencies and is also responsible for verifying that all expenditures are reviewed for reasonableness and for compliance with the grant requirements as well as all requirements laid out in Section C below.
- E. All Federal grants shall be received into the Federal Grants Fund. All other State, County, Non-profit grants of a formal nature shall be received into the Non-Federal Grants Fund. Finally, all non-formal grants or general donations that carry some type of restriction shall be received into the Restricted use Fund.

II. PROCEDURES

A. REIMBURSEMENT GRANTS

- 1. Monthly, quarterly or as required by the granting agency, the department representative shall obtain a listing of all applicable grant expenditures from the accounting system. Employee wages allocated to the grant must be documented and listed on a per day basis for allocated hours with relevant and allowable wage and ERE costs totaled.
- 2. After the reimbursement claim is prepared, it is forwarded to the Finance Department for approval before it is submitted. Any discrepancy between the expenditures incurred and the reimbursement claim prepared shall be documented and returned to the department representative for adjustment. Once approved by the Finance Director, the claim is submitted to the granting agency for reimbursement.
- 3. Finance staff prepares journal entries to record related receivables, transfer of monies for any matching requirements, or adjustment of expenditures as needed.
- 4. Upon receipt of grant monies, staff ensures that the reimbursement received reflects the amount requested. If not, staff researches and resolves the discrepancy.
- 5. Finance staff periodically reviews pending reimbursement claims to determine if any outstanding claims have not been received in a timely manner.

B. ADVANCE-TYPE GRANTS

1. Monthly or quarterly as required by the granting agency, the department representative shall obtain a total listing of all applicable grant expenditures along with the grant amounts advanced from the granting agency from the Finance Department.
2. All expenditures are reviewed for reasonableness and for compliance with the grant requirements by the department administering the grant.
3. Once expenses are verified, any required financial status reports shall be prepared and submitted to the granting agency. Copies of the reports are forwarded to the Finance Department. Any discrepancy between the expenditures incurred and the financial status reports prepared shall be documented by the department representative and submitted to the Finance Department with the copy of the reports.
4. The Finance Director prepares journal entries to transfer monies for any matching requirements, or adjustment of expenditures as needed.

C. OMB UNIVERSAL GUIDANCE

1. Financial Management
 - a. The applying department shall identify, document and forward to the Finance Department the following information for all federal grants: 1) CFDA title & number, 2) Federal award ID number and year, 3) Name of the federal agency and 4) Name of the pass-through entity, if any.
 - b. The Finance Department shall make sure accounting records adequately identify the source and application of funds and be able to show budget to actual comparisons.
 - c. The applying department shall make sure that assets acquired through a federal grant are adequately safeguarded and utilized only for authorized purposes.
 - d. The Finance Department shall make every reasonable effort to minimize the duration of time between the receipt and disbursement of grant funds.
2. Cost Principles
Expenditures under federal awards must:
 - a. Be necessary and reasonable for the performance of the federal award and be allocated to that use.
 - b. Conform to any limitations or exclusions regarding type or cost.
 - c. Be consistent with the policies and procedures the organization would apply to non-federally financed work.
 - d. Be treated consistently with other comparable costs. For example, a cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the federal award as an indirect cost.
 - e. Be determined in accordance with generally accepted accounting principles (GAAP), except as otherwise provided in 2 CFR 200.
 - f. Not be used to meet cost-sharing requirements or matching requirements of any other federally financed program.
 - g. Be adequately documented.
3. Conflict of Interest
 - a. No employee, officer, or agent may participate in the selection, award or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Conflict of interest extends beyond the person involved to include their spouse, family or other employers as well.
 - b. Individuals involved in the procurement process may not solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-contractors unless the gift is of

nominal value, unsolicited and inconsequential to the current federally funded project nor any in the foreseeable future.

- c. Disciplinary action for knowingly engaging in items a or b above regarding conflicts of interest or accepting gifts or gratuities may include termination of the employee, cancellation of any related procurement agreements and civil and criminal prosecution.
4. Procurement
- a. Records detailing the entire procurement process, including relevant decisions along the way, for every federally funded procurement process shall be maintained for 3-years or longer if stipulated by the federal award agency.
 - b. The Town's procurement policy shall be followed for all federally funded projects unless the federal agency's guidelines dictate a stricter requirement, in which case, the stricter policies shall be followed (see the Procurement section within this document).

DONATIONS

PURPOSE: To ensure that donations received by the Town are properly reviewed, accepted, accounted for and reported.

POLICIES/PROCEDURES:

I. GENERAL DONATIONS

Donations without direct guidance from the donor will be received into the General Fund as unrestricted monies.

II. RESTRICTED DONATIONS

- A. Donations that are restricted in form by the donor as to use or timing of use or any further conditions open the use of such monies must be approved by the Finance Director. Restricted Donations may be returned if it is determined by the Finance Director to be in the Town's best interest to do so. Donations of a de minimis amount or value (less than \$100.00) and for established designated functions do not require the Finance Director's approval.
- B. Employees of the Town may not impose their own restrictions on received donations. Only direct communication from the donor may restrict the use of a donation.
- C. The Finance Director shall be notified as soon as any restricted donations are received, pledged or expected.
- D. Restricted donations are not officially received and accepted until they are deposited by the Town.
- E. Restricted donations must be received with the following information in writing:
 - 1. Donor's Name
 - 2. Donor contact information
 - 3. Conditions of useWithout the above information, restricted donations shall not be deposited until the information is received.
- F. Restricted donations shall be identified and tracked in the general ledger and reconciled on a quarterly basis.

PURCHASING POLICIES

SECTION

PROCUREMENT

PURPOSE: To establish standard policies and procedures for the procurement of goods and services for the Town of Camp Verde to ensure that all goods and services received are properly authorized.

POLICIES/PROCEDURES:

I. GENERAL REQUIREMENTS

- A. Department Head approval is required for all purchases. All invoices shall be initialed and dated showing the department head's knowledge and approval for those purchases.
- B. Normal recurring operating expenses, such as utility expenses, rental payments, payroll taxes, etc. do not require comparative quotes or requisitions for approval.

II. PROCUREMENT PROCESSES

A. Comparative Quotes

- 1. 3 comparative quotes are required for purchases over \$20,000 up to \$50,000 and all non-Bid purchases over \$50,000 except as stated in item B under General Requirements above.
- 2. Quotes or current pricing information shall be obtained from reasonable competitors. All competitor information must be printed and attached to the purchase request. Pricing comparisons shall be based on best available price information with only reasonable competitor prices used.
- 3. Where 3 quotes cannot be obtained, a vendor's refusal to quote or simply the lack of vendors shall be documented and submitted with the requisition to the Finance Department.
- 4. When only a sole-source vendor is available, that information shall be documented on the requisition.
- 5. The Town reserves the right to select a higher quote if circumstances can be documented that the more expensive choice is in the Town's best interest.
- 6. Comparative quotes are not required when purchasing from a vendor on any State approved State Procurement List.

B. Requisitions

- 1. The computerized requisition process shall be used for any purchases or projects that in total accumulate to more than \$20,000 for each individual vendor except as stated in item B under General Requirements above.
- 2. Approved requisitions show official approval for the procurement process to go forward. As such, no purchases shall be made nor agreements signed until the requisition is approved in full.
- 3. Requisitions require the following approvals:
 - a. Finance Director approval for all requisitions.
 - b. Town Manager approval for all requisitions of \$30,000 or more.
 - c. Formal Council approval for purchases of \$50,000 or more.

C. Sealed Bids

- 1. A formal sealed bid process is required for construction and materials related purchases of \$50,000 or more.
- 2. Obtain a project/bid number from the Town Clerk's Office.

3. Publication of a notice of solicitation. In accordance with A.R.S. Section 9-812, an invitation for bids shall be issued and shall include a purchase description and all contractual terms and conditions applicable to the procurement. The notice shall include publication one or more times in a newspaper of general circulation in the Town within a reasonable time before bid opening. The publication shall be not less than two weeks before bid opening nor more than 90 days before bid opening and shall be circulated within the affected governmental jurisdiction. Notice should also be sent to the League of Arizona Cities and Towns, plan rooms and all vendors who have requested to be placed on the bid list.
4. A notice of solicitation for bids shall state the date, time and place of opening, and the place and time period within which bids shall be submitted. The time of bid opening shall be not more than 15 minutes after the deadline to submit bids.
5. The notice shall state with particularity the goods or services required and shall state the place where specifications may be examined.
6. Bids shall be submitted in a sealed envelope clearly identified as a bid on the front of the envelope. Any bid not received within the time period allowed shall be rejected.
7. All bids shall be date and time stamped upon receipt.
8. All bids shall be opened in public at the time and place specified, and a tabulation of all bids shall be posted at Town Hall for public inspection.
9. All bidders shall be notified in writing of the award or rejection of any and all bids.
10. Original bid documents are maintained on file in the Town Clerk's Office in accordance with the Town of Camp Verde Records Management Manual.
11. Unless the bids are rejected, the following shall be considered in determining the lowest responsible bidder:
 - a. The ability, capacity and skill of the bidder to perform the contract or provide the service required.
 - b. Whether the bidder can perform the contract or provide the services promptly or within the specified period of time without delay or interference.
 - c. The quality of performance of previous contracts.
 - d. The previous and existing compliance by the bidder with the laws and ordinances of the Town.
 - e. The financial resources and ability of the bidder to perform the contract.
 - f. The quality, availability, and adaptability of the supplies or service.
 - g. The reasons for selecting other than the lowest bidder shall be documented and filed with the bid documents.
12. Following the sealed bid process, the Designed Project Manager or designee will complete the requisition process through the computer accounting system. The following documentation must be included with all requisitions:
 - Agenda Information Memorandum
 - Grant Summary Sheet (if applicable)
 - Approval of minutes (will need to be acquired from the Clerk's Department once available; draft minutes can be uploaded initially)
 - Signed contract agreement showing total project amount
 - Three quotes (if applicable) or sole source approval form
 - W9

D. Contracts & Agreements

1. Contracts & Agreements shall be reviewed and given a recommendation for approval by the purchasing Department Director.
2. Contracts & Agreements of less than \$50,000 shall be approved and signed by the Town Manager.
3. Contracts & Agreements of \$50,000 or more require Council approval and the Mayor's signature.

4. Amendments to any project's line item budget require Council approval and the Mayor's signature when the Amendment is more than 10% over a contracted amount of \$500,000 or more than 15% of a contracted amount under \$500,000.
5. Council shall be notified of any contract overages within 3 working days.
6. The Mayor, in consultation with the Town Manager, may sign change orders in excess of \$50,000 without Council approval, if the Mayor, exercising his/her discretion, determines that the change order is reasonably necessary for safety or emergency reasons or if the cost of the change order will increase based on the time delay incurred waiting for the next Council meeting. The Town Manager shall place any such authorization on the agenda of the next scheduled Council meeting for possible ratification by the Council.

E. Request for Quotes (RFQ) for Loans

1. A request for quotes (RFQ) process shall be required for obtaining loans greater than \$250,000.
2. RFQ's shall specify at a minimum, the amount of the desired loan and list the equipment desired or other specified use of the loan. They shall also specify a cut-off date of acceptance.
3. RFQ's shall be sent out to a minimum of 3 separate institutions.
4. RFQ's may be sent out and received by email.
5. RFQ's shall be reviewed by the Finance Director for the best suitability for the Town, which may include details beyond the interest rate.
6. Loan applications to WIFA or GADA do not require any comparative quotes to be obtained.

F. Other Items

1. Performance and Payment Bonds. The Public Works and/or Utilities Director shall have the authority to require a performance bond, in such amount as the Finance Director may deem sufficient for contracts other than contracts for construction, and the Finance Director shall require performance and payment bonds for contracts for construction as required by law (in excess of \$20,000). In all cases of construction to which state law applies, any requirement for a bond shall be incorporated into the contract.
2. Exclusive Service. In the event that there is only one person or entity capable of providing a particular commodity or service, the requirement of the Town Code concerning bidding procedures shall not be applicable. However, for auditing purposes, sole-source proof shall be maintained. Professional and Technical Services
 - i. The provisions of the Town Code shall not apply to professional or technical services.
 - ii. For Professional Services (e.g. legal, prosecutorial, auditing, etc.) that Town will issue Request for Proposals or Request for Qualifications. The individual/firm that Town contracts with for said services will be determined by a committee consisting of the Town Manager and applicable staff and approved by the Town Council. The Town will release RFPs/RFQs for any contracted professional services at least every five years.
 - iii. No person or firm practicing in a professional or technical field for which a license is required by state law shall be engaged by the Town unless possessing a current license in good standing.
 - iv. Upon engagement, the Town shall enter into a written agreement or memorandum of understanding for the performance of the services for which engaged, setting forth the scope of services and the unit or total price therefore.
3. Job Order Contract. Under ARS Section 34-601, the Public Works and/or Utilities Director may authorize the solicitation for Request of Qualifications (RFQ) and/or Request for Proposals (RFP), for the selection of a qualified firm/individual with whom the Town may enter into a Job Order Contract (JOC) in accordance with Title 34 of the Arizona Revised Statutes. The method of solicitation and selection may include the consideration of contractors approved under the Mohave Contract, Arizona State Purchasing Cooperative Agreement, or other appropriate Cooperative Purchasing Agreements. Multiple contracts for Job-Order-Contracting construction services may be awarded to separate persons or firms on a final list with whom

the Town may negotiate fair and reasonable contract terms. Multiple year contracts shall be executed for three years, performance reviews and fixed or unit prices may be updated annually.

4. Cooperative Purchasing. Staff are not required to obtain bids and quotes for purchases made by, through or with the State of Arizona, its political subdivisions or established cooperative purchasing groups that require a formal bidding process for all available vendors on that contract. The Town may make purchases or award contracts for services without a formal bidding or proposal process whenever other governmental units have done so for the same item or service, if, in the opinion of the Finance Director, a separate bidding process is not likely to result in a significantly lower price for such items or services.
5. Grants. The provisions set forth in the Town Code or the Town of Camp Verde Financial Operations Guide may be superseded by bidding, proposal, or qualification requirements in federal and state grants.
6. Purchases from Mayor or Council Members. Pursuant to ARS § 38-503(C), as may be amended, the Town, through its common Council, may purchase supplies, materials, and equipment not to exceed \$300 in cost in any single transaction or a total of \$1,000 annually, or as may be adjusted by law from the Mayor or any member of the common Council without using competitive public bidding procedures according to an annually adopted Town policy.
7. Contingency Budget Use
 - i. Town Manager approval shall be obtained in writing for use of the Contingency line item of up to \$10,000 per separate event.
 - ii. Council approval with Town Manager recommendation for use of the Contingency line item for amounts over \$10,000.

RECEIVING

PURPOSE: To establish standard policies and procedures for the accurate receipting of all purchases or services received by the Town of Camp Verde.

POLICIES/PROCEDURES

- A. All items purchased by the Town shall be accompanied by a written receipt of the items.
- B. A title or deed acts as the receiving document for the purchase of vehicles, land or buildings. The sales contract acts as the invoice.
- C. Items purchased with petty cash are documented by the purchaser as being received by the purchaser's signature on the detailed receipt or with a signed, written description of the items purchased if a detailed receipt is not available. It is then placed in the petty cash drawer and marked "PAID" as proof of the use of funds.
- D. Items purchased and paid for at the time of receipt with a Town check or a Town credit card must include an itemized receipt that is signed by the purchaser. The proper account code is identified, and the receipt is forwarded to the Finance Department for payment.
- E. All other items received are documented on a packing slip, bill of lading or a vendor invoice.
 - 1. Items received are signed for and dated by the department head or their designee upon inspection by that person that all items on the receiving document are indeed delivered to the Town in good condition.
 - 2. Receiving documents for items purchased with a Purchase Order include the Purchase Order number.
 - 3. Items received via a parcel shipping company are signed for at the time of receipt from the delivery company as receipt of a number of boxes or envelopes. Upon delivery of the parcel(s) to the appropriate department, the department head or his/her designee inspects the contents of the delivery, signs and dates the accompanying packing slip or invoice and note the amount and the condition (if necessary) of the items received.
 - 4. After completing the above procedure(s), all receiving documents are forwarded to the Finance Department and attached to the invoice.
 - 5. If any item purchased exceeds \$5,000, notification shall be made to the Finance Department to flag the item for potential entry on the Capital Asset Listing. See the "Capital Asset" policy in the Town of Camp Verde Financial Operations Guide for proper reporting procedures.

CONTRACTED SERVICES

PURPOSE: To establish standard policies and procedures for the accurate handling of contracted services.

POLICES/PROCEDURES:

- A. Definition – Contracted Services refers to all Vendors the town hires to perform a service-type activity while on Town property or working on Town equipment.
- B. Before a contract service provider is allowed to begin working, the department utilizing the contract service provider must verify the following:
 - 1. The vendor has completed a Form W-9. This form must be submitted to the Finance Department by the department that the vendor is contracted with. If payment is due and the required Form W-9 has not been received, the payment is subject to backup withholding of 28% pursuant to IRS requirements.
 - 2. The vendor has provided the HR Director with a copy of the required liability and worker's compensation insurance policies.
 - 3. The vendor has a current business license on file with the Town Clerk's Office.
 - 4. The vendor's trade licenses/certifications are current and valid.
 - 5. Budget appropriation exists to fund the transaction.
- C. The department utilizing the contract services provider, in conjunction with the Finance Department, is responsible for ensuring that the amounts paid do not exceed the total approved amount.

EMERGENCY EXPENDITURES

PURPOSE: To establish standard policies and procedures for the handling of emergency expenditures.

POLICES/PROCEDURES:

- A. Definition - Emergency expenditures are those needed for the immediate preservation of the public peace, health or safety and for which compliance with bidding requirements are impractical or contrary to the public interest.
- B. Determination of Emergency - The requesting Department Director shall be responsible for determining the validity of all emergency purchase requests for goods or services.
- C. Authority to Approve - Emergency expenditures under \$50,000 and not requiring the use of contingency funds may be approved by the Town Manager. Emergency expenditures of \$50,000 and greater, or requiring the use of contingency funds may be authorized by the Town Manager with consent of the Mayor however, when an emergency expenditure is made under the authority of this section, a full written report specifying the nature of the emergency and the amount of the expenditure shall be made to the Council at the next regularly scheduled Council meeting. All invoices for the purchase of emergency goods or services shall be signed by the requesting Department Director and the Town Manager, with Mayor consent as applicable.
- D. Competition as Practical - Verbal or written quotations should be obtained where practical to ensure competitive pricing for emergency procurements.
- E. Title 34 Exception - Notwithstanding the above, any emergency procurement for construction work shall be governed by A.R.S. Section 34-606.

DISBURSEMENT POLICIES

SECTION

CASH DISBURSEMENTS

PURPOSE: To establish standard policies and procedures for the disbursement of funds to vendors for items or services purchased by the Town of Camp Verde, for ensuring that all services and items delivered were authorized and accounted for properly, and for maintaining accurate vendor files.

POLICIES/PROCEDURES

I. INVOICES

- A. The Cash Disbursement/AP process begins with the received invoice. Invoices shall be used for payment. Original invoices are preferred when possible.
- B. Each department is responsible for receiving and verifying each invoice along with entry into the computer accounting system. Exceptions to the actual computer entry includes bills paid by statement and a few other invoices as specified by the Finance Department. The Finance Department shall enter those invoices into the computer system.
- C. Each invoice shall be verified as: 1) not previously paid and 2) a valid expense, with materials received or services rendered by the receiving department. The Department Director shall initial each invoice as approved and include the proper coding on the invoice as well. Backup materials and the receiving document(s) shall be attached to the invoice.
- D. Staff enters the invoices into a bi-weekly batch file in the computer accounting system. When the batch is ready for payment, staff shall print a summary batch report that is to be verified and initialed by the Department Director as valid for payment. The summary report along with the invoice detail is then forwarded to the Finance Department.
- E. Batches are paid bi-weekly by the Finance Department. Received batches are reviewed by the Finance Department with any discrepancies noted and/or adjusted. All individual batches are compiled into a final batch in the computer software for payment by the Accountant. If an emergency check is required, the Finance Director may approve processing of a check outside the normal batch timelines.

II. CHECKS

- A. Blank check stock shall be kept in a locked storage cabinet in the Finance Department.
- B. Check signers include the Mayor, Vice Mayor, Finance Director, and Town Clerk (per Resolution 2008-744).
- C. Check signers may have a signature stamp. Signature stamps shall be placed in a secure location in the check signer's department, but not in the same location as the blank checks. Each check signer is responsible for the safekeeping and authorized usage of the stamp. Each department shall have a designated employee(s) authorized to use the signature stamp in the check signer's absence, and this authorization shall be made in writing.

- D. Signatures may be printed by the accounting software program as long as the signatory is reviewing each check run and approving such by initialing and dating each review.
- E. Printed checks and the check register shall be documented and reviewed against the invoice detail by the Finance Director. The checks, invoices and check register are then provided to the Mayor for review and signature. If the Mayor is not available, the Vice Mayor or Town Clerk is also approved to review and sign. The check register is to be initialed by both signatories verifying that all checks on the register have been reviewed.
- F. Check logs shall be maintained by the Finance Department to document the review of all normal AP disbursement processes. There shall be one check log for the Finance Director and one for the second signer of the disbursement request. This is generally completed by the Mayor but can be updated by the Vice-Mayor or the town Clerk as needed. The check log shall document the date reviewed/signed, the beginning and ending check numbers of each reviewed run and the name and initials of the person signing, stamping or reviewing. Any missing checks or ACH payments should be reviewed and documented as to the reason for the missing information on the check logs.
- G. Signed checks are returned to the Accountant for processing and mailing. Invoices are filed by Vendor name and fiscal year in the Finance Office.
- H. Any voided checks shall be marked void and filed in a reconciliation file after being reconciled with the bank reconciliation for the same period.
- I. Departments shall submit all prior year invoices to the Finance Department no later than August 31. Any invoices submitted after August 31st may be included in the next fiscal year.
- J. Each January, staff shall compile and reconcile a preliminary list of 1099s to be issued in accordance with IRS regulations. The Finance Director shall review and approve the preliminary determination of 1099s to be issued. Once approved, staff processes the final 1099s for distribution to vendors and the IRS.

CREDIT CARD / PURCHASING CARD (P-CARD) & BUSINESS CHARGE CARD POLICY

PURPOSE: To establish standard procedures for the use of Town credit cards and business charge cards. The purpose of the credit card is principally for use in making travel arrangements or other purchases directly from a vendor's website. Credit card may not be used to bypass the Purchase Order process or other established purchasing policies. Business charge cards are also available for certain frequently used vendors. For the purposes of this policy section, credit card, purchasing card and business charge card shall be understood to be one in the same.

I. GENERAL POLICIES

- A. The Finance Department shall track, maintain and periodically review all Purchasing card accounts.
- B. Credit card charges shall be turned in to Finance along with a corresponding P-Card Expense form for all purchases on a monthly basis.
- C. Any approved credit card or business charge card accounts shall be opened by the Finance Director, or his or her designee. No other individuals are authorized to open credit card or business charge card accounts.
- D. The Finance Director may raise or lower limits as appropriate within reason for each individual account. Any individual card limit above \$10,000 shall be requested by the Finance Director and approved by the Town Manager.

II. CARD GROUPS

- A. Gas cards: Gas cards are typically issued under specific departments and are only able to purchase fuel for vehicles. Cards are held/controlled by the authorized individual of each department. Cards shall be checked out for a specified use and returned. Gas cards should not be used locally in place of the County gas supply. Gas cards typically have a \$250 limit.
- B. Travel cards: Travel cards are issued under specific departments and can be utilized for all travel related expenses including fuel, lodging, parking fees, etc. They are generally also used for training registration. Cards are held/controlled by the authorized individual of each department. Cards are checked out for a specified use and returned. Travel cards typically have a \$1,000 limit.
- C. Department cards: Department cards have a much broader range of purchase options and are used for purchases within a single department typically of a smaller nature and generally through websites. Department cards typically have up to a \$2,000 limit.
- D. Individual cards: Individual cards are typically reserved for department heads or higher level administrative staff that typically make their own purchases or purchases specifically for their department. Individual cards typically have a limit of between \$500 and \$1,500. However, department heads that show a specific need can have a higher limit up to \$5,000.

- E. Finance cards: The Finance Department has Gas, Travel and Department cards that are available to all Town departments as needed. Cards shall be checked out from Finance and returned after use. Finance department cards have specific uses and limits as follows:
- Card #1 is for Finance use only, paying AP bills and all annual recurring billing arrangements. It is not used for any offsite purchases. It has a limit of \$50,000.
 - Card #2 is used by all Town departments for large on-site purchases greater than \$1,000. It has a limit of \$50,000.
 - Card #3 is used by all Town departments for smaller on-site purchases less than \$1,000. It has a limit of \$15,000.

III. USE OF CARD

- The credit card/business charge card shall be used for Town purchases only.
- No person other than the one who signed out the card is authorized to use it. Employees must not retain credit card information for future use. Card information shall never be saved to any website, with the exception of Finance Department cards which shall require Finance Director approval.
- The employee shall take all necessary precautions to keep cards and card numbers in a secure location. The Finance Department is to be notified immediately if a card is lost or stolen.

IV. DOCUMENTATION

- An invoice and any relevant backup information for all purchases shall be obtained any time a purchase is made using the card, including phone and internet purchases. Invoices shall be in detail to allow clear understanding of the purchased items or service. If the purchaser is unable to provide such documentation, the charges may be the responsibility of the purchaser.
- All purchases shall be recorded on the P-Card Expense form on a monthly basis. .
- For internet orders, employees shall print a copy of the receipt/order confirmation and attach to the P-Card Expense form. Any originals mailed after the purchase shall be attached as well or forwarded to the Finance Department if received at a later date.
- If, for any reason, the employee does not have documentation for a transaction, the employee must attach a detailed description of the purchase, including: a description of the item, vendor's name, reason for missing documentation, and the action that will be taken to ensure proper documentation in the future. In addition, the employee and the department head's signature shall be required on the form.

V. PROHIBITED CHARGES

- The following uses of a credit card are **prohibited**:
 - Cash advances.
 - Personal purchases. Employees may not charge any personal items on the Town credit cards.
 - Employee meals for travel, off-site training, recognition and other similar type activities that focus on an individual or a single department or division.
 - Alcoholic beverages.
 - Purchases that do not follow Town established procurement policies (see the PROCUREMENT section).

Any prohibited use of cards shall be reported to the Finance Director and applicable department head and/or the Town Manager.

VI. RECONCILIATION AND PAYMENT

- A. All invoices shall be reconciled to the monthly statement by the Finance Office.
- B. Payment shall be made promptly and before the due date to avoid any service or finance charges.
- C. Any department not responding promptly to the request for information from the Finance Department or in any way delaying the timely monthly payment of the credit card account shall be assessed the finance charges imposed by the issuing financial institution.

VII. POLICY VIOLATIONS

Failure to follow this policy may result in loss of card privileges and, for employees, may result in disciplinary action, up to and including termination of employment.

TRAVEL AND TRAINING

PURPOSE: The policy of the Town of Camp Verde is to encourage training opportunities for employees so their services rendered to the Town can be made more effective, and that employees may become, at the same time, qualified for promotion to higher-level positions. The department head, consistent with the budget and this policy, may authorize attendance at conferences, seminars, meetings, conventions and other courses that directly benefit the Town of Camp Verde.

POLICIES/PROCEDURES:

I. ELIGIBLE INDIVIDUALS

- A. Current Town employees and necessary regular volunteers
- B. Members of boards, commissions, authorities, volunteers, council and committee members who are not employees of the Town yet serve the Town as members on these boards, commissions, authorities, councils and committees.

II. GENERAL PRINCIPLES

- A. All out-of-state travel shall be approved by the Town Manager prior to scheduling.
- B. Eligible individuals may attend educational or training seminars if funds for that purpose are available and such training is directly job related or beneficial to the Town.
- C. The most economical method of transportation shall be selected in terms of expense to the Town (or grantor agency) and the eligible individual's time away from the office. If the eligible individual chooses an alternate method of transportation, reimbursement shall be capped at the cost of the least expensive option.
- D. All travel, in-state and out-of-state, is conducted according to the Town Travel and Training Policy regardless of funding source (e.g. Grant requirements do not supersede the Town requirements; however, any grant requirements that are more restrictive must be followed).
- E. Any travel reimbursement claims shall be submitted to the Finance Department using the Training/Travel Reimbursement Form within five (5) business days after the end of the trip.
- F. Any expenses incurred for items such as alcohol, telephone calls (except when business related), in room movies, etc. shall not be covered by the Town and are the employee's responsibility. A Town issued credit card shall not be used to initially pay for these items even if the employee expected to reimburse the Town.
- G. It is appreciated by the Town when travelers are able to save the Town from certain expenses. However, this does not give the traveler the right to expect to receive financial gain for those savings (e.g. if you stay with family you do not have the right to claim per diem for meals provided at their house).

III. PROCEDURES

- A. Employees desiring to attend schools, conferences, conventions, seminars, and other official meetings shall complete a Training/Travel Expense Advance Form and submit to their department head for approval. If the travel is out-of-state, it shall first be approved by the Town Manager prior to scheduling.
- B. Upon approval of the training/travel request, the department designee makes the necessary travel arrangements and prepays lodging and other travel costs as appropriate. All travel/training arrangements are recorded on the Training/Travel Expense Advance Form.
- C. For advances of per diem allowances, employees shall submit a complete and approved Training/Travel Expense Advance Form to the Finance Department not less than ten (10) working days prior to the date that travel for such schooling or training is to commence.

IV. TRAVEL COMPENSATION GUIDELINES

- A. Tips and other gratuities for all meals are included in the per diem.
- B. The Town shall compensate expenses only when the expenses are incurred during the performance of official duties of the Town employee and for the Town's benefit.
- C. Subsistence shall not be permitted when the training received is for the direct benefit of the employee and not required by the job.
- D. An employee on Town travel status who extends the travel for his/her own convenience or enjoyment when such is not required by the Town, is not entitled to the allowance for that meal or if applicable, lodging. Any increase in travel costs (e.g. a larger room, extra bed, per person expenses, due to an accompanying family member) shall be borne by the employee.
- E. Employees shall be responsible for any fines or traffic violations incurred while traveling on Town business in either a Town vehicle or personal vehicle.

V. LODGING

- A. Eligibility
 - 1. Employee must be on authorized travel status.
 - 2. For lodging to be covered by the Town, the intended location must be outside a 75-mile radius of the Town center located at 473 S. Main Street. Exemptions to the distance requirement are:
 - A. An early morning meeting that would require the employee to leave the Town prior to 6:00 am.
 - B. Late night travel that would present a potential danger or risk to the Town or individual after attending functions of the event.
 - C. A location where severe weather could reasonably prevent safe travel in either direction.
 - 3. Events starting at or after 8:00 a.m. are not eligible for lodging and per diem for the day before the event begins unless the event is located in an area outside the traveling distance of the greater Phoenix, Flagstaff, Prescott or Payson areas.
 - 4. Lodging must be at a commercial establishment to be eligible for reimbursement.
 - 5. Lodging is covered at the single room rate unless sharing a room with another Town employee.
- B. Documentation

1. The commercial establishment's original receipt is required.
2. Lodging receipts shall be itemized.
3. If original lodging receipt is lost or destroyed:
 - a. A photocopy may be submitted with the statement. Treat as the Original.
 - b. The employee and the department head shall sign the photocopy.
 - c. If a photocopy is not available and cannot be obtained from the commercial establishment, then a canceled check or credit card receipt showing the payment of the lodging may be used. This situation may cause the employee to receive disciplinary action including the loss of authorized travel status.

VI. MEALS

- A. Meals shall only be reimbursed on a Per Diem basis.
 1. Per diem requires an overnight stay. Single day travel does not qualify for per diem.
 2. Meals shall be at a commercial establishment to be eligible for per diem.
 3. Receipts are not required to be submitted.
 4. Traveler is not entitled to a per diem allowance for meals that are included (free) at the conference, seminar or lodging site.
 5. Per diem requests shall be signed by the requesting payee.
 6. Town purchasing cards (credit cards) may not be used for meals.
- B. Per Diem Rates for Breakfast, Lunch and Dinner will be paid based on the Federal per diem Standard Rate only.
- C. Allowable Meal Times
 1. Breakfast - When travel commences on or before 6:00 a.m. or returns after 10:00 a.m.
 2. Lunch – When travel commences prior to 11:30 a.m. or returns after 1:30 p.m.
 3. Dinner - When travel commences prior to 6:00 p.m. or returns after 7:00 p.m.

Note: Travel times are determined WITHOUT considering a stop for meals.

VII. TRANSPORTATION

- A. Compensation shall be made only for the method of transportation, which is in the best interest of the Town considering travel expense, vehicle condition, as well as the employee's time. When more than one employee uses the same motor vehicle, only one claim for mileage compensation shall be allowed.
- B. Using Town Owned Vehicle
 1. The employee must obtain authorization from their department head prior to use of a Town owned vehicle.
 2. A valid driver's license is required if the employee is driving a Town, personal or rental unit on Town business.
 3. Each department shall reserve a general pool vehicle with the Town Clerk's Office at least one business day before needed.
 4. Pool vehicles require that all pertinent information be provided in the vehicle log, including name of user, beginning and ending mileage, total miles traveled, destination, purpose of travel, and fuel level. These forms are picked up from and returned to the Town Clerk's office.
 5. Pool vehicles should be returned with a full fuel level from an out-of-town trip and any problems or incidents with the vehicle shall be reported to the Maintenance Department Manager. The vehicle shall be returned in a clean state (all beverages, paper and trash shall be removed).
 6. General Pool vehicles shall never be returned with less than ½ tank of gas, regardless of the length of the trip.

7. There is no smoking or alcohol allowed in Town vehicles.
8. Passengers & Drivers - No unauthorized passengers or drivers shall be allowed to either operate or ride in Town vehicles, including the transport of family members.

C. Requirements for using personal vehicle

1. Employee must obtain authorization from the department head prior to use of personal vehicle.
2. A valid Arizona driver's license is required if the employee is driving a Town, personal or rental unit and on Town business.
3. Employees are responsible for ensuring personal vehicles are safe for travel.
4. Employees shall carry liability insurance coverage with a minimum coverage of \$15,000 per person and \$30,000 per accident.
 - a. If a traveler using a privately owned vehicle is involved in an accident and found to be at fault, his/her liability insurance carrier is responsible to the limits of the policy, including any deductibles. If the amount exceeds that coverage, the Town's insurance, at the time, covers the amount over the policy limits if the traveler was acting within the course and scope of their employment.
 - b. If a traveler driving a privately owned vehicle on Town business is involved in an accident, regardless of fault, the Town shall not reimburse for any physical damage to the motor vehicle.
5. Compensation Basis
 - a. Compensation is based on map mileage using official state highway maps or mapping programs. Odometer mileage may be submitted for travel to dining or multiple event locations within reason (e.g.: traveling long distances to eat at a certain restaurant rather than those within close proximity to the event is excessive and shall not be reimbursed).
 - b. Beginning address and ending location address shall be submitted for compensation.
 - c. Compensation is based on using the most direct route.
 - d. Mileage compensation shall be at the lower of the Arizona Department of Administration approved rate or the IRS standard mileage rate. When the Arizona Department of Administration and/or the IRS standard mileage rate adjust, the Town automatically adjusts its mileage rate. The mileage rate includes all travel and maintenance expenses of the vehicle.

VIII. MISCELLANEOUS TRAVEL ISSUES

A. Communication Expense

1. Business communication charges, including faxes and copies, are reimbursable if documented by receipts.
2. Business calls are reimbursable and should be noted as such on the hotel receipt. The number called should be visible. No personal calls shall be reimbursed.

B. Extending Business Trips with Vacation Time

1. With the department head's approval, traveler may extend a business trip using vacation time.
2. The Town covers the lodging, map mileage and per-diem for the period that the traveler is conducting Town business. Additional costs to extend the trip shall be borne by the traveler.

C. Local Transportation, Tolls and Parking

1. Taxi, bus, and streetcar use is classified as local transportation and can be claimed with receipts. Whenever possible, hotel-provided shuttles should be used.
2. Claims for local transportation shall not be allowed where the Town provides for other transportation (Town, personal or rental vehicle) unless it can be documented that local transportation was necessary or reasonable.
3. Bridge and road tolls are reimbursable with receipts.

4. Travelers shall use the free or discounted parking, when available, when traveling on Town business. Valet parking expenses are not reimbursable unless required for direct Town business.
5. Receipts are required for reimbursement of allowable parking fees.

D. Rental Cars

1. If travel necessitates the use of a rental car, Department Head authorization shall be obtained prior to booking the rental car.
2. The rental car shall be a mid-size or smaller vehicle unless a group traveling together requires a larger vehicle or no other vehicle is available.
3. Insurance shall not be purchased from the rental car agency as the Town's insurance policy covers rental cars.

E. Airline Travel

1. Department Head authorization shall be obtained if airline travel is requested.
2. The Town shall only fund coach seating in airline traveling. If the employee wants to upgrade the seating type, the employee shall be responsible for the difference in cost.

UNCLAIMED PROPERTY

PURPOSE: To establish standard policies and procedures for recording and handling unclaimed property.

POLICIES/PROCEDURES

- A. On a monthly basis, review all checks that are still outstanding on all bank reconciliations.
- B. If checks have not cleared after 90 days, the Finance Department will attempt to contact the individual or vendor. Checks held for pickup shall be mailed after 14 days if not picked up.
- C. If the individual/vendor cannot be reached or a mailed check is returned, the Finance Department staff shall void and stop payment on the check
- D. and record the voided check amount in the Unclaimed Property liability account.
- E. If the vendor, or employee, contacts Finance after the check has been voided, the Town will reissue another check and remove the amount from the Unclaimed Property liability account.
- F. On an annual basis (on July 1), the Finance Department shall review all amounts in the Unclaimed Property liability account and identify those that have reached the period when payment must be turned over to the state. The dates used on the "Unclaimed Property Report" are July 1 through June 30. The report is due November 1st.
- G. The Finance Department shall send the completed Unclaimed Property Report and payment to the State by the required date.

GENERAL LEDGER POLICIES

SECTION

JOURNAL ENTRIES

PURPOSE: To maintain balanced accounts and to make necessary adjustments to resolve unbalanced accounts.

I. POLICIES/PROCEDURES

- A. A Journal Entry form is completed detailing the adjustments needing to be made. Any supporting schedules or other documentation must be attached if applicable. The employee preparing the journal entry shall sign and date the Journal Entry form.
- B. Journal entries shall be approved by the Finance Director prior to entry into the accounting system.
- C. Approved journal entries are entered into the accounting system monthly. Only the Finance Director shall be able to post entries into the system.

II. AUDIT ADJUSTING JOURNAL ENTRIES

- A. The Finance Director shall review to determine the validity of any audit adjusting journal entry.
- B. Upon consensus, the audit adjusting journal entry is input into accounting system and posted by the Finance Director.

TOWN FUNDS

PURPOSE: To establish policies related to the operation of Town funds.

POLICIES/PROCEDURES

I. CREATING / REMOVING FUNDS

- A. All requests to add or remove funds shall be approved by the Town Council.
- B. New funds generally are requested and approved as part of the annual budget process; however, if the need arises during the year, a request for creation of a new fund must be submitted to the Town Council for approval. Funds shall only be considered for removal during the budgeting process each year.
- C. Once approved, the Finance Director will create the new fund or remove the old fund in the accounting system if applicable.
- D. The Finance Director will notify applicable employee(s) of the uses and non-uses of the new fund or of the disuse of the old fund if applicable.

II. OPERATING TRANSFERS

- A. Operating Transfers are authorized by the Town Council during the annual budget process.
- B. If an unbudgeted operating transfer becomes necessary or if the amount budgeted was insufficient by more than 5%, approval shall be obtained from the Town Council. Budgeted Operating Transfers needing to be increased by less than 5% can be authorized by the Finance Director.
- C. Operating transfers are recorded through a journal entry (refer to the Journal Entries Section).
- D. Operating transfers shall be recorded in a timely manner. Depending upon the nature and purpose, operating transfers shall be recorded at the very least quarterly.

PAYROLL POLICY

SECTION

PAYROLL

PURPOSE: To establish standard policies and procedures for the disbursement of funds to employees of the Town of Camp Verde to ensure that all work performed is authorized and accounted for properly and to maintain payroll files.

POLICIES/PROCEDURES:

I. INITIATION, STATUS CHANGES and PAYROLL WITHHOLDINGS

Original authority for placing an employee on the payroll, authority to execute any change of employee status, or authority to remove an employee from the payroll is recorded on a properly executed and approved Personnel Action Form. Personnel Action Forms shall be approved by duly authorized Town officials including the Town Manager, HR Director, Finance Director. Authority for initial federal and state income tax withholdings and subsequent changes is recorded on a properly executed W-4 form and A-4 form. The original authority for court ordered withholdings shall be a copy of the court order. Deductions from an employees' check shall be supported in writing by the employee.

II. RECORDS

A. Employee Payroll Files

An Employee Payroll File is maintained for each employee in the Finance Office which includes the following information: Personnel File Information Form, W-4, A-4, copies of Personnel Action Forms, copy of Retirement Enrollment Form, payroll deduction forms, court orders, and any miscellaneous payroll information regarding the employee.

B. Employee Personnel Files

The originals of the following forms are kept in the Employee's Personnel File located in the Human Resources Department: Employment Verification Form, I-9, Personnel Action Forms, Application and Evaluations, retirement information, Personnel Manual Acknowledgement forms, Oath of Office, disciplinary information, training certifications, and other personnel related documents.

C. Employee Time Records

Employee time and pay records are maintained electronically within the accounting system.

III. PAY PERIODS

All employees are paid bi-weekly, 26 times per year, on the Wednesday following the end of each pay period. Each bi-weekly pay period shall be defined as from 12:01 a.m. Sunday of one week through 12:00 a.m. Saturday of the following week. Shifts that start on a Saturday and continue through to the following Sunday are deemed as all worked in the previous week's payroll. Holiday Worked hours are only applied for the actual day worked, whether Saturday or Sunday if applicable.

IV. TIME ENTRY & APPROVAL

Time entry is completed electronically through the accounting system. Each employee has their own login name and individually selected password. Employees are responsible for entering their time for each pay period and to

notify their supervisor immediately if there is a missed or inaccurate time entry. Once employee time is entered and submitted, it shall be approved electronically by the authorized supervisor. Exempt employees are not required to enter time on a bi-weekly basis. Salaried employees are not required to enter in time worked into their timecard.

V. VACATION, SICK OR COMP TIME

Any employee requesting time off shall first get approval from their supervisor in advance for the requested time. Time-off requests for all employees (including exempt) are submitted electronically through the time entry system or by email and are then approved or denied by the employee's supervisor electronically as well. If an employee will be gone due to illness, injury or worker's compensation for 3 or more days, the Human Resources Department shall be notified promptly.

VI. CHECK RUN, SIGNING AND DISBURSEMENT

- A. Staff generates, from the computer, the payroll checks and check register.
- B. Manual checks are approved by the Finance Director and then forwarded to the Town Clerk (or Mayor or Vice Mayor if the Clerk is unavailable) for review and signature. The checks are then returned to the Finance office for distribution to employees.
- C. Check stubs and a copy of direct deposit checks along with all other relevant information used for the check run are placed in a folder for each separate pay run. Payroll checks are available for pickup on Wednesday morning. Department heads or their designated employee can pick up checks for their entire department. The employee picking up the checks shall sign the Payroll Check Sign-out Log.

VII. FISCAL YEAR END PROCEDURES

- A. When the final fiscal year end payroll crosses both fiscal years, the expenditures are allocated to each fiscal year based on the number of days in each period.
- B. Required reports are reconciled and filed each quarter and at year-end.

VIII. PAYROLL LIABILITY ACCOUNTS

The payroll liability accounts shall be reconciled by the Finance Department at least quarterly and any necessary adjustments shall be made. The Finance Director reviews these reconciliations.

BUDGET POLICY

SECTION

BUDGET POLICY

PURPOSE: To establish policies and procedures to carefully account for public funds, manage the finances wisely and plan for adequate funding of services that are desired by the public. The following budget policy provides guidance for preparing the Town of Camp Verde's annual budget (all funds) as well as adoption, implementation, and monitoring of the budget.

I. POLICIES

- A. **BUDGET PHILOSOPHY.** The Town of Camp Verde's budget philosophy includes funding the service delivery system using the resources provided through current revenue collection while planning for future needs through capital funding and maintenance.
- B. **BALANCED BUDGET.** Arizona law (Title 42 Arizona Revised Statutes) requires the Town Council to annually adopt a balanced budget. The Town of Camp Verde shall develop a balanced budget by June 30th each year, where projected revenues meet or exceed projected operational expenditures. In the event that projected revenues are not adequate to sustain the service delivery system desired by the Town's citizens, a draw on fund balance may be authorized by the Town Council in accordance with Town Code Section 3-4-5 Fund Balance Policy. In addition, the Town shall not use one-time (non-recurring) revenues to fund continuing (recurring) expenditures.
- C. **CONSERVATIVE PROJECTIONS.** Revenues and Expenditures will be determined through conservative projections. Current revenues will be sufficient to support current operating expenditures allowing the Town to maintain a positive operating position.
- D. **USER FEES.** User Fees will be adjusted as necessary to recover the full cost of services provided, except when the Town Council determines that a subsidy from the General Fund is in the public interest.
- E. **TOWN FEE SCHEDULE**
 - a. Annually, the Council approves a fee schedule which accompanies the fiscal year budget. The fee schedule outlines standard maximum fees or payment rates for specific services, goods, or activities provided by or under a Town program.
 - b. Once the fee schedule is set, it cannot be amended without Council approval and the proper noticing processes. However, the Town Manager is authorized to suspend the charging of fees for any particular fee listing within the current operating fiscal year, as deemed appropriate and only if doing so does not negatively impact the fiscal year's budget. Any fee suspension shall not remain active past the end of the current fiscal year.
- F. **DIVISIONS & DEPARTMENTS.** The Town is comprised of eight (8) separate Divisions. Each Division may have multiple Departments incorporated within that Division. These Divisions are recognized within the chart of accounts as follows: General Admin (1XX), Municipal Court (3XX), Public Works (4XX, but not 410), Community Development (5XX), Marshal's Office (6XX), Library (7XX), Parks & Rec (8XX) and Utilities (410, 490 and 495). Wastewater (490) and Water (495) are each Departments within the Utilities Division but are tracked separately within Enterprise Funds. Budget adjustments across Divisions must be approved by Council while budget adjustments between Departments within a single Division may be approved by the Town Manager.

- G. BUDGETARY LEVEL OF CONTROL. The Council's level of budgetary control in the General Fund is at the Division level (see item F above). The budgetary level of control for all other funds is at the Fund level.

II. PROCEDURES

A. BUDGET PROCESS

1. The Town Manager will meet with all Department Directors to discuss their outlook for the coming year and give staff direction as to the financial direction of the New Year's budget.
2. Department Heads will develop the budgets for their departments based on the recommended direction of the Town Manager.
3. Department Heads will enter their completed budget requests into the computer accounting system with appropriate notes for review by the Town Manager and Finance Director. Individual meetings are held with each of the Department Heads to discuss their budget requests and to assure that the Departments' narratives are complete.
4. The preliminary operational budgets are presented to Council Members in a budget work session to give Council an opportunity to understand the direction for the upcoming year and provide feedback to staff on the preliminary budget numbers. The Finance Department, with the Town Manager's direction, makes final adjustments to the operational budgets and completes all other fund budgets, verifying that all information is properly included in the proposed tentative budget document.
5. In June, the Tentative Budget is approved by Council and the budget is advertised in the local newspapers for two consecutive weeks.
6. In July, Public Hearings on the Tentative Budget are held. If no changes have been directed, the Final Budget is adopted and implemented.

B. BUDGET AMENDMENT POLICY

1. Once the tentative budget is adopted, the expenditure limitation amount is set for the fiscal year. The Town Council may not approve additional appropriations above that amount.
2. Throughout the fiscal year, amendments may be made to the adopted budget. All budget amendments across functional departments or various Funds shall be approved by the Town Council. Budget amendments include, but are not limited to: transfers of appropriations between departments, transfers of appropriations from the Contingency to departments and/or funds, and transfers of appropriations between funds.
3. The Town Manager may approve budget reallocations within Departments and Funds as referenced in the DEPARTMENTS & DIVISIONS section above without Council approval.
4. A budget adjustment is requested with the Budget Change/Re-Appropriation Form. The form is submitted to the Finance Director for review.
5. The Finance Director shall submit the completed Budget Change/Re-Appropriation Form to the Town Manager for amendments within a functional budget area or to the Town Council for amendments across functional department areas or Funds.
6. Approved changes to the budget shall be documented, signed and entered by the Finance Director and filed in an annual budget adjustment file.

C. BUDGET MONITORING

1. The Finance Department, along with each Department Head, monitors the budget continuously throughout the fiscal year. The Town focuses on the functional level (total salary expenditures, total operational expenditures, etc.) of tracking rather than focusing on the line item object level. This means that instead of

tracking each line item to ensure that it remains within the budget appropriation, the focus is on whether the Department as a whole operates within its total budget appropriation.

2. Revenue projections are monitored monthly and statistically projected throughout the remainder of the fiscal year to determine the need to decrease expenditure appropriations in order to maintain a balanced budget.
3. Financial reports are given to the Town Council and Department Heads quarterly detailing the status of each department and the Town as a whole. Along with these reports, the Finance Department also presents a report to Council detailing the revenue projections through the end of the fiscal year and makes recommendations as needed to decrease appropriated expenditures, as a result of any shortfall in our revenue base, which may materialize.

D. BUDGET CALENDAR

1. By December of each year, the Finance Director shall obtain approval of the budget calendar for the following fiscal year.

E. CAPITAL PLAN

1. The Town will make all capital improvements in accordance with an adopted and funded Capital Plan. The Capital Plan will provide for adequate design, construction, maintenance and replacement of the Town's capital assets over a five-year period.
2. An annually updated 5-year Capital Plan will be brought before Council for approval during the annual budget process.
3. The 5-year Capital Plan should provide adequate detail on all proposed projects and suggested funding sources.
4. The 5-year Capital Plan should be developed with input from Department/Department heads.

F. FUND ACCOUNTING

1. The Town utilizes fund accounting, which is a method of tracking revenues and expenditures based on restrictions being placed on the revenues, requiring that they be used for specific purposes only. Each fund is considered a separate accounting entity. All funds except agency funds are included in the budget document. Agency funds are not required to be included in the budget document as they are monies belonging to separate entities, which the Town holds in trust for them. However, Agency funds may be included within the budget document if the Town has a compelling reason to do so. Agency funds will never be included within the totals of the Town's regular budgeted funds but instead will be reported separately.

G. GOVERNMENTAL FUNDS

1. General Fund - The General Fund is the main operating fund of the Town of Camp Verde; it accounts for the majority of the Departments and Divisions within the Town.
2. Special Revenue Funds - Special Revenue Funds are separate accounting records used to track revenues (and the related expenditures) that are legally restricted for specific purposes.
3. Debt Service Fund - The Debt Service Fund is used to account for the funding allocations and the payments of general long-term debt principal, interest and related costs.
4. Capital Project Funds - Capital Project Funds are used to track the financial resources to be used for the acquisition or construction of capital assets and for larger 1-time projects that may not ultimately be capitalized.

5. All Governmental Funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Measurable means that the amount of the transaction can be determined. Available means that the funds are collectible within the current period or soon thereafter to pay liabilities of the current period. Expenditures are recognized when the related liability is incurred.

H. PROPRIETARY FUNDS

1. Enterprise Fund – Enterprise Funds are used to account for business-type activities where a fee is charged to external users for goods or services and use the full accrual basis of accounting for reporting but use the modified accrual basis of accounting for budgeting purposes.

I. FIDUCIARY FUNDS

1. Agency Fund - The Agency Fund is used to account for monies belonging to other agencies that the Town holds in a trustee capacity.
2. Fiduciary Funds - Fiduciary Funds are accounted for using the accrual basis of accounting. This method of accounting recognizes the financial effects of transactions and other events and circumstances that have cash consequences in the periods in which transactions, events, and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

J. BUDGET BASIS

1. The Town maintains its financial records in accordance with Generally Accepted Accounting Principles (GAAP) for government entities. The budgets of General Government Funds are prepared on a modified accrual basis. This includes all fund types managed by the Town of Camp Verde.

DEBT POLICY

SECTION

DEBT POLICY

PURPOSE: To establish policies and procedures to provide for the preservation and eventual enhancement of the Town's bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions and required disclosures to investors, underwriters, and rating agencies. These policy guidelines will also be used when evaluating the purpose, necessity, and condition under which debt will be issued. These policies are meant to supplement the legal framework of public debt laws provided by the Arizona Constitution, State Statutes, City Charter, federal tax laws, and the Town's current bond resolutions and covenants.

The Town utilizes long-term debt to finance capital projects with long useful lives. Financing capital projects with debt provides for an "intergenerational equity", as the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the cost of the asset.

I. POLICIES/PROCEDURES

- A. The overall debt management policy of the Town is to ensure that financial resources of Town are adequate in any general economic situation to not preclude the Town's ability to pay its debt when due.
- B. The Town will not use long-term debt to fund annual operations.
- C. The Town does not intend to issue commercial paper (CP) or bond anticipation notes (BANs) for periods longer than two years or for the term of a construction project. If CP or a BAN is issued for a capital project, it will be converted to a long-term bond or redeemed at its maturity.
- D. Whenever the Town finds it necessary to issue revenue bonds, the following guidelines will be adhered to:
 - 1. Revenue Bonds are defined as bonds in which the debt service is payable from the revenue generated from the operation of the project being financed or a category of facilities, from other non-tax sources of the Town, or from other designated taxes such as Highway User's Revenues, excise tax, or special fees or taxes. For any bonds or lease-purchase obligations in which the debt service is paid from revenue generated by the project, that debt service is deemed to be revenue bonds and are excluded from the calculation of the annual debt service limitation.
 - 2. Revenue Bonds of the Town will be analyzed carefully by the Finance Department for fiscal soundness. The issuance of Revenue Bonds will be subject to the most careful review and shall be secured by covenants sufficient to protect the bondholders and the name of the Town.
 - 3. Revenue Bonds should be structured to provide level annual debt service over the life of the issue.
 - 4. Debt Service Reserve Funds should be provided when required by rating agencies, bond insurers, or existing bond covenants.
 - 5. Interest earnings on the reserve fund balances will be used to pay debt service on the bonds unless otherwise committed for other uses or purposes of the project.
 - 6. The term of any revenue bond or lease obligation issue will not exceed the useful life of the capital project, facility or equipment for which the borrowing is intended.
 - 7. The target for the term of Revenue Bonds will typically be between twenty and thirty years. The target for the "average weighted maturities" for Revenue Bonds of the Town (except for those issued through the Arizona Water Infrastructure Finance Authority) will be twelve and one half (12 1/2) years.

- E. Improvement District (ID) and Community Facility District (CFD) Bonds shall be issued only when the formation of the district demonstrates a clear and significant purpose for the Town. It is intended that Improvement District and Community Facility District Bonds will be primarily issued for neighborhoods and business districts desiring improvements to their property such as roads, water lines, sewer lines, streetlights, and drainage. The District must provide a specific benefit to the property owner(s). The Town will review each project through active involvement of Town staff and/or selected consultants to prepare projections, review pro-forma information and business plans, perform engineering studies, and analyze minimum debt coverage and value to debt ratios, and other analyses necessary to consider the proposal against specific criteria. Both ID and CFD Bonds will be utilized only when it is expected that they will be outstanding for their full term.
- F. Refunding Bonds will be measured against a standard of the net present value debt service savings exceeding 5% of the debt service amount of the bonds being refunded, or if savings exceed \$750,000, or for the purpose of modifying restrictive covenants or to modify the existing debt structure to the benefit of the Town.
- G. The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.
- H. The Town shall comply with all requirements of Title 15.1 Arizona Revised Statutes and other legal requirements regarding the issuance of bonds and certificates of the Town or its debt issuing authority.
- I. The Town will maintain regular contact with rating agencies through meetings and visits on and off-site. The Town will secure ratings on all bonds issued if economically feasible.

II. SHORT-TERM DEBT

- A. The Town may use short-term debt to cover temporary or emergency cash flow shortages. All short-term borrowing will be subject to Council approval by ordinance or resolution.
- B. The Town may issue inter-fund loans, rather than outside debt instruments to meet short-term cash flow needs. Inter-fund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's current operations.

III. LONG-TERM DEBT

- A. The Town will confine long-term borrowing to capital improvements that cannot be funded from current revenues.
- B. Where possible, the Town will use special assessment revenue or other self-supporting bonds instead of general obligation bonds.
- C. Long-term borrowing shall be subject to Council approval by ordinance or resolution.

IV. LEASES

- A. When the acquisition of capital equipment may put a strain on current operations, lease arrangements may be utilized to finance the purchase of the equipment. These types of leases should be for 5 years or less and should be approved within the 5-year Capital Plan unless arising from an emergency situation.
- B. Leases of more than \$50,000 shall be brought to Council for approval.

- C. The Town Manager and/or the Finance Director shall have authority to approve and sign any and all lease documents once the purchase is approved by Council.

INVESTMENT POLICIES

SECTION

INVESTMENT POLICIES

PURPOSE: To establish policies and procedures to create a guide for the investment of Town funds. The Town also desires to take advantage of resources not available to the Town through the Local Government Investment Pool.

Therefore, it is the investment policy of the Town and its designee, the Finance Director, to maintain the safety of principal, maintain liquidity to meet cash flow needs and provide competitive investment returns as identified below. The Finance Director will strive to invest with the judgment and care that prudent individuals would exercise in their own affairs. The Investment Policy shall be reviewed with Council each year during the budget process.

I. POLICIES/PROCEDURES

A. GOVERNING AUTHORITY

1. The investment program of the Town shall be operated in conformance with Federal, State and other legal requirements, primarily outlined in A.R.S. §35–323.

B. SCOPE

1. The Town will consolidate cash and reserve balances from all funds in order to maximize investment earnings and to increase efficiencies with regard to investment management pricing, safekeeping costs and administration costs, except for cash in certain restricted and/or special funds, which are exempted from this policy.
2. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.
3. The Finance Director will follow A.R.S. §35–323 and other investment guidelines mandated by statute. Investments that need to restrict yield for purposes of the Internal Revenue Service's Arbitrage Bond Regulations (Treasury Regulation Section 1.148-1 *et seq.*) will be deposited into a separate account and invested in a manner that meets arbitrage guidelines permitted by the IRS.

C. INVESTMENT POLICY OBJECTIVES

1. The primary investment objectives of the Town in order of priority are:
 - a. Safety
 - b. Liquidity
 - c. Optimal yield
 - d. Collateralization
2. These objectives are defined below:
 - a. Safety - Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to prudently mitigate credit risk and interest rate risk. It is understood by the Town that no investment is completely free of risk.
 - 1) Credit Risk - The Town will seek to mitigate credit risk, which is defined as the risk of loss due to the failure of the security issuer or backer. Mitigating credit risk is to be accomplished by:
 - a) Limiting investments in the portfolio to the asset classes designated as acceptable in A.R.S. §35-323;
 - b) Diversifying the investment portfolio so that the impact of potential losses from any one individual issuer held in the portfolio will be limited. Specific diversification parameters will be noted in Section VIII. Portfolio Criteria;

- c) Utilizing external research and advice regarding the current global economic condition and its impact on the outlook for domestic corporate credit quality.
- 2) Interest Rate Risk - The Town will seek to mitigate interest rate risk, which is defined as the risk that the market value of securities held in the portfolio will decline due to increases in market interest rates subsequent to their purchase. This mitigation will be accomplished by:
 - a) Structuring the investment portfolio so that securities mature concurrent with the anticipated cash requirements for ongoing operations, thereby avoiding, as much as possible, the need to sell securities in an adverse market environment prior to maturity;
 - b) Investing funds primarily in shorter-term securities or similar investment pools and limiting the average maturity of the portfolio in accordance with the needs of the Town;
 - c) Utilizing external research and advice regarding the current interest rate outlook and global economic condition to optimize portfolio duration strategy.
- b. Liquidity - The investment portfolio shall remain sufficiently liquid to meet anticipated cash flow requirements. This is to be accomplished by structuring the portfolio so that securities mature concurrent with anticipated cash flow needs (static liquidity). Furthermore, because all possible cash demands cannot be anticipated, the portfolio should consist of securities for which there exist active secondary markets (dynamic liquidity). Alternately, a portion of the portfolio may be placed in money market mutual funds or the Local Government Investment Pool, which offers same-day liquidity for short-term funds.
- c. Optimal Yield - Return on investment is of lesser importance compared to the safety and liquidity objectives described above. The investment portfolio shall be designed to optimize the yield the Town obtains from the portfolio taking into account the criteria of the investment policy, the dynamic liquidity needs of the Town and the current interest rate outlook/economic condition.
- d. Collateralization – Securities will be registered in the name of the Town of Camp Verde.

D. INVESTMENT MANAGEMENT AUTHORITY

1. Authority to manage internally or to delegate the management of the investment program of the Town to an external manager is granted to the Finance Director. If authority to manage all or a part of the investment program of the Town is delegated to an external manager, the Finance Director is responsible for:
 - a. Periodic investment portfolio reporting;
 - b. Evaluating the performance of the externally managed portfolio;
 - c. Monitoring manager compliance with the investment policy;
 - d. Conveying the investment needs of the Town to the external manager;
 - e. Developing investment strategy with the external manager.

E. BROKERS/DEALERS

1. When the Town is investing directly with Brokers/Dealers, investment transactions shall only be conducted with financial institutions that are licensed, as may be required by law, to do business in Arizona. Primary government securities dealers or broker-dealers, engaged in the business of selling government securities, shall be registered in compliance with section 15 or 15C of the Securities Exchange Act of 1934 and registered pursuant to A.R.S. §44-3101, as amended. In addition, investment transactions shall be conducted only with those direct issuers who meet both credit and capital requirements established by the Finance Director. It shall be the responsibility of the broker-dealer to provide the following:
 - a. Audited, most recent annual financial statements within six months of the close of the fiscal year;
 - b. Unaudited, most recent quarterly financial statements;
 - c. Proof of National Association of Security Dealers certification;
 - d. Proof of Arizona registration (as needed);
 - e. A signed letter acknowledging that they have read and agree to abide by the investment policy.

F. PORTFOLIO CRITERIA

1. Acceptable Asset Classes

As of April 16, 2007, A.R.S. §35-323A defines the acceptable asset classes available for the Town to invest in as follows:

- a. Certificates of deposit in eligible depositories.
- b. Certificates of deposit in one or more federally insured banks or savings and loan associations in accordance with the procedures prescribed in Section 35-323.01.
- c. Interest-bearing savings accounts in banks and savings and loan institutions doing business in this state whose accounts are insured by federal deposit insurance for their industry, but only if deposits in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under this article.
- d. Repurchase agreements with a maximum maturity of one hundred eighty days.
- e. The pooled investment funds established by the state treasurer pursuant to § 35-326.
- f. Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.
- g. Bonds or other evidences of indebtedness of this state or any of its counties, incorporated cities or towns or school districts.
- h. Bonds, notes or evidences of indebtedness of any county, municipal district, municipal utility or special taxing district within this state that are payable from revenues, earnings or a special tax specifically pledged for the payment of the principal and interest on the obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment on principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if such obligations were issued less than five years before the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor any other obligations of the issuer within five years of the investment.
- i. Bonds, notes or evidences of indebtedness issued by any county improvement district or municipal improvement district in this state to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district. An investment shall not be made if:
 - 1) The face value of all such obligations, and similar obligations outstanding, exceeds fifty per cent of the market value of the real property, and if improvements on which the bonds or the assessments for the payment of principal and interest on the bonds are liens inferior only to the liens for general ad valorem taxes.
 - 2) A default in payment of principal or interest on the obligations to be purchased has occurred within five years of the date of investment, or, if the obligations were issued less than five years before the date of investment, a default in the payment of principal or interest has occurred on the obligations to be purchased or on any other obligation of the issuer within five years of the investment.
- j. Commercial paper of prime quality that is rated "P1" by Moody's Investor Service or rated "A1" or better by Standard and Poor's rating service or their successors. All commercial paper shall be issued by corporations organized and doing business in the United States.
- k. Bonds, debentures and notes that are issued by corporations organized and doing business in the United States and that are rated "A" or better by Moody's Investor Service or Standard and Poor's rating service or their successors.
- l. All other investments are thereby prohibited from consideration for investment. Furthermore, the Town may desire to be more conservative in its investment portfolio and restrict or prohibit certain of the investments listed above.

G. BENCHMARK

1. The performance of an actively managed portfolio on behalf of the Town will be expected to at least match the performance of the Local Government Investment Pool during any one-year period.

2. Occasionally, based on the liquidity needs and the portfolio strategy of the Town it may be reasonable and desirable to measure portfolio performance against a total return benchmark. The Finance Director shall define such a benchmark after consultation with professionals in the field of financial management and the Town Council.

H. MATURITY PARAMETERS

Funds Maximum Maturity:	5 Years
Maximum Maturity for Repurchase Agreements:	180 Days
Portfolio Duration Target:	To be defined by the Finance Director in consultation with the Town Council.
Portfolio Duration Range:	+ / – 20% of the Portfolio Duration Target

I. CONCENTRATION AND DIVERSIFICATION

1. At the time of purchase a maximum of 5% of the market value of the portfolio may be invested in debt issued by any single entity. Debt backed by the United States Treasury or GSE's are exempt from this concentration criterion.

J. MINIMUM ACCEPTABLE CREDIT QUALITY

1. As indicated in the table below, all corporate portfolio holdings at the time of purchase shall have a minimum rating (*) by at least one of the Nationally Recognized Statistical Rating Organizations (NRSRO's).

	S & P	Moody's
Short Term Rating	Not lower than the Town of Camp Verde current G.O. Bond Rating or its commensurate short term rating * (see exhibit 1)	Not lower than the Town of Camp Verde current G.O. Bond Rating or its commensurate short term rating * (see exhibit 1)
Long Term Rating	One grade higher than the Town of Camp Verde current G.O. Bond Rating *	One grade higher than the Town of Camp Verde current G.O. Bond Rating *

*In no case shall the rating be lower than that required by A.R.S. §35-323, as amended.

K. SAFEKEEPING AND CUSTODY

1. Delivery vs. Payment - All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.
2. Safekeeping - Securities will be held by a custodian selected by the Town and evidenced by custodial reports. The safekeeping institution shall annually provide a copy of their most recent report on internal controls (Statement of Auditing Standards No. 70, or SAS 70).

L. REPORTING

1. The Finance Director shall produce for the governing body of the Town or their designee a quarterly investment report.

M. CUSTODIAN RECONCILIATION

1. The report of investment holdings shall be reconciled within 30 days of the close of each month to the Finance Director's custodian bank. Discrepancies shall be reported to the Finance Director.

N. ETHICS AND CONFLICTS OF INTEREST

1. Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose, within ten (10) days, any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the Town.

O. POLICY CONSIDERATIONS

1. Exemption – Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by this policy. Any deviation from the preceding policy shall require the prior specific written authority of the Town Council.

MISCELLANEOUS POLICIES

SECTION

FRAUD POLICY

PURPOSE: To establish policies and procedures to maintain an ethical environment is a top priority for the Town of Camp Verde. The Town's Fraud Policy formalizes the expectations of personal honesty and integrity required of Town officials and employees. The Town of Camp Verde is committed to protecting its revenue, property, information, and other assets from any attempt, either by members of the public, contractors, sub-contractors, agents, intermediaries, or its own employees, to gain by deceit, financial or other benefits. This policy prohibits fraud or misuse of the Town of Camp Verde's assets and sets forth specific guidelines and responsibilities regarding appropriate actions that shall be followed for the investigation of fraud and other similar irregularities.

POLICIES/PROCEDURES

- A. The Town of Camp Verde recognizes the importance of protecting the organization, its taxpayers, its employees, and its assets against financial risks, operational breaches and unethical activities. Therefore, the management shall clearly communicate the fraud prevention policy to both internal and external customers, vendors and employees.
- B. The impact of misconduct and dishonesty may include:
 - 1. The actual financial loss incurred
 - 2. Damage to the reputation of the Town and our employees
 - 3. Negative publicity
 - 4. The cost of investigation
 - 5. Loss of employees
 - 6. Loss of public confidence
 - 7. Damaged relationships with our contractors and suppliers
 - 8. Litigation
 - 9. Damaged employee morale
- C. The Town of Camp Verde's goal is to establish and maintain an environment of fairness, ethics and honesty for our employees, our citizens, our suppliers and anyone else with whom we have a relationship. To maintain such an environment requires the active assistance of every employee and manager every day.
- D. The Town of Camp Verde is committed to the deterrence, detection and correction of misconduct and dishonesty. The discovery, reporting and documentation of such acts provides a sound foundation for the protection of innocent parties, the taking of disciplinary action against offenders up to and including dismissal where appropriate, the referral to law enforcement agencies when warranted by the facts, and the recovery of assets.
- E. Definitions - As used in this policy, the terms listed below shall have the following definitions:
 - 1. Assets – the entire property of the Town of Camp Verde. Assets include, but are not limited to, all Town vehicles, building properties, office equipment, software, cash receivables, wages and benefits, equipment, and tools.
 - 2. Corruption – the offering, giving, soliciting or accepting of an inducement or reward that may improperly influence the action of a person or entity.
 - 3. Embezzlement – any loss resulting from the misappropriation of the Town of Camp Verde's assets.

4. Employee(s) – all Town of Camp Verde employees, independent contractors, consultants, temporary workers, and volunteers.
 5. Fraud – the intentional deception, misappropriation of resources, or the manipulation of data to the advantage or disadvantage of a person or entity.
 6. Loss – the Town of Camp Verde losing possession or control of any type of asset through fraudulent activities.
 7. Misappropriate – to take or make use of any item without authority or right.
 8. Misapplication – illegal or improper use of lawfully held funds or property.
- F. Zero Tolerance Policy - The Town of Camp Verde has adopted a zero tolerance policy regarding fraud. No employee of the Town shall remove any Town of Camp Verde asset from the property, misuse any Town asset for one's personal gain, or willfully misappropriate any Town of Camp Verde asset. Any evidence supporting fraud, theft, or embezzlement of the Town of Camp Verde's assets and equipment may be subject to the following actions including, but not limited to: suspension, termination, restitution, and criminal charges. Any Town of Camp Verde employee who is aware of fraud being committed against the Town of Camp Verde by anyone shall report such activity to the Town Manager or the Ethics Hotline (aka Whistle-Blower Hotline).
- G. Prohibited Acts
1. Fraud is defined as an intentional deception, misappropriation of resources, or the manipulation of data to the advantage or disadvantage of a person or entity. Some examples of fraud include:
 - a. Falsification of expenses and invoices.
 - b. Authorizing or receiving compensation for goods not received or services not performed.
 - c. Theft of cash or any assets.
 - d. Forgery, unauthorized alteration or falsification of records.
 - e. Improprieties in the handling or reporting of money transactions.
 - f. Knowingly providing false information on job applications.
 - g. Authorizing or receiving compensation for hours not worked.
 - h. Embezzlement, bribery or conspiracy.
 - i. Misappropriation, misapplication, destruction, removal, or concealment of Town of Camp Verde property.
 - j. Misrepresentation of fact.
 - k. Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of Town-owned software.
 - l. Any apparent violation of Federal, State, or Local laws related to dishonest activities or fraud.
- H. Deterring Fraud and Corruption
1. The Town has established internal controls and policies and procedures in an effort to deter, prevent, and detect fraud and corruption. All new full time employees are subject to background investigations including a criminal background check(s). All temporary, part-time, and seasonal employees may be subject to a criminal background check based on position and possible duration or employment. The Town may also verify all applicants' employment history, education and personal references prior to making an offer of employment.
 2. All vendors, contractors, and suppliers shall be in good standing and be authorized to transact business in the Town of Camp Verde. Vendors, contractors, and suppliers may be subject to screening, including verification of the individual or company's status as a debarred party.
 3. When necessary, contractual agreements with the Town may contain a provision prohibiting fraudulent or corruptive acts and will include information about reporting fraud and corruption.

4. New employees will receive this policy as part of their training at orientation. Employees will be required to sign an acknowledgement verifying that they received a copy of the fraud policy and attended the awareness training.
5. Each department is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud, misappropriations, and other irregularities. Management should be familiar with the types of improprieties that might occur within their area of responsibility and be alert for any indications of such conduct.

I. Reporting of Fraud or Corruption

1. Allegations and concerns about fraudulent or corrupt activity may come from various sources including employees, vendors, members of the public, results of internal and external audit reviews, or from any other interested parties.
2. All employees and officers have a duty to report concerns they have or information provided to them about the possible fraudulent or corrupt activity of any officer, employee, vendor, or any other party with any association with the Town. Any person who has a reasonable basis for believing fraudulent or corrupt acts have occurred has a responsibility to report the suspected act immediately.
3. Employees will be granted whistle-blower protection when acting in accordance with this policy. When informed of a suspected impropriety, neither the Town nor any person acting on behalf of the Town shall:
 - a. Dismiss or threaten to dismiss the employee,
 - b. Discipline, suspend, or threaten to discipline or suspend the employee,
 - c. Impose any penalty upon the employee, or
 - d. Intimidate or coerce the employee.Violations of the whistle-blower protection will result in discipline up to and including termination.
4. Concerns should be reported to any of the following:
 - a. Town Manager
 - b. Town Council
 - c. Human Resources Director
 - d. The employee's immediate supervisor
 - e. Anonymous Ethics Hotline (aka Whistle-Blower Hotline)

5. Reporting Procedures

a. Mayor and Town Council Responsibilities

- 1) If the Mayor or a Town Council Member has reason to suspect that a fraud has occurred, he or she shall immediately contact the Town Manager (or contact the Town Attorney or Human Resources Director if the Town Manager is involved).
- 2) The Mayor or Town Council Member shall not attempt to investigate the suspected fraud or discuss the matter with anyone other than the Town Manager (or Town Attorney or Human Resources Director if the Town Manager is involved).
- 3) The alleged fraud or audit investigation shall not be discussed with the media by any person other than through the Town Manager in consultation with the Town Attorney and the Human Resources Director.

b. Management Responsibilities

- 1) Management is responsible for being alert to, and reporting, fraudulent or related dishonest activities in their areas of responsibility.
- 2) Each manager should be familiar with the types of improprieties that might occur in his or her area and be alert for any indication that improper activity, misappropriation, or dishonest activity is, or was, in existence in his or her area.

- 3) When an improper activity is detected or suspected, management should determine whether an error or mistake has occurred or if there may be dishonest or fraudulent activity.
- 4) If management determines a suspected activity may involve fraud or related dishonest activity, they shall contact their immediate supervisor (or contact the Town Manager or Human Resources Director if the supervisor is involved).
- 5) Department Heads shall inform the Town Manager (or contact the Town Attorney or Human Resources Director if the Town Manager is involved).
- 6) Management should not attempt to conduct individual investigations, interviews, or interrogations. However, management is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions.
- 7) Management should support the Town's responsibilities and cooperate fully with the Human Resources Department, other involved departments, and law enforcement agencies in the detection, reporting, and investigation of criminal acts, including the prosecution of offenders.
- 8) Management shall give full and unrestricted access to all necessary records and personnel. All Town furniture and contents, including desks and computers, are open to inspection at any time. There is no assumption of privacy.
- 9) In dealing with suspected dishonest or fraudulent activities, great care shall be taken. Therefore, management should avoid the following:
 - a) Incorrect accusations.
 - b) Alerting suspected individuals that an investigation is underway.
 - c) Treating employees unfairly.
 - d) Making statements that could lead to claims of false accusations or other offenses.
- 10) In handling dishonest or fraudulent activities, management has the responsibility to:
 - a) Make no contact (unless requested) with the suspected individual to determine facts or demand restitution. Under no circumstances should there be any reference to "what you did", "the crime", "the fraud", "the misappropriation", etc.
 - b) Avoid discussing the case, facts, suspicions, or allegations with anyone outside the Town, unless specifically directed to do so by the Town Attorney.
 - c) Avoid discussing the case with anyone inside the Town other than employees who have a need to know such as the Town Manager, Human Resources Director, Town Attorney, or law enforcement personnel.
 - d) Direct all inquiries from the suspected individual, or his or her representative, to the Town Manager or Town Attorney. All inquiries by an attorney of the suspected individual should be directed to the Town Attorney. All inquiries from the media should be directed to the Town Manager.
 - e) Take appropriate corrective and disciplinary action, up to and including dismissal, after consulting with the Human Resources Director, in conformance with the Town's Personnel Policies and Procedures or the appropriate bargaining document.
- c. Employee Responsibilities
 - 1) A suspected fraudulent incident or practice observed by, or made known to, an employee shall be reported to the employee's supervisor for reporting to the proper management official.
 - 2) When the employee believes the supervisor may be involved in the inappropriate activity, the employee shall make the report directly to the next higher level of management and/or the Town Manager (or contact the Town Attorney or Human Resources Director if the next higher level of management and/or the Town Manager is involved).
 - 3) The reporting employees shall refrain from further investigation of the incident, confrontation with the alleged violator, or further discussion of the incident with anyone, unless requested by the Town Manager, Human Resources Director, Town Attorney, or law enforcement personnel.
- d. Human Resources Department Responsibilities

- 1) Upon assignment by the Town Manager, the Human Resources Director shall promptly investigate the fraud.
 - 2) In all circumstances where there appears to be reasonable grounds for suspecting that a fraud has taken place, the Human Resources Director, in consultation with the Town Attorney, shall contact the Marshal's Department.
 - 3) The Human Resources Director shall be available and receptive to receiving relevant, confidential information to the extent allowed by law.
 - 4) If evidence is uncovered showing possible dishonest or fraudulent activities, the Human Resources Director shall proceed as follows:
 - a) Discuss the findings with the appropriate management/supervisor and the department director.
 - b) Advise management, if the case involves staff members, to meet with the Human Resources Director (or his/her designated representative) to determine if disciplinary actions should be taken. Any disciplinary action taken will be in accordance with the Town Personnel Rules and any applicable Memorandums of Understanding.
 - c) Report to the External Auditor such activities in order to assess the effort of the illegal activity on the Town's financial statements.
 - d) Coordinate with the Town's risk insurer regarding notifications to insurers and filing of insurance claims.
 - e) Take immediate action, in consultation with the Town Attorney, to prevent the theft, alteration, or destruction of evidentiary records. Such action shall include, but is not limited to:
 - i. Removing the records and placing them in a secure location, or limiting access to the location where the records currently exist.
 - ii. Preventing the individual suspected of committing the fraud from having access to the records.
 - 5) In consultation with the Town Attorney and the Marshal's Department, the Human Resources Department may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.
 - 6) If the Human Resources Department is contacted by the media regarding an alleged fraud or audit investigation, the Human Resources Department will consult with the Town Manager and the Town Attorney, as appropriate, before responding to a media request for information or interview.
 - 7) At the conclusion of the investigation, the Human Resources Department will document the results in a confidential memorandum report to the Town Manager and the Town Attorney. If the report concludes that the allegations are founded, the report will be forwarded to the Marshal's Department for subsequent transfer to the County Attorney for disposition.
 - 8) Unless exceptional circumstances exist, a person under investigation for fraud is to be given notice in writing of essential particulars of the allegations following the conclusion of the audit. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Human Resources Department no later than seven calendar days after notice is received.
 - 9) The Human Resources Department will be required to make recommendations to the appropriate department for assistance in the prevention of future similar occurrences.
 - 10) Upon completion of the investigation, including all legal and personnel actions, all records, documents, and other evidentiary material, obtained from the department under investigation will be returned by the Human Resources Department to that department.
6. False Allegations
- a. False allegations of suspected fraud with the intent to disrupt or cause harm to another may be subject to disciplinary action up to and including termination of employment.
7. Corrective Action and Discipline

- a. Final determination regarding action against an employee, vendor, recipient or other person found to have committed fraud or corruption will be made by the Town Manager (or Town Council if the Town Manager is involved).
 - b. Offenders at all levels of the Town will be treated equally regardless of their position or years of service with the Town. Determinations will be made based on a finding of facts in each case, actual or potential damage to the Town, cooperation by the offender and legal requirements.
 - c. Appropriate and timely action will be taken against those proven to have committed fraudulent acts. These remedial actions may include, but are not limited to:
 - 1) Disciplinary action (up to and including immediate termination of employment).
 - 2) Restitution for all losses, including investigation and legal expenses, to the fullest extent of the law.
 - 3) Forwarding information to the appropriate authorities for criminal prosecution.
 - 4) Institution of civil action to recover losses.
 - 5) Where the Town of Camp Verde elects to take corrective or disciplinary action, it will proceed under the procedures in place under policy or under any collective bargaining agreement for the respective employment classification.
 - 6) The Town of Camp Verde may take corrective or disciplinary action without awaiting the resolution of criminal or civil proceedings arising from fraudulent conduct.
8. Confidentiality
- a. All investigations will be conducted in confidence insofar as reasonably possible. The names or names of those communicating information about a fraudulent act or the name or names of those suspected of a fraudulent act will only be revealed when required by law in conjunction with the investigation or legal action.
9. Questions or Clarifications Related To This Policy
- a. All questions or other clarifications of this policy and its related responsibilities should be addressed to the Town Manager, who shall be responsible for the administration, revision, interpretation, and application of this policy.

CELL PHONE POLICY

PURPOSE: The purpose of this policy is to provide guidance and procedures governing the use of Town owned cellular telephones. This administrative guideline will also help ensure consistency among Town departments using cellular phones.

I. POLICIES

- A. The Town of Camp Verde issues cellular phones to officials and employees who work in areas or on assignments where standard telephones or other forms of electronic communications equipment are not readily available and where such use will benefit the Town and its citizens.
- B. Cellular phones are intended for special applications such as safety purposes or to assist in the completion of an assigned task or official responsibility. They are not intended for personal convenience.

II. UNAUTHORIZED USES OF A TOWN OWNED CELLULAR TELEPHONE

- A. Any call which could suitably be made from a standard Town telephone or other electronic communications.
- B. Any call made in relation to an official's or employee's personal affairs or personal business enterprise.
- C. Any call for the purpose of entertainment, such as 900 numbers, movie links, etc.
- D. Any usage while driving or operating machinery.

III. PROCEDURES

- A. All requests for cellular telephones require completion of Request for Cellular Telephone Form, approved in advance by the department head and the Town Manager, and then forwarded to the Finance Department.
- B. The user of the cellular telephone shall be required to complete the Cellular Telephone User Agreement prior to being issued a cellular telephone.
- C. The Finance Department shall maintain a listing of all Town issued cell phones.
- D. All cellular telephone bills shall be sent to the Finance Department and not to a home or business address.

IV. POLICY VIOLATIONS

- A. Failure to follow this policy may result in loss of cellular phone privileges and, for employees may result in disciplinary action, including termination of employment.

V. TERMINATED EMPLOYEES

- A. Any employee issued a Town owned cellular telephone shall return it no later than the last day of employment. The employee shall be required to sign the Request for Cellular Telephone Form to indicate the phone was returned.
- B. Any employee not returning Town owned cellular telephone as of their last day of employment shall be billed for the cost of the phone and any minutes used subsequent to termination.

UNIFORM ALLOWANCE POLICY

PURPOSE: The purpose of this policy is to provide guidance and procedures governing uniform related purchases.

I. POLICIES

- A. The Town has determined that there are certain employee positions and Departments that would benefit from Town provided uniforms or may be required to wear a uniform adhering to specific guidelines.
- B. Required uniforms for Marshal's Office employees shall be covered by the Marshal's Office Uniform policy.
- C. Uniforms provided specifically for identification of Town employees shall be of de minimis value and purchased through the Department's operational budget. Uniforms of this type need to document the benefit provided to the Town for the provided uniform.
- D. A uniform allowance for safety-related issues shall be made in Departments and Divisions where the normal course of business may put the employee in situations where normal clothing would be inappropriate or cost prohibitive.
- E. The uniform allowance limits will be set annually during the budget process.

II. PROCEDURES

- A. Employees who are approved for a boot allowance may purchase the approved footwear themselves and submit the detailed receipt for reimbursement. Purchases for an employee boot allowance may be made with Town funds directly, however, any amount over the maximum allowance listed above shall be paid for by the employee or reimbursed to the Town within 14 days.
- B. The Animal Control Officer uniform allowance shall be paid in July or August of each fiscal year through the normal payroll process.

**Meeting Date:** February 4, 2026**Agenda Item Type:**

- | | | |
|--|---|--|
| ☐ Consent Agenda | ☐ Informational Presentation | ☐ Discussion Item |
| ☒ Action/Decision Item | ☐ Executive Session Request | ☐ Other: |

Requesting Department: Utilities – Wastewater**Staff Resource:** Utilities Director Lisa Vaughan and Wastewater Division Manager Chet Teague

Agenda Title: Discussion, consideration, and possible approval of a contract award to Mulcaire & Son Contracting, in the amount not to exceed \$63,100, for excavation, hauling, and disposal of contaminated soil at the West Lagoon at the Wastewater Treatment Plant

Attached Documents:

- Adams and Wendt Site Assessment Cross Section Map
- Quotes – McDonald Ligon & Mulcaire
- WM Industrial Waste & Disposal Services Agreement

Estimated Presentation Time: 5 minutes**Estimated Discussion Time:** 15 minutes**Reviewed By:**

- | | | | | |
|--|---|--|----------------------------------|---------------------------------|
| ☒ Town Manager | ☒ Legal | ☐ Risk Management | ☐ Finance | ☐ Other: |
|--|---|--|----------------------------------|---------------------------------|

Financial Review (if applicable):

- Funding Source / GL Account Number: WIFA, Account 31-490-20-804020
- Approved in the FY26 Budget? ☒ Yes ☐ No ☐ N/A ☐ Other:
- Is this an approved CIP Project? ☒ Yes ☐ No ☐ N/A ☐ Other:

Background Information:

An ADEQ Notice of Violation was given to the Town Wastewater Utilities Division for contaminated soil being found in the lagoons that the Town was working to abandon. WaterWorks Engineering and Adams and Wendt, Inc. were contracted to review, test, and provide a solution to ADEQ to address the Notice of Violation.

ADEQ approved the solution, which required only two areas within the western lagoon be evacuated, tested, and removed by the end of July 2026. To meet this timeline, Adams and Wendt will provide support for the testing of the evacuated materials and the Utilities Department is seeking to hire an excavation and hauling company to provide the personnel and equipment needed to evacuate and remove the materials.

Waste Management (WM) has approved the disposal of the contaminated material. Town staff contacted three (3) qualified firms (McDonald Bros Construction, Ligon Excavation, and Mulcaire & Son Contracting) to provide quotes for the excavation and hauling of the material to the approved WM disposal site. Due to the need to initiate work immediately, staff is recommending that Town Council



Town Council Agenda Information Memorandum

waive the formal bidding requirements and award the contract to the lowest responsive quote, Mulcaire & Son Contracting. This work qualifies as an emergency purchase to ensure timely remediation of the site and compliance with the Arizona Department of Environmental Quality (ADEQ) deadline for removal.

Town staff recommend Council consider approval for the Town to enter into a contract with Mulcaire & Son Contracting in the amount not to exceed \$63,100 for the excavation and hauling of contaminated soil to Waste Management for disposal. Funding for this project will be provided through the WIFA grant funding allocated to the Wastewater Treatment Plant for lagoon remediation.

Question(s) before the Council:

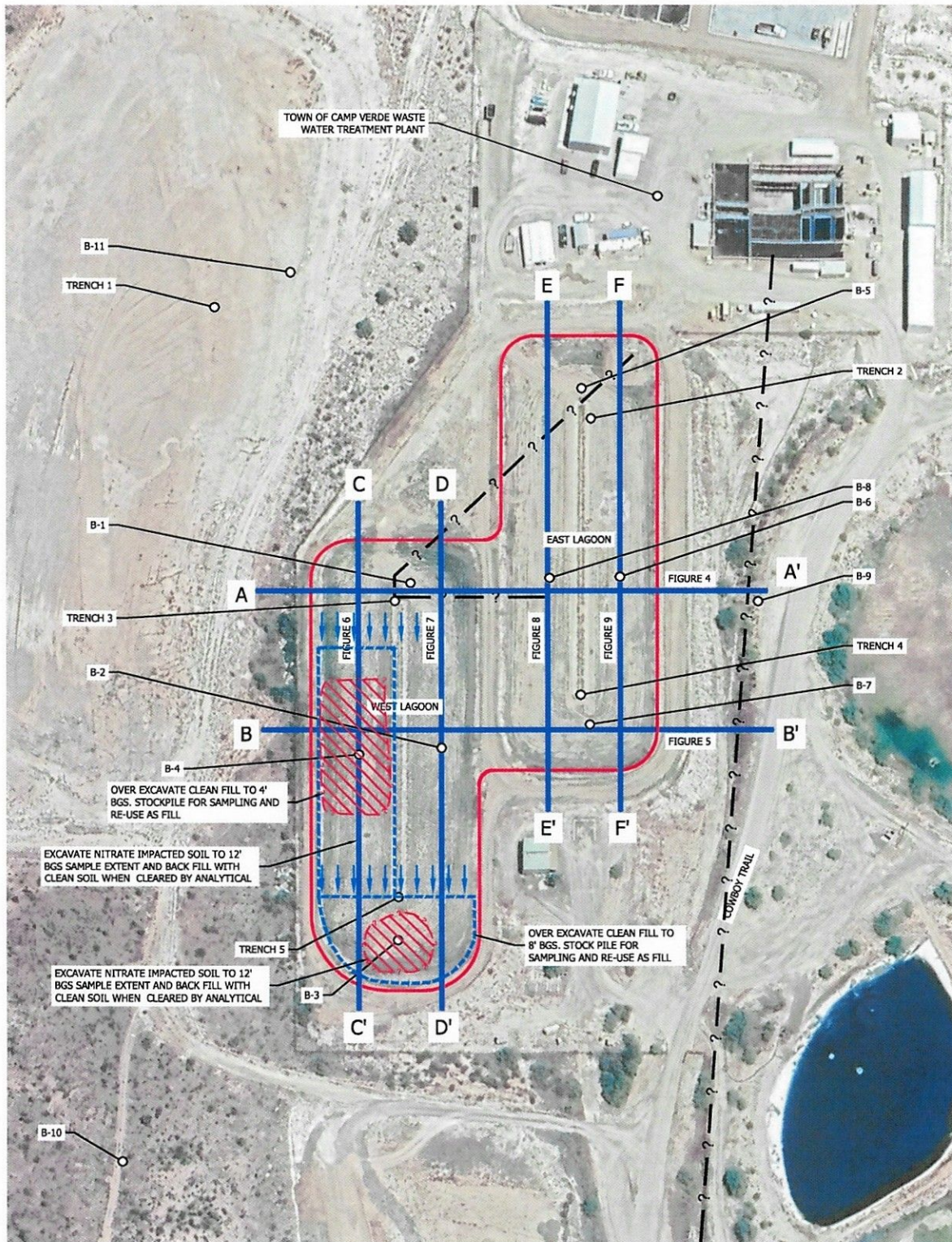
- Does Council have any questions for staff?

Proposed Motion:

I move to **APPROVE** a contract award to Mulcaire & Son Contracting, in the amount not to exceed \$63,100, for excavation, hauling, and disposal of contaminated soil at the West Lagoon at the Wastewater Treatment Plant.

OR

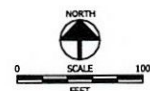
I move to **DENY** the contract awarding.



LEGEND

- SLUDGE DRYING LAGOON BOUNDARY
- - - APPROXIMATE LOCATION OF UNDERGROUND PIPE UTILITIES
- CROSS SECTION LINES
- B-1 LOCATION OF BORING
- ▨ POTENTIAL APPROXIMATE EXTENT OF NITRITE/NITRATE IMPACTED SEDIMENT ABOVE GPL OF 535 mg/kg FOR NITRATE AND 53.5 FOR NITRITE

- ▭ EXTENT OF EXCAVATION
- ↓ ↓ ↓ ↓ SLOPE DOWN



PROJECT NAME: SITE ASSESSMENT REPORT - FORMER DRYING LAGOONS

CLIENT: TOWN OF CAMP VERDE

LOCATION: 1300 PAYSON HIGHWAY, TOWN OF CAMP VERDE, AZ 86322

SUBJECT: TOWN COUNCIL REGULAR SESSION EXCAVATION LIMITS

PROJECT #: 2508284

DATE: 1/2026

DRAWN: AB

February 4, 2026

REVISION:

**Adams
and
Wendt**

Environmental Consulting
-Project Management
460 S. Greenfield Rd. Ste 1
Mesa, Arizona 85206
Phone. 480.924.4137 of 259
Fax. 480.924.4737



McDonald Bros Construction, INC

1535 South Quarterhorse Lane

McDonald@McDonaldBrosAZ.com

Camp Verde, AZ 86322

928-567-3539



PROPOSAL AND CONTRACT

Proposal Submitted To Town of Camp Verde- Waste Water Division	Phone	Date January 26, 2025
Address	Job Name West Lagoon Contaminated Soil Excavation and Removal	
City, State & Zip	Job Location 1300 Payson Highway Camp Verde, AZ 86322	
Engineer/Architect Adams and Wendt	Date of Plans January 1, 2026	Engr. Phone 480-924-7144

We propose to furnish all labor and material to complete the following items of work per unit prices quoted. All work to be done in a professional and workmanlike manner in accordance with plans and specifications, subject to the conditions stated herein.

Your signature on a copy of this proposal returned to us, shall indicate your acceptance and this document shall become a contract between us, and shall be binding on both parties.

ITEM NO.	ITEM	QUANTITY	UNIT	UNIT PRICE	TOTAL
	Excavate Clean Soil and Stockpile	10000	Ton	\$2.40	\$24,000.00
	Excavate Nitrate Contaminated Soil and Dispose Off-Site (Includes Trucking to Grey Wolf Landfill)	3000	Ton	\$15.94	\$47,820.00
				Sub Total:	\$71,820.00
				Sales Tax:	\$4,670.00
				PROPOSAL TOTAL:	\$76,490.00

PAYMENT SCHEDULE : Monthly Pay Applications due within 30 days of Pay Application date. 100% payment due within 30 days of completion and acceptance of our work. Or, per contractual agreement.

REMARKS: Material and subcontractor pricing is contingent on material pricing used at the time of estimate. Material and subcontractor increases will be added on if incurred due to a delayed start. **Proposal quantities are based on plan quantities. If actual excavation quantities exceed plan quantities, the additional quantities will be billed at the appropriate unit price per this proposal.**

EXCLUSIONS: bond, permit fees, engineering, surveying, staking, compaction testing, night work, weekend work, construction water, traffic control, dust control

ALL ITEMS SELECTED WITH AN "X" BELOW, APPLY TO THIS CONTRACT

- ☒ This proposal is based on plans, specifications and approximate quantities as submitted and stated herein and shall **not** be valid if portions are deleted, postponed or phased out into several jobs rather than one as described herein.
- ☒ This proposal is subject to change if **not** accepted within thirty (30) days of the date hereon.
- ☒ Unless otherwise specified herein, all engineering shall be furnished by the owner. The engineering shall include adequate approved plans, drawings and specifications, layout and line grade staking. The owner shall be responsible for the correctness of the engineering and hereby agrees to reimburse the contractor for any and all costs incurred or made necessary to correct work caused by, or the fault of, erroneous engineering and/or layout performed by the engineer or the owner.
- ☒ We are **not** responsible for relocation or adjustment of existing utility lines or poles or damage to utility lines which are not shown on the plans at their actual location and elevation.
- ☒ This proposal is subject to escalation should we have any material price increases during the terms of this contract.
- ☒ This proposal does **NOT** include any readjustment of manhole ring and covers, water valve box ring and covers or clean out of rings and covers.
- ☒ We are **not** responsible for delay or damage caused by acts of God, Strikes or events other than those caused by culpable negligence on our part.

You are hereby authorized to furnish all material and labor required to complete the above proposal for which I agree to pay the amount mentioned in said proposal and according to the terms thereof.

Respectfully Submitted By:
McDonald Bros Construction, Inc

ACCEPTED BY: _____
Firm Name

BY: _____

DATE: _____

BY: Blaze Petska
Blaze Petska
928-925-3553



Ligon Excavation, Inc

P.O. Box 442
Camp Verde, AZ 86322

Quote

ROC #242125
Residential-Commercial

Office (928) 567-8537, Cell (928) 300-2126 Office@LigonEx.com

DATE 1/15/26

Proposal submitted to:	Camp Verde	Job Location:	Waste Water Treatment plant
Address:	Sanitation		West Lagoon Area
City, State:	District	Address:	
Phone No & Fax:	Glochert Terrace	City:	Camp Verde

We hereby propose to furnish the materials and perform the labor necessary for the completion of the following:

* Nitrate Removal + Dispose at
Gray Wolf Land fill on Camp Verde
Account

* We Propose to complete this job on an Hourly
(T+m) Basis. w/ 6% Discount off of all Hourly Rates!!

* Approx. 150 20 Ton Loads at 2.25 Hour
Cycle 337.5 Truck Hrs x 113 per Hour Est. \$38,137-

* All Trucking to be kept on a Seperate
bill to avoid Sales Tax (T.P.T.)

* Approx. budget Based on moving Approx
10,000 Cubic Yards of Earth out + Back
in to the Excavation x 12 per yard Est. 120,000-

Tax at 10% Est \$7,800-

* Any alteration or deviation from above specifications involving extra costs will be executed only upon written order, and will become an extra charge over and above the estimate.

All Material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum stated. Materials pricing is subject to change if not accepted within 30 days.

Bid Total...

This proposal may be withdrawn by Ligon Excavation, Inc
if not accepted within 60 Days from the above date.
By: Terry Ligon, Ligon Excavation, Inc

EXCLUSIONS

Solid rock excavation (unless otherwise noted), taxes, survey, testing costs, screening of onsite materials, export or import in excess of above specified amount, water (spigot to be on job), utilities past the property line, engineering, bond or permit fees. Rip-rap, roof drain pipe, revegetation and SWPP unless otherwise noted. Survey if required, must be in place prior. Anything not noted above.

Additional notes:

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted.
Ligon Excavation, Inc is authorized to do the work as specified and is not responsible for delay or damage caused by acts of God, strikes or events other than those caused by culpable negligence on our part.

Date of Acceptance _____ Signature of Acceptance _____

Operated Equipment Rates

Personel	Rate	Unit
Supervisor w/ Pickup	85	Hourly
Laborer	34	Hourly
Crew Truck w/ Driver	87	Hourly

Operated Equipment	Rate	Unit
Skidsteer	87	Hourly
Mini-Ex	87	Hourly
Mini-Ex with hammer	130	Hourly
Backhoe (410/590)	120	Hourly
Excavator (40-60k#)	170	Hourly
Excavator with Hammer (3-4,000 #)	230	Hourly
Mini-Ex Cat 305.5	117	Hourly
Mini-Ex Cat 305.5 with hammer	160	Hourly
Backhoe with 1,500# hammer	160	Hourly
Backhoe with 2000# hammer	170	Hourly
755 Vermeer Trencher (75,000#)	550	Hourly
Jumping Jack Compactor	95	Daily
Plate Compactor	95	Daily
Roto Hammer w/ generator	95	Daily
Pull behind compressor w/ jack hammer	250	Daily
Dump Trucks, 16 wheeler	110-125	Hourly
Water Truck	130	Hourly
Water Trailer	150	Daily
Rock Screens	150	Daily
Mobilization of Equipment	130-160	Hourly
Wheeled Bucket Loader	140	Hourly
345 Cat Excavator	240	Hourly
D-8 Cat Dozer	250	Hourly
140M Blade	165	Hourly

+ teeth; \$50/tooth,
\$500 Mechanic and
helper

Heavy Haul TBD

MULCAIRE & SON CONTRACTING, LLC

P.O. Box 4055, Camp Verde, AZ 86322
928-567-2380 Tel 928-567-2621 Fax 928-300-2532 Cell jess@mulcaireandson.com
License No: ROC239158

BID PROPOSAL

Bid To: Town Of Camp Verde – Wastewater Division
Attn: Chet Teague
PO Box 1205
Camp Verde, AZ 86322

Telephone: 928-592-7888 (Cell) chet.teague@campverde.az.gov

Job Location: Camp Verde Sewer Treatment Plant
Camp Verde, Arizona

Date: January 26, 2026

SCOPE OF WORK

Mulcaire & Son Contracting, LLC will provide the following Equipment, Operators, Labor and Materials to complete the following Scopes of Work:

LAGOON EXCAVATION

\$3.16 / cy + Applicable Sales Taxes

- Excavate good material and transfer from west lagoon to east lagoon

CONTAMINATED MATERIAL HAUL-OFF

\$10.50 / ton + Applicable Sales Taxes

- Excavate contaminated material and haul-off to Grey Wolf Landfill
- Landfill dump fees to be paid by Town of Camp Verde

The above price quotations are valid for 30 days.

EXCLUSIONS:

Sales Tax(es) : Applicable sales tax(es) will be added to the above price quotations.

Engineering Surveying Staking Bonding Permits Dump Fees
Haul-In Of Material(s) Testing

TERMS:

No Materials Ordered Or Work Done Without Signed Contract

Invoice Upon Completion – Due Upon Receipt

Thank you for your interest in my services. Please do not hesitate to call me at either 928-567-2380 (o) or 928-300-2532 (cell) if you have any questions.

Respectfully submitted,

MULCAIRE & SON CONTRACTING, LLC

JESS MULCAIRE, Member

Proposal

Accepted By: _____

Acceptance Date: _____

*Please Sign & Return One Copy.
A Signed Bid Becomes the Contract.*



INDUSTRIAL WASTE & DISPOSAL SERVICES AGREEMENT

COMPANY:	Waste Management of Arizona, Inc. A WM COMPANY	CUSTOMER:	Wastewater Division / Camp Verde, AZ.
Address:	23355 East Highway 169, Milepost 12	Address:	880 S. Cowboy Trail
City/State/Zip:	Dewey, AZ, 86327	City/State/Zip:	Camp Verde, AZ, 86322
Signed:	 Authorized Signature	Signed:	 Authorized Signature
Name:		Name:	Chet Teague
Title:		Title:	Wastewater division Manager 10/09/2025
Effective Date:	Date	Initial Term:	36 months Date

AGREEMENT

This **INDUSTRIAL WASTE & DISPOSAL SERVICES AGREEMENT**, consisting of the terms and conditions set forth herein, and Exhibit A, and/or Confirmation Letter(s) and the Profile Sheet(s) entered into from and after the date hereof from time to time (all of the foregoing being collectively referred to as the "Agreement"), is made as of the Effective Date shown above by and between the Customer named above, on its and its subsidiaries and affiliates behalf (collectively, "Customer") and the WM entity named above ("the Company").

TERMS AND CONDITIONS

1. SERVICES PROVIDED. The Company and/or its affiliates will provide Customer with collection, management, transportation, disposal, treatment and recycling services ("Services") for Customer's non-hazardous Solid Waste, Special Waste, Hazardous Waste, and/or Recyclables, as described on Exhibit A and/or Confirmation Letter(s) and/or applicable Profile Sheets (collectively "Industrial Waste"), and Company shall have the exclusive right to manage all such Industrial Waste. **"Solid Waste"** means garbage, refuse and rubbish including those which are recyclable but excluding Special Waste and Hazardous Waste. **"Special Waste"** includes polychlorinated biphenyl ("PCB") wastes, industrial process wastes, asbestos containing material, petroleum contaminated soils, treated/de-characterized wastes, incinerator ash, medical wastes, demolition debris and other materials requiring special handling in accordance with any applicable federal, state, provincial or local laws or regulations. **"Hazardous Waste"** means any hazardous, toxic, or radioactive substances, as such terms are defined by any applicable federal, state, provincial or local laws or regulations. **"Nonconforming Waste"** means waste that (a) is not in conformance with waste descriptions given by Customer under this Agreement, in an Exhibit A, Confirmation Letter(s) or the Profile Sheet incorporated herein; (b) is prohibited from being received, managed or disposed of at a transfer, storage or disposal facility used hereunder by federal, state or local law, regulation, ordinance, permit or other legal requirement; (c) is non-hazardous Solid Waste that contains regulated Special Waste or Hazardous Waste; (d) is or contains any infectious waste, radioactive, volatile, corrosive, flammable, explosive, biomedical, biohazardous material, regulated medical or hazardous waste or toxic substances, as defined pursuant to or listed or regulated under applicable federal, state or local law, except as stated on Exhibit A, the Profile Sheet or Confirmation Letter; or (e) contains information protected by federal, state or local privacy or data security laws, including but not limited to the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA").

2. CUSTOMER WARRANTIES. Customer hereby represents and warrants that all Industrial Waste collected by or delivered to the Company shall be in accordance with waste descriptions given in this Agreement and shall not be or contain any Nonconforming Waste. When the Company handles Special or Hazardous Waste for Customer, Customer will provide the Company with a Generator's Waste Profile Sheet ("Profile Sheet") describing all Special or Hazardous Waste and provide a representative sample of such waste on request. Additional special terms and conditions may be defined in your original quotation and shall form part of this Agreement. For profiled waste, all completed profile approval form(s) including any generator conditions and special handling instructions in such form(s) also shall be part of this Agreement and binding upon Customer. Your execution of the Exhibit A confirms that you have read, understand, and agree to such generator conditions and special handling instructions. In the event this Agreement includes transportation by the Company, Customer shall, at the time of tender, provide to the Company accurate and complete documents, shipping papers or manifests as are required for the lawful transfer of the Industrial Waste under all applicable federal, state or local laws or regulations. Tender or delivery shall be considered nonconforming if not in accordance with this Section. Customer further represents and warrants that it will comply with all applicable laws, ordinances, regulations, orders, permits or other legal requirements applicable to the Industrial Waste. Customer shall provide the Company and its Subcontractors a safe work environment for Services performed on any premises owned or controlled by Customer.

3. TERM OF AGREEMENT. The Initial Term of this Agreement shall be as set forth above and if no such term is set forth above, it shall be 36 months, commencing on the Effective Date set forth above. This Agreement shall automatically renew thereafter for additional terms of twelve (12) months each ("Renewal Term", with "Initial Term," collectively, the "Term") unless either party gives to the other party written notice of termination at least ninety (90) days prior to the termination of the then-existing term; provided however, that the terms and conditions of this Agreement shall remain in full force and effect, in accordance with its terms, with respect to any uncompleted or unfinished Services provided for in an Exhibit A, Confirmation Letter and/or Profile Sheet until such Services are completed. Notice of termination received at any other time will be considered ineffective and the Agreement will be considered automatically renewed upon completion of the then-existing term.

4. INSPECTION; REJECTION OF WASTE. Title to and liability for Nonconforming Waste shall remain with Customer at all times. Company shall have the right to inspect, analyze or test any waste delivered by Customer. If Customer's Industrial Waste is Nonconforming Waste, Company can, at its option, reject Nonconforming Waste and return it to Customer or require Customer to remove and dispose of the Nonconforming Waste at Customer's expense.

Customer shall indemnify, hold harmless (in accordance with Section 9) and pay or reimburse Company for any and all costs, damages and/or fines incurred as a result of or relating to Customer's tender or delivery of Nonconforming Waste or other failure to comply or conform to this Agreement, including costs of inspection, testing and analysis. Company also may impose volume limitations on inbound deliveries, reject any Industrial Waste that could adversely impact the receiving facility, or Company may terminate the Agreement or the applicable Exhibit A related to such Industrial Waste.

5. SPECIAL HANDLING; TITLE. If Company elects to handle, rather than reject, Nonconforming Waste, Company shall have the right to manage the same in the manner deemed most appropriate by Company given the characteristics of the Nonconforming Waste. Company may assess and Customer shall pay additional charges associated with delivery of Nonconforming Waste, including, but not limited to, special handling or disposal charges, and costs associated with different quantities of waste, different delivery dates, modifications in operations, specialized equipment, and other operational, environmental, health, safety or regulatory requirements. Title to and ownership of acceptable Industrial Waste shall transfer to Company upon its final acceptance of such waste.

6. COMPANY WARRANTIES. Company hereby represents and warrants that: (a) Company will manage the Industrial Waste in a safe and workmanlike manner in full compliance with all valid and applicable federal, state and local laws, ordinances, orders, rules and regulations; and (b) it will use disposal and recycling facilities that have been issued permits, licenses, certificates or approvals required by valid and applicable laws, ordinances and regulations necessary to allow the facility to accept, treat and/or dispose of Industrial Waste. Except as provided herein, Company makes no other warranties and hereby disclaims any other warranty, whether implied or statutory.

7. LIMITED LICENSE TO ENTER. When a Customer is transporting Industrial Waste to a Company facility, Customer and its subcontractors shall have a limited license to enter a disposal facility for the sole purpose of off-loading Industrial Waste at an area designated, and in the manner directed, by Company. Customer shall, and shall ensure that its subcontractors, comply with all rules and regulations of the facility, as amended. Company may reject Industrial Waste, deny Customer or its subcontractors entry to its facility and/or terminate this Agreement in the event of Customer's or its subcontractors' failure to follow such rules and regulations.

8. CHARGES AND PAYMENTS. Customer shall pay the rates ("Charges") set forth on Exhibit A or a Confirmation Letter, which may be modified as provided in this Agreement. Company reserves the right, and Customer acknowledges that it should expect Company to increase, add, or modify the Charges payable by Customer hereunder during the Term. The Charges may be adjusted by Company to account for: any changes or modifications to, or differences between, the actual equipment and Services provided by Company to Customer and those specified on Exhibit A; any increase in or to recoup all or any portion of, disposal, transportation, processing, energy and fuel costs, or environmental compliance fees or costs, or recovery of the Company's and affiliates' costs associated with host community fees, waste disposal taxes and similar charges paid to municipal or other governmental authorities or agencies to engage in recycling and waste collection, transfer, processing, disposal and treatment; any change in the composition, amount or weight of the Industrial Waste collected by Company from Customer's service location(s) from what is specified on Exhibit A (including for container overages or overflows) of the Industrial Waste; increased costs due to uncontrollable circumstances, including, without limitation, changes (occurring from and after three (3) months prior to the Effective Date) in local, state, federal or foreign laws or regulations (or the enforcement, interpretation or application thereof), including the imposition of or increase in taxes, fees or surcharges, or acts of God such as floods, fires, hurricanes and natural disasters. Company also reserves the right to charge Customer additional charges for Services provided by Company to Customer, whether requested or incurred by Customer, including, but not limited to, dig out, minimum load charges, profile approval charges, all at such rates that Company is charging its customers at such time. The Company may also increase the charges by an amount equal to the average percentage increase for the previous twelve-month period in the Consumer Price Index for Water & Sewer & Trash Collection Services, as published by the U.S. Department of Labor, with the amount of the increase based on the most current information available from the U.S. Department of

Labor 30 days prior to the date of the increase, unless the parties have otherwise agreed to a different CPI as stated in an Exhibit A. Without limiting the foregoing, Company also reserves the right to adjust all pricing provided in an Exhibit A at any time with ten (10) days' advance written notice to Customer. Changes to the Charges payable under this Agreement may be agreed to orally, in writing or by other actions and practices of the parties, including, without limitation, electronic or online acceptance or payment of the invoice reflecting such changes, and written notice to Customer of any such changes and Customer's failure to object to such changes, which shall be deemed to be Customer's affirmative consent to such changes. Increases to Charges as specified in this Section may be applied singularly or cumulatively and may include an amount for Company's operating or profit margin. Customer acknowledges and agrees that any increased Charges under this section are not represented to be solely an offset or pass through of Company's costs. All adjustments to charge as provided above and in Section 5 shall take effect upon notification from Company to Customer. Customer shall pay the Charges in full within thirty (30) days of the invoice date.

Company shall send all invoices for Charges and any required notices to Customer under this Agreement to Customer's billing address specified at the top of the Agreement. Unless specifically agreed to in writing by Company and subject to such additional costs that Company may charge, in its discretion, Company shall not be required to bill Customer using Customer's or any third party billing portal or program. In no event shall the use by Company of Customer's or any third party billing portal or program, or any terms thereof, operate to amend or supplement the terms and conditions of this Agreement, which will remain binding in accordance with its terms. Customer shall pay all invoiced Charges within thirty (30) days of the invoice date, by check mailed to Company's payment address on Customer's invoice. Payment by any other method or channel, including in person, online or by phone, shall be as allowed by Company and subject to applicable convenience fees and other costs charged by Company, from time to time. Any Customer invoice balance not paid within thirty (30) days of the date of invoice is subject to a late charge, and any Customer check returned for insufficient funds is subject to a non-sufficient funds charge, both to the maximum extent allowed by applicable law. Customer acknowledges that any late charge charged by Company is not to be considered as interest on debt or a finance charge, and is a reasonable charge for the anticipated loss and cost to Company for late payment. If payment is not made when due, Company retains the right to suspend Services until the past due balance is paid in full. In addition to full payment of outstanding balances, Customer shall be required to pay a reactivation charge to resume suspended Services. If Services are suspended for more than fifteen (15) days, Company may immediately terminate this Agreement for default and recover any equipment and all amounts owed hereunder, including liquidated damages under Section 14.

9. INDEMNIFICATION. The Company agrees to indemnify, defend and save Customer harmless from and against any and all liability (including reasonable attorneys' fees) which Customer may be responsible for or pay out as a result of bodily injuries (including death), property damage, or any violation or alleged violation of law, to the extent caused by Company's breach of this Agreement or by any negligent act, negligent omission or willful misconduct of the Company or its employees, which occurs (1) during the collection or transportation of Customer's Industrial Waste by Company, or (2) as a result of the disposal of Customer's Industrial Waste, after the date of this Agreement, in a facility owned by a subsidiary or affiliate of the Company provided that the Company's indemnification obligations will not apply to occurrences involving Nonconforming Waste.

Customer agrees to indemnify, defend and save the Company harmless from and against any and all liability (including reasonable attorneys' fees) which the Company may be responsible for or pay out as a result of bodily injuries (including death), property damage, or any violation or alleged violation of law to the extent caused by Customer's breach of this Agreement or by any negligent act, negligent omission or willful misconduct of the Customer or its employees, agents or contractors in the performance of this Agreement or Customer's use, operation or possession of any equipment furnished by the Company.

Neither party shall be liable to the other for consequential, incidental or punitive damages arising out of the performance of this Agreement except for third party claims related to violations of law.

10. UNCONTROLLABLE CIRCUMSTANCES. Except for the obligation to make payments hereunder, neither party shall be in default for its failure to perform or delay in performance caused by events beyond its reasonable control, including, but not limited to, strikes, riots, pandemics, epidemics imposition of laws or governmental orders, fires, acts of God, and inability to obtain equipment, permit changes and regulations, restrictions (including land use) therein, and the affected party shall be excused from performance during the occurrence of such events.

11. RECYCLING SERVICES. The following shall apply to the collection and recycling of fiber and non-fiber recyclables ("Recyclable Materials"). Special terms and conditions, if any, with respect to such Services shall be set forth on an exhibit to this Agreement and shall be incorporated herein.

Single stream Recyclable Materials ("Single Stream") will consist of Customer's entire volume of uncoated office and writing paper, magazines, pamphlets, mail, newspaper; flattened, uncoated cardboard, paperboard boxes; aluminum food and beverage containers, tin or steel cans; glass food and beverage containers, and rigid container plastics #1, #2 and #5, excluding all types of plastic film. Any material not specifically set forth above, including but not limited to foam, film plastics, plastic bags, napkins, tissue, paper towels, or paper that has been in contact with food, is unacceptable. Glass may not be accepted at all locations. All Single Stream must be clean, dry, unshredded, empty, loose and unbagged.

Source-separated wastepaper, cardboard, plastics and metals shall consist of Customer's entire volume of such materials and be provided in accordance with the most current ISRI Scrap Specifications Circular and any amendments thereto or replacements thereof. All other Recyclable Materials will be delivered in accordance with industry standards or such specifications communicated to Customer by the Company from time-to-time.

The Company reserves the right, upon notice to Customer, to discontinue acceptance of any category of Recyclable Materials as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials. Collected Recyclable Materials for which no commercially reasonable market exists may be landfilled at Customer's cost.

Notwithstanding anything to the contrary contained herein, Recyclable Materials may not contain Nonconforming Waste, Hazardous Waste, Special Waste or other materials that are deleterious or capable of causing material damage to property, personnel or the public or materially impair the strength or the durability of structures or equipment (all "Excluded Materials").

The Company may reject in whole or in part, or may process, in its sole discretion, Recyclable Materials not meeting the specifications. Customer may be charged a contamination fee for increased handling, processing, transportation and disposal, including profit margin, related to such non-conforming Recyclable Materials and any Recyclable Materials which contain Excluded Materials.

Recycling Services are subject to a Recyclable Material Offset (RMO) charge to the extent that (a) the Company's processing cost per ton, including costs of disposal for contamination and profit margin, exceeds (b) an amount equal to recyclables value per ton minus an amount for profit margin. The RMO charge, including profit margin, processing and disposal costs and recyclable value shall be determined by the Company from time-to-time, in its sole discretion, based on applicable operating data and market information. If recyclables value exceeds processing costs, plus profit margin, a RMO credit may apply, at the Company's sole discretion.

12. ASSIGNMENT & SUBCONTRACTING. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assigns. Customer acknowledges and agrees that the Company may utilize unaffiliated subcontractors that are not affiliates of Company to provide the Services to Customer. Customer may not broker the disposal of Industrial Waste through third parties under this Agreement without Company's express written consent.

13. ENTIRE AGREEMENT. This Agreement and its exhibits and attachments represent the entire understanding and agreement between the parties relating to the Services and supersedes any and all prior agreements, whether written or oral, between the parties regarding the same; provided that, the terms of any national service agreement or lease agreement for compactors or specialty equipment between the parties shall govern over any inconsistent terms herein.

14. TERMINATION; LIQUIDATED DAMAGES. Company may immediately terminate this Agreement, (a) in the event of Customer's breach of any term or provision of this Agreement, including failure to pay on a timely basis, or (b) if Customer becomes insolvent, the subject of an order for relief in bankruptcy, receivership, reorganization dissolution, or similar law, or makes an assignment for the benefit of its creditors or if Company deems itself insecure as to payment ("Default"). Notice of termination shall be in writing and deemed given when delivered in person or by certified mail, postage prepaid, return receipt requested. In the event Customer terminates this Agreement prior to the expiration of the Initial or Renewal Term ("Term") for any reason other than as set forth in Section 3, or in the event Company terminates this Agreement for Customer's default, Customer shall pay the following liquidated damages in addition to the Company's legal fees, if any: (a) if the remaining Term (including any applicable Renewal Term) under this Agreement is six (6) or more months, Customer shall pay the average of its six (6) most recent monthly Charges (or, if the Effective Date is within six (6) months of Company's last invoice date, the average of all monthly Charges) multiplied by six (6); or (b) if the remaining Term under this Agreement is less than six (6) months, Customer shall pay the average of its six (6) most recent monthly Charges multiplied by the number of months remaining in the Term. Customer shall pay liquidated damages of \$100 for every Customer waste tire that is found at the disposal facility. Customer acknowledges that the actual damage to Company in the event of termination is impractical or extremely difficult to fix or prove, and the foregoing liquidated damages amount is reasonable and commensurate with the anticipated loss to Company resulting from such termination and is an agreed upon charge and is not imposed as a penalty. Collection of liquidated damages by Company shall be in addition to any rights or remedies available to Company under this Agreement or at law. In addition to and not in limitation of the foregoing, Company shall be entitled to recover all losses, damages and costs, including attorneys' fees and costs, resulting from Customer's breach of any other provision of this Agreement in addition to all other remedies available at law or in equity.

15. EQUIPMENT. All equipment furnished by Company shall remain its property; however Customer shall have care, custody and control of the equipment and shall be liable for all loss or damage to the equipment and for its contents while at Customer's service location(s) or otherwise under its care, custody and control. Customer will not overload, move or alter the equipment, or allow a third party to do so, and shall use it only for its intended purpose. At the termination of this Agreement, Company's equipment shall be in the condition in which it was provided, normal wear and tear excepted. Customer shall provide safe and unobstructed access to the equipment on the scheduled collection day. Company may suspend Services or terminate this Agreement in the event Customer violates any of the requirements of this provision. Customer shall pay, if charged by Company, any additional Charges, determined by Company in its sole discretion, for overloading, moving or altering the equipment or allowing a third party to do so, and for any service modifications caused by or resulting from Customer's failure to provide access. Customer warrants that Customer's property is sufficient to bear the weight of Company's equipment and vehicles and agrees that Company shall not be responsible for any damage to Customer's pavement or any other surface resulting from the equipment or Services.

16. CONFIDENTIALITY. Except as required by law, the parties agree that the rates set forth on Exhibit A, a Confirmation Letter, including any adjustments thereto, and any other pricing information shall be considered confidential and shall not be disclosed to third parties without the other party's written approval.

17. MISCELLANEOUS. (a) The prevailing party will be entitled to recover reasonable fees and court costs, including attorneys' and expert fees, in enforcing this Agreement. In the event Customer fails to pay Company all amounts due hereunder, Company will be entitled to collect all reasonable collection costs or expenses, including reasonable attorneys' and expert fees, court costs or handling fees for returned checks from Customer; (b) The validity, interpretation and performance of this Agreement shall be construed in accordance with the law of the state in which the Services are performed; (c) If any provision of this Agreement is declared invalid or unenforceable, then such provision shall be deemed severable from and shall not affect the remainder of this Agreement, which shall remain in full force and effect; (d) Customer's payment obligation for Services and the Warranties and Indemnification made by each party shall survive termination of this Agreement; (e) Company shall act as an independent contractor pursuant to this Agreement and nothing herein shall create a partnership, joint venture or any other relationship between the parties.

Chet Teague

From: WM Western Technical Service Center <tscwestern@wm.com>
Sent: Friday, October 10, 2025 2:29 PM
To: Chet Teague
Subject: [WMSolutions.com] Profile 450377AZ (Town of Camp Verde Wastewater Division 880 S. Cowboy Trail) has been approved



[Log In](#)

Profile Approved to Ship

Profile **450377AZ** has been approved. You can log in to wmsolutions.com anytime to view your tickets, manifests or your Waste Approval Terms and Conditions. Thank you for choosing WM.

Profile Number	450377AZ
Generator Name	Town of Camp Verde Wastewater Division 880 S. Cowboy Trail
Waste Stream	Waste Impacted soil
Disposal Site	Gray Wolf Regional Landfill
Expiration Date	10/08/2026
Customer Detail	A manifest is required for all shipments.

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Town Council

Agenda Information Memorandum

Meeting Date: February 4, 2026

Agenda Item Type:

- | | | |
|--|---|--|
| ☐ Consent Agenda | ☐ Informational Presentation | ☐ Discussion Item |
| ☒ Action/Decision Item | ☐ Executive Session Request | ☐ Other: |

Requesting Department: Human Resources

Staff Resource: HR Director Julia Kaiser

Agenda Title: Discussion, consideration and possible approval of amendments to the Town's Personnel Manual.

Attached Documents: Draft Personnel Manual

Estimated Presentation Time: 5-7 min.

Estimated Discussion Time: 10-15 min.

Reviewed By:

- | | | | | |
|--|---|--|---|---------------------------------|
| ☒ Town Manager | ☒ Legal | ☐ Risk Management | ☒ Finance | ☐ Other: |
|--|---|--|---|---------------------------------|

Financial Review (if applicable):

- Funding Source / GL Account Number:
- Approved in the FY25 Budget? ☐ Yes ☐ No ☒ N/A ☐ Other:
- Is this an approved CIP Project? ☐ Yes ☐ No ☒ N/A ☐ Other:

Background Information:

The proposed revisions to the Personnel Manual include: 1) the change of the maximum sick leave bank; 2) the change to the requirements for takeaway vehicles.

Changes to Policy 4-9 Sick Leave Bank

The staff brings revisions to the Personnel Manual as an urgent matter due to the depletion of the Sick Leave Bank. The Sick Leave Bank provides a short-term option to alleviate undue hardship to eligible member employees who become unable to work due to a serious personal illness or injury and have exhausted all available personal paid leave (vacation, sick leave, and compensatory time). This benefit is based on compassion and generosity of Town staff who opt to enroll in the program and is meant to promote a spirit of mutual support among employees. Membership in the Sick Leave Bank is voluntary; Sick Leave Bank is accumulated through voluntary donation of sick leave hours by participating employees. It is a supplemental benefit and is distinguishably different from the state required paid sick leave or any other type of paid time off. The participants of the sick leave bank are required to use their personal accrued paid time off before using the supplemental Sick Leave Bank and meet the FMLA and ADA standards.

This year, the Sick Bank has experienced a higher-than-usual level of use, resulting in the full depletion of the available balance. While this reflects how important the Sick Bank has been in supporting employees when it was most needed, it has also prompted staff to thoughtfully review the program's purpose and long-term sustainability.



Town Council Agenda Information Memorandum

As part of this review, staff are proposing a few updates to the Sick Leave Bank policy. These include reducing the annual maximum use from 480 hours to 240 hours and clarifying that Sick Bank hours are intended to support employees in their recovery and return to work. Once it is determined that an employee will not be returning, Sick Leave Bank hours will no longer be available.

Changes to Policy 1-2-8 Use of Public/ Town-owned vehicles

Currently, take-home vehicles are assigned to positions responsible for responding to emergency situations related to public health, public safety, and the protection of property on a 24-hour basis. The existing policy requires emergency services employees to reside within Town limits or within a thirty-minute response time.

The proposed revision would allow sworn law enforcement officers only to utilize take-home vehicles while residing within a 50-mile radius of the Town. This change directly supports recruitment and retention efforts by expanding the pool of qualified candidates, particularly in light of ongoing housing availability and affordability challenges within and near the community. In addition, the policy enhances operational readiness and emergency response capability by ensuring officers can respond directly from their residence without first reporting to a government facility, improving response times during off-duty call-outs and critical incidents.

NOTE: There will be additional changes to the Personnel Manual as part of the annual review. Town staff felt that these two changes were more urgent though, which is why they are being brought forth now.

Connection to the [FY25-FY30 Strategic Plan](#)

Annual personnel manual revisions allow for more effective operations and personnel management thus contributing towards retaining, developing, and engaging a highly effective workforce as outlined in the Strategic Plan under “Effective Government”.

Question(s) before the Council:

- Does Council have any questions for staff?

Proposed Motion:

Move to **APPROVE** the revisions to the Town’s Personnel Manual.

OR

Move to **APPROVE** the revisions to the Town’s Personnel Manual **with the following amendments...**

OR

Move to **DENY** the revisions to the Town’s Personnel Manual.

Town of Camp Verde

PERSONNEL MANUAL



7/1/2025

FORWARD

The Town of Camp Verde, Arizona personnel policies have been designed, revised, approved, and implemented to provide each Town employee with a clear and concise understanding of the policies by which the Town strives to operate, as well as the conditions under which employment with the Town is accepted, expected, and/or continued. Knowing your responsibilities to the Town and understanding your rights and privileges will serve to optimize your working conditions, while resulting in an enjoyable, professional, safe, and efficient workplace environment.

The Town Council has the sole authority to authorize amendments or additions to this Personnel Manual (Manual). Each employee shall be advised of amendment(s) or addition(s) and shall immediately adhere to the new policy(ies). No employee, Department Head, or Council Member is authorized to make any oral representations of promises that vary from the provisions of this Manual or that vary from the departmental rules and regulations (if any) applicable to that employee's department. Any such oral representations or promises are hereby declared to be null and void and should not be relied upon by any employee(s). Neither this Manual, nor the personnel policies create an employment contract with employees.

Violations of these personnel policies will be considered a serious matter and may result in disciplinary and/or other administrative action.

PERSONNEL POLICIES & PROCEDURES

SECTION 1 PURPOSE

These policies were developed to provide:

1. A written set of guidelines on which Human Resources might base decision(s);
2. A means of communication with employees, supervisors, and directors;
3. A framework for consistency and fairness in recruitment, selection, placement, promotion, retention, and separation of Town employees based upon employee qualifications for a position;
4. A method in which to promote the Council's philosophy;
5. A tool to assist Managers in the development of sound management practices and procedures; and
6. A means of protecting the legal interests of the Town in compliance with Federal and State laws.

SECTION 2 SCOPE

- A) These policies and procedures apply to all Town employees and volunteers, except elected officials, Boards and Commission members, and other personnel as designated by the Council.
- B) In the event of conflict between this Manual and the Town Code, ordinances, resolutions, and/or State or Federal law, the terms and conditions of the Town Code, ordinance, resolution, State, or Federal law shall prevail.

SECTION 3 AMENDMENTS AND REVISIONS

- A) Amendments and revisions to this Manual may be proposed to the Town Council through the Town Manager. The Council may, at its sole discretion by ordinance and/or resolution, change, amend, repeal, or modify this Manual at any time with or without notice other than agenda postings as required by law. Amendments and revisions to these policies become effective upon their adoption by the Town Council as provided by law.
- B) Amendments to this Manual may be adopted by a majority vote of the Town Council at any public meeting of the Council, after the proposed amendments have been submitted to the Council for consideration. Amendments and revisions may be proposed and adopted on the Consent Agenda.

SECTION 4 PERSONNEL POLICY ADMINISTRATION

Administration of the personnel policies is the responsibility of the Human Resources Director and/or the Town Manager.

SECTION 5 DISCLAIMER

None of these provisions shall be deemed to create a vested contractual right for any employee or to limit the power of the Council to repeal or modify these rules. The policies are not to be interpreted as promises of specific treatment.

CONTENT

CHAPTER 1.....	13
GENERAL EMPLOYMENT RIGHTS AND RESPONSIBILITIES	13
POLICY 1-1 EQUAL EMPLOYMENT OPPORTUNITY.....	13
SECTION 1-1-1 - NON-DISCRIMINATION.....	13
SECTION 1-1-2 - CONSEQUENCES OF PROHIBITED CONDUCT.....	13
SECTION 1-1-3 - EQUAL EMPLOYMENT OPPORTUNITY PROGRAM.....	13
SECTION 1-1-4 - PROGRAM RESPONSIBILITY	14
SECTION 1-1-5 - ANTI-HARASSMENT POLICY.....	14
SECTION 1-1-6 - PLAN FOR HARASSMENT PREVENTION AND ELIMINATION	15
SECTION 1-1-7- REPORTING POSSIBLE HARASSMENT	16
SECTION 1-1-8- INVESTIGATION	16
SECTION 1-1-9 - NO REPRISALS	16
SECTION 1-1-10 - OPTION TO REPORT TO OUTSIDE AGENCY(IES).....	16
SECTION 1-1-11 - EMPLOYEE DEVELOPMENT	16
SECTION 1-1-12 - COORDINATION WITH STATE AND FEDERAL LAWS.....	17
SECTION 1-1-13 - DEFINITIONS.....	17
POLICY 1-2 CODE OF CONDUCT.....	17
SECTION 1-2-1 - PERFORMANCE OF DUTIES.....	17
SECTION 1-2-2 - ABUSE OF POSITION	18
SECTION 1-2-3 - CONFLICT OF INTEREST	18
SECTION 1-2-4 - OUTSIDE EMPLOYMENT	19
SECTION 1-2-5 - VOLUNTEER ACTIVITIES.....	20
SECTION 1-2-6 - CONFIDENTIALITY.....	20
SECTION 1-2-7 - POLITICAL ACTIVITY.....	20
SECTION 1-2-8 - USE OF PUBLIC/TOWN-OWNED VEHICLES.....	21
SECTION 1-2-9 - DRIVER'S LICENSE STATUS.....	22
SECTION 1-2-10 - INVESTIGATION BY OUTSIDE AGENCY.....	22
SECTION 1-2-11 - RESTRICTION ON CHILDREN AND NON-EMPLOYEES IN THE WORKPLACE.....	22
CHAPTER 2.....	24
EMPLOYMENT PROCESS.....	24
POLICY 2-1 - HIRING PROCESS	24
POLICY 2-2 - JOB POSTING FOR CURRENT EMPLOYEES.....	24
SECTION 2-2-1 - ELIGIBILITY.....	24
SECTION 2-2-2 - EMPLOYEE RESPONSIBILITIES	24

SECTION 2-2-3 - REVIEW OF QUALIFICATIONS	24
SECTION 2-2-4 - NOTIFICATION OF CURRENT SUPERVISOR	24
POLICY 2-3 - JOB ANNOUNCEMENT	24
SECTION 2-3-1 - FULL-TIME POSITIONS	24
SECTION 2-3-2 - PART-TIME POSITIONS	25
SECTION 2-3-3 - TEMPORARY POSITIONS.....	25
POLICY 2-4 - APPLICATION.....	25
SECTION 2-4-1 - DEFINITION OF APPLICANT	25
SECTION 2-4-2 - APPLICATION FORMS	25
SECTION 2-4-3 - REJECTION OF APPLICATION	26
SECTION 2-4-4 - APPLICATION RETENTION	26
POLICY 2-5 - EXAMINATION.....	26
SECTION 2-5-1 - PHYSICAL AND MENTAL FITNESS	26
SECTION 2-5-2 - PRE-EMPLOYMENT DRUG TEST.....	26
SECTION 2-5-3 - TEST DEVELOPMENT	26
SECTION 2-5-4 - TEST ADMINISTRATION	27
SECTION 2-5-5 - REASONABLE ACCOMMODATION.....	27
POLICY 2-6 - DISABILITY PREFERENCE.....	27
POLICY 2-7 - INTERVIEWING.....	27
SECTION 2-7-1 - INTERVIEW PROCESS.....	27
POLICY 2-8 - REFERENCE CHECK.....	28
SECTION 2-8-1 - PROCEDURE	28
POLICY 2-9 - VETERAN'S PREFERENCE.....	28
SECTION 2-9-1 - ELIGIBILITY.....	28
SECTION 2-9-2 - SPOUSE ELIGIBILITY	28
POLICY 2-10 - SELECTION.....	29
SECTION 2-10-1 - NOTIFICATION	29
SECTION 2-10-2 - APPOINTMENT	29
SECTION 2-10-3 - APPLICANT EXPENSES.....	29
SECTION 2-10-4 - NOTICE TO UNSUCCESSFUL APPLICANTS	29
POLICY 2-11 - FINGERPRINTING	29
SECTION 2-11-1 - AFFECTED POSITIONS.....	29
SECTION 2-11-2 - FAILURE TO COMPLY	30
POLICY 2-12 - EMPLOYEE ORIENTATION	30

SECTION 2-12-1 - CITIZENSHIP	30
SECTION 2-12-2 - LOYALTY OATH	30
SECTION 2-12-3 - HIRING DEPARTMENT RESPONSIBILITIES	30
SECTION 2-12-4 - DATE OF HIRE/LENGTH OF SERVICE ANNIVERSARY	30
POLICY 2-13 - INITIAL EVALUATION PERIOD.....	31
SECTION 2-13-1 - LENGTH OF TIME	31
SECTION 2-13-2 - COMPLETION OF INITIAL EVALUATION PERIOD.....	31
SECTION 2-13-3 - EXTENSION OF INITIAL EVALUATION PERIOD	31
SECTION 2-13-4 - EMPLOYMENT CLASSIFICATION CHANGE	31
SECTION 2-13-5 - DISMISSAL DURING INITIAL EVALUATION PERIOD.....	31
POLICY 2-14 - EMPLOYEE IDENTIFICATION CARDS.....	32
SECTION 2-14-1 - ISSUANCE, USE AND RETURN OF CARD.....	32
CHAPTER 3.....	33
COMPENSATION	33
POLICY 3-1 - CLASSIFIED AND UNCLASSIFIED SERVICE	33
SECTION 3-1-1 - CLASSIFIED POSITIONS	33
SECTION 3-1-2 - UNCLASSIFIED POSITIONS	33
POLICY 3-2 - CLASSIFICATION PLAN.....	33
SECTION 3-2-1 - PURPOSE	34
SECTION 3-2-2 - PLAN AMENDMENT.....	34
POLICY 3-3 - SALARY PLAN.....	35
SECTION 3-3-1 - NEW EMPLOYEES	35
SECTION 3-3-2 - GENERAL INCREASES.....	35
SECTION 3-3-3 - SALARY SCHEDULE	35
SECTION 3-3-4 - ANNIVERSARY DATES	35
SECTION 3-3-5 - PAY ADJUSTMENTS	36
SECTION 3-3-6 - PLAN AMENDMENT.....	36
POLICY 3-4 – MERIT PAY POLICY	36
SECTION 3-4-1 - ELIGIBILITY	36
SECTION 3-4-2 – MERIT PAY PROCESS	37
SECTION 3-4-3 – MERIT PAY AMOUNT.....	37
POLICY 3-5 - PERFORMANCE EVALUATION	37
SECTION 3-5-1 - TIMELY EVALUATIONS.....	38
SECTION 3-5-2 - PROCESS.....	38

SECTION 3-5-3 - RATING DEFINITIONS	39
SECTION 3-5-4 - APPEAL OF EVALUATION	39
POLICY 3-6 - PAY PERIODS AND PAY DATES	39
SECTION 3-6-1 - PAY PERIODS	39
SECTION 3-6-2 - TIME SHEETS AND PAYROLL RECORDS	39
SECTION 3-6-3 - PAY DATES	39
SECTION 3-6-4 - PAY CHECKS	39
SECTION 3-6-5 - PAY ADVANCES	40
POLICY 3-7 - OVERTIME/COMPENSATORY TIME	40
SECTION 3-7-1 - NONEXEMPT EMPLOYEES	40
SECTION 3-7-2 - EXEMPT EMPLOYEES	41
POLICY 3-8 – PAID HOLIDAY LEAVE	41
SECTION 3-8-1 – ELIGIBILITY	41
SECTION 3-8-2 - WORK ON HOLIDAY FOR HEALTH OR SAFETY REASONS	42
SECTION 3-8-3 - TERMINATION OF EMPLOYMENT	42
POLICY 3-9 - PAYROLL DEDUCTIONS	42
SECTION 3-9-1 - MANDATORY DEDUCTIONS	42
SECTION 3-9-2 - VOLUNTARY DEDUCTIONS	42
POLICY 3-10 PROMOTION	42
SECTION 3-10-1 - ELIGIBILITY	43
SECTION 3-10-2 - PROCEDURE	43
SECTION 3-10-3 - SALARY FOR PROMOTION POSITION	43
SECTION 3-10-5 - PROMOTION PERFORMANCE EVALUATION PERIOD	43
POLICY 3-11 LATERAL TRANSFER	44
SECTION 3-11-1 - ELIGIBILITY	44
SECTION 3-11-2 - PROCEDURES	44
SECTION 3-11-3 - SALARY FOR TRANSFER POSITION	45
SECTION 3-11-4 - TRANSFER EVALUATION PERIOD	45
POLICY 3-12 DEMOTION	45
SECTION 3-12-1 - ANNIVERSARY DATE CHANGE	45
SECTION 3-12-2 - PROCEDURE	46
POLICY 3-13 RECLASSIFICATION PROCEDURE	46
SECTION 3-13-1 - PROCEDURE	46
POLICY 3-14 - PAY FOR WORKING OUT OF CLASSIFICATION	47

SECTION 3-14-1 - JUSTIFICATION.....	47
POLICY 3-15 – TIME AND ATTENDANCE	47
SECTION 3-15-1 - PURPOSE.....	47
SECTION 3-15-2 - DEFINITIONS.....	47
SECTION 3-15-3 - PROCEDURES.....	48
SECTION 3-15-4 – TAMPERING AND FALSIFICATION	50
CHAPTER 4.....	51
EMPLOYMENT BENEFITS	51
POLICY 4-1 - BENEFITS CONTINUATION/COBRA.....	51
SECTION 4-1-1 - WHO PAYS.....	51
SECTION 4-1-2 - WRITTEN NOTIFICATION OF ELIGIBILITY	51
POLICY 4-2 - COMPENSATORY LEAVE	51
SECTION 4-2-1 - NONEXEMPT EMPLOYEES	51
SECTION 4-2-2 - EXEMPT EMPLOYEES.....	51
POLICY 4-3 FAMILY AND MEDICAL LEAVE	52
SECTION 4-3-1 - DEFINITION OF SERIOUS HEALTH CONDITION	52
SECTION 4-3-2 - ELIGIBILITY.....	52
SECTION 4-3-3 - VERIFICATION OF NEED.....	52
SECTION 4-3-4 - MAXIMUM LEAVE TIME AVAILABLE.....	52
SECTION 4-3-5 - HOW FMLA LEAVE IS MEASURED.....	53
SECTION 4-3-6 - USE OF ACCUMULATED LEAVE.....	54
SECTION 4-3-7 - CONTINUATION OF HEALTH INSURANCE BENEFITS.....	54
SECTION 4-3-8 - SUSPENSION OF ACCUMULATION OF OTHER TOWN-PROVIDED BENEFITS.....	54
SECTION 4-3-9 - RETURN TO WORK.....	54
SECTION 4-3-10 - INTERMITTENT LEAVE OR REDUCED WORK WEEK.....	54
SECTION 4-3-11 - TERMINATION OF EMPLOYMENT	54
POLICY 4-4 – WORKER’S COMPENSATION	54
SECTION 4-4-1 - REPORTING REQUIREMENT.....	54
SECTION 4-4-2 - PAYMENTS	55
SECTION 4-4-3 - USE OF PAID LEAVE WHILE ON INDUSTRIAL LEAVE	55
SECTION 4-4-4 - RETURN TO WORK.....	55
POLICY 4-5 - MILITARY LEAVE	55
SECTION 4-5-1 - NO BREAK IN SERVICE	55
SECTION 4-5-2 - LIMIT OF PAID TIME OFF	56

POLICY 4-6 SPECIAL LEAVE OF ABSENCE	56
SECTION 4-6-1 - SPECIAL LEAVE OF ABSENCE WITH PAY.....	56
SECTION 4-6-2 - SPECIAL LEAVE OF ABSENCE WITHOUT PAY.....	56
POLICY 4-7 - BEREAVEMENT LEAVE.....	57
SECTION 4-7-1 - APPROVAL	57
SECTION 4-7-2 - IMMEDIATE FAMILY DEFINED	57
POLICY 4-8 - SICK LEAVE	57
SECTION 4-8-1 - ELIGIBILITY.....	57
SECTION 4-8-2 - RATE OF ACCUMULATION	57
SECTION 4-8-3 - ALLOWABLE USES.....	57
SECTION 4-8-4 - NOTIFICATION TO SUPERVISOR	58
SECTION 4-8-5 - PHYSICIAN'S VERIFICATION	58
SECTION 4-8-6 - ADDITIONAL CONDITIONS.....	59
SECTION 4-8-7 - NO SICK LEAVE AVAILABLE	58
SECTION 4-8-8 - TRANSFER OF HOURS TO VACATION.....	58
SECTION 4-8-9 - TERMINATION OF EMPLOYMENT	58
POLICY 4-9 - SICK LEAVE BANK	58
SECTION 4-9-1 - DEFINITIONS.....	58
SECTION 4-9-2 - ELIGIBLE RECIPIENT	59
SECTION 4-9-3 - GENERAL PROVISIONS.....	60
POLICY 4-10 - VACATION LEAVE	60
SECTION 4-10-1 - ELIGIBILITY.....	60
SECTION 4-10-2 - BENEFIT YEAR	60
SECTION 4-10-3 - RATE OF ACCUMULATION	61
SECTION 4-10-4 - REQUEST FOR LEAVE	61
SECTION 4-10-5 - TERMINATION OF EMPLOYMENT	62
POLICY 4-11 - CIVIC DUTY.....	62
SECTION 4-11-1 - JURY DUTY.....	62
SECTION 4-11-2 - WITNESS DUTY	62
SECTION 4-11-3 - VOTING	63
POLICY 4-12 - GROUP BENEFITS	63
SECTION 4-12-1 - ELIGIBILITY.....	63
SECTION 4-12-2 - GROUP INSURANCE COVERAGE	63
SECTION 4-12-3 - VOLUNTARY BENEFITS	64

SECTION 4-12-4 - RETIREMENT PLAN	64
SECTION 4-12-5 - EMPLOYEE ASSISTANCE PROGRAM	64
SECTION 4-12-6 - TRAUMATIC EVENT COUNSELING FOR PUBLIC SAFETY EMPLOYEES	65
POLICY 4-13 SUPPLEMENTAL BENEFITS PLAN FOR PUBLIC SAFETY EMPLOYEES	65
SECTION 4-13-1 - ELIGIBILITY	66
SECTION 4-13-2 – PLAN DESCRIPTION	67
SECTION 4-13-3 - PROCEDURE	67
CHAPTER 5	69
WORK RULES	69
POLICY 5-1 - HOURS OF WORK	69
SECTION 5-1-1 - NORMAL WORK WEEK AND WORK HOURS	69
SECTION 5-1-2 - ABSENCES AND TARDINESS	69
POLICY 5-2 - PERSONNEL FILES	69
SECTION 5-2-1 - ACCESS TO OFFICIAL PERSONNEL FILE	69
SECTION 5-2-2 - UPDATING PERSONNEL RECORDS	70
SECTION 5-2-3 - MAINTENANCE OF PERSONNEL FILES	70
SECTION 5-2-4 - RECORDS RETENTION	70
SECTION 5-2-5 - RECORDS RELEASE	70
POLICY 5-3 PERSONAL APPEARANCE	71
SECTION 5-3-1 - ACCEPTABLE ATTIRE	71
SECTION 5-3-2 - UNACCEPTABLE ATTIRE	71
SECTION 5-3-3 - UNIFORMS	71
POLICY 5-4 MAIL, ELECTRONIC MAIL, COMPUTER, AND ONLINE SERVICES USAGE	71
SECTION 5-4-1 - CONDITIONS OF EMPLOYMENT	71
Section 5-4-2 – SOFTWARE COPYRIGHT	72
SECTION 5-4-3 - PROHIBITED USE	72
SECTION 5-4-4 - PASSWORDS	72
SECTION 5-4-5 - CONSEQUENCES OF PROHIBITED USE	72
POLICY 5-5 - DISCIPLINARY SYSTEM	73
SECTION 5-5-1 - DISCIPLINE PROCESS	73
SECTION 5-5-2 - DEFINITIONS	73
SECTION 5-5-3 - GROUNDS FOR DISCIPLINARY ACTION	73
SECTION 5-5-4 - TYPES OF DISCIPLINARY ACTION	75
SECTION 5-5-5 - NOTICE TO EMPLOYEE	76

POLICY 5-6 PERSONNEL ACTION REVIEW PROCEDURES	77
SECTION 5-6-1 - PURPOSE	77
SECTION 5-6-2 - SOLE REMEDY.....	77
SECTION 5-6-3 - INFORMAL PERSONNEL ACTION REVIEW PROCEDURES	77
SECTION 5-6-4 - FORMAL PERSONNEL ACTION REVIEW	78
SECTION 5-6-5 - EMPLOYMENT MATTERS NOT SUBJECT TO REVIEW	78
SECTION 5-6-6 MISCELLANEOUS RULES	78
SECTION 5-6-7 - FORMAL PERSONNEL ACTION REVIEW PROCEDURE STEPS.....	79
SECTION 5-6-8 - RULES OF APPEAL TO THE QUALIFIED HEARING OFFICER.....	80
CHAPTER 6.....	82
EMPLOYMENT DEVELOPMENT.....	82
POLICY 6-1 - EDUCATION ASSISTANCE	82
SECTION 6-1-1 - PURPOSE	82
SECTION 6-1-2 - ELIGIBILITY FOR PARTICIPATION	82
SECTION 6-1-3 - CRITERIA FOR APPROVAL	82
SECTION 6-1-4 - REIMBURSEMENT.....	83
SECTION 6-1-5 - TERMINATION OF EMPLOYMENT	83
POLICY 6-2 - TOWN-SPONSORED AND REQUIRED TRAINING.....	83
SECTION 6-2-1 - PROCEDURES.....	84
SECTION 6-2-2 - WAGE ADJUSTMENTS FOR TRAINING AND CERTIFICATIONS.....	84
CHAPTER 7.....	85
SAFETY AND HEALTH	85
POLICY 7-1 - SAFETY AND LOSS MANAGEMENT	85
SECTION 7-1-1 - EMPLOYEES SUPPORT FOR SAFE WORK PRACTICES	85
SECTION 7-1-2 - SAFETY COORDINATOR	85
SECTION 7-1-3 - EVALUATION OF SAFETY PERFORMANCE.....	85
SECTION 7-1-4 - USE OF TOWN EQUIPMENT AND VEHICLES	85
POLICY 7-2 RETURN TO WORK	86
SECTION 7-2-1 TEMPORARY AND PERMANENT RESTRICTIONS	86
SECTION 7-2-2 - ALTERNATIVE JOB PLACEMENT.....	86
SECTION 7-2-3 - PLACEMENT NOT SUBSTITUTE FOR FILLING VACANCIES	86
SECTION 7-2-4 - PARTICIPANT REQUIRED TO OBEY RULES	86
SECTION 7-2-5 - PROCEDURE	87
POLICY 7-3 - NO SMOKING	87

SECTION 7-3-1 - SMOKING AREAS	87
SECTION 7-3-2 - SMOKING BREAKS	87
SECTION 7-3-3 - SMOKING CESSATION.....	87
POLICY 7-4 - VIOLENCE IN THE WORKPLACE	87
SECTION 7-4-1 - CONSEQUENCES OF PROHIBITED CONDUCT	87
SECTION 7-4-2 - INFRINGEMENT ON SAFE WORKPLACE	87
SECTION 7-4-3 - COMPLAINT PROCEDURE	88
POLICY 7-5 - DRUG AND ALCOHOL-FREE WORKPLACE	88
SECTION 7-5-1 - CONSEQUENCES OF PROHIBITED CONDUCT	88
SECTION 7-5-2 - DEFINITIONS OF PROHIBITED CONDUCT	88
SECTION 7-5-3 - USE OF LEGAL DRUGS	88
SECTION 7-5-4 - TYPES OF TESTS.....	89
SECTION 7-5-5 - AUTHORIZATION FOR PREVIOUS TEST RECORDS OF CDL HOLDERS	90
SECTION 7-5-6 - DRUG TESTING	90
SECTION 7-5-7 - ALCOHOL TESTING	92
SECTION 7-5-8 - SUBSTANCE ABUSE EVALUATION, RETURN-TO-DUTY, FOLLOW-UP TESTING	92
SECTION 7-5-9 - DISCIPLINE AND APPEALS.....	93
SECTION 7-5-10 - CONTRACTORS AND VISITORS.....	93
SECTION 7-5-11 - NOT A CONTRACT	93
CHAPTER 8.....	94
TERMINATION OF EMPLOYMENT	94
POLICY 8-1 - EMPLOYMENT END	94
SECTION 8-1-1 - SERVICE RETIREMENT.....	94
SECTION 8-1-2 - DISABILITY RETIREMENT	94
SECTION 8-1-3 - EMPLOYEE-INITIATED RESIGNATION.....	94
SECTION 8-1-4 - TERMINATION DURING INITIAL EVALUATION.....	94
SECTION 8-1-5 - DISCHARGE.....	94
SECTION 8-1-6 - LAYOFF AND RECALL	94
POLICY 8-2 - EXIT PROCESS.....	95
SECTION 8-2-1 - EXIT CLEARANCE.....	95
SECTION 8-2-2 - EXIT INTERVIEW	95
SECTION 8-2-3 - FINAL PAYCHECK	95
SECTION 8-2-4 - CONTINUATION OF BENEFITS	95
POLICY 8-3 - VERIFICATION OF TOWN EMPLOYMENT	96

POLICY 8-4 - RE-EMPLOYMENT 96

SECTION 8-4-1 - ELIGIBILITY.....96

SECTION 8-4-2 - COMPENSATION AND BENEFITS 96

CHAPTER 1

GENERAL EMPLOYMENT RIGHTS AND RESPONSIBILITIES

POLICY 1-1 EQUAL EMPLOYMENT OPPORTUNITY

The Town of Camp Verde provides equal employment opportunities to all employees and applicants without regard to age, race, religion, national origin, gender, sexual orientation, veteran status, disability, or political affiliation in accordance with applicable Federal laws.

SECTION 1-1-1 - NON-DISCRIMINATION

The Town complies with applicable State and Federal laws governing non-discrimination in employment. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfers, and leaves of absence, compensation, and training.

The Town also provides equal treatment for disabled employees who are able to perform, with reasonable accommodation, the essential tasks of the position. The Town is not required to make such accommodation if it would impose an "undue hardship" on the business of the town. Undue hardship is an action which would require significant difficulty or expense in light of the town's size, financial resources, and nature of the operation involved.

SECTION 1-1-2 - CONSEQUENCES OF PROHIBITED CONDUCT

Violations of this policy may be cause for the full range of disciplinary action, up to and including termination.

SECTION 1-1-3 - EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

The Equal Employment Officer (Human Resources Director) shall undertake the following actions to ensure equal employment opportunities in the Town:

- A) Periodically review all position qualifications and descriptions to ensure requirements are relevant to the tasks to be performed and make recommendations as needed to delete requirements not reasonably related to the tasks to be performed.
- B) Ensure that pay and benefits depend upon position responsibility and, along with overtime work, are administered on a non-discriminatory basis.
- C) Inform and provide guidance to staff and management personnel who make hiring decisions so that all applications for selections, promotion, and termination, including those of minorities and women, are considered without discrimination and all applicants be given equal opportunity regardless of race, color, national origin, sex, age, disability or status as a veteran in accordance with applicable federal laws.
- D) Create a pool of qualified candidates to encourage diversity and ensure equal employment opportunity in hiring. The following practices for listing jobs will be followed under the Equal Employment Opportunity Officer's direction:
 - 1. Regular full-time jobs must be open for a minimum of 10 working days.
 - 2. Jobs must be advertised to the broadest audience available and appropriate for the position.

- E) Provide orientation for new employees that specifically emphasizes how the Town assures equal opportunity and encourages all employees to avail themselves of equal employment services.
- F) Distributes the Equal Opportunity Policy to employees, contractors, and suppliers.
- G) Include an equal employment opportunity phrase on applications and job announcements.

SECTION 1-1-4 - PROGRAM RESPONSIBILITY

The Human Resources Director shall serve as the Equal Opportunity Officer to carry out the Equal Employment Policy and Program.

- A) The Equal Employment Opportunity Officer shall be the focal point for the Town's equal opportunity efforts and shall advise staff and management personnel in all matters regarding implementation of and compliance with the Equal Employment Opportunity Policy and be responsible for the successful execution of the program, utilizing the assistance of appropriate state and community agencies.
- B) The Equal Employment Opportunity Officer will have the responsibility to examine existing internal policies and procedures that may serve as barriers to implementing the Equal Employment Opportunity Program.

SECTION 1-1-5 - ANTI-HARASSMENT POLICY

The Town of Camp Verde strictly prohibits any form of unlawful employee harassment based on race, color, religion, sex, national origin, age, disability, status as a veteran or status in any group protected by federal, state, or local law. Harassment is unlawful conduct that is based on race, color, national origin, disability, or age. Such harassment is unlawful if:

1. The offensive conduct is a condition of continued employment, or
2. The conduct is severe or pervasive causing a work environment that a reasonable person would find intimidating, hostile or abusive.

State and Federal discrimination laws also protect employees against retaliation by other employees for complaining about discrimination, participating in an investigation relating to the discrimination laws, or proceeding under such discrimination laws including the filing of a discrimination charge or lawsuit. Improper interference with the ability of the Town's employees to perform their expected job duties will not be tolerated. Each member of management is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise. Further, employees are responsible for respecting the rights of their co-workers.

With respect to sexual harassment, the Town prohibits the following:

- A) Unwelcome sexual advances, requests for sexual favors and all other verbal or physical conduct of a sexual or otherwise offensive nature, especially where:
 1. Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
 2. Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment; or

3. Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive work environment.
- B) Offensive comments, jokes, innuendoes, and other sexually oriented statements. Example of the types of conduct expressly prohibited by this policy include, but are not limited to, the following:
1. Touching, such as rubbing or massaging someone's neck or shoulders, stroking someone's hair or brushing against another's body;
 2. Sexually suggestive touching;
 3. Grabbing, groping, kissing, fondling;
 4. Violating someone's "personal space";
 5. Lewd, off-color, sexually oriented comments or jokes;
 6. Foul or obscene language;
 7. Leering, staring, or stalking;
 8. Suggestive or sexually explicit posters, calendars, photographs, graffiti, cartoons;
 9. Sexually oriented or explicit remarks;
 10. Questions about one's sex life or experience;
 11. Repeated requests for dates.

SECTION 1-1-6 - PLAN FOR HARASSMENT PREVENTION AND ELIMINATION

- A) Education
The Human Resources Department shall be responsible for formally notifying all employees, Department Heads, elected or appointed officials, volunteers, and contractors/vendors of the existence of this policy. The Human Resources Director shall periodically conduct training on the topic of offensive behavior/harassment, and attendance will be mandatory for all employees and will be offered to elected or appointed officials and others.
- B) Implementation
The Town Manager and the Department Heads are responsible for creating a productive work environment in which offensive conduct or harassment is completely out of place; taking immediate and appropriate corrective action in response to any confirmed violation of this policy; and assuring that no reprisals are taken against those who complain or against corroborating witnesses.
- C) Enforcement
The Town is committed to promptly and thoroughly investigate each complaint and take immediate and appropriate corrective action on all confirmed violations of this policy. The Human Resources Director is responsible for auditing the operation of this policy, providing the Town Manager, or

appropriate Department Head is responsible for thoroughly investigating and resolving any complaints.

SECTION 1-1-7- REPORTING POSSIBLE HARASSMENT

- A) If an Employee experiences any job-related harassment based on sex, race, national origin, disability, or other protected factor, or believes that he or she has been treated in an unlawful, discriminatory manner, the incident should be reported promptly to a Department Head, the Human Resources Director, or the Town Manager, who will immediately investigate, as necessary, to determine the cause of the complaint and work with the employee to affect an equitable solution. Every effort shall be made to resolve the difficulty at the lowest level practicable. The complaint will be kept confidential to the maximum extent practicable.
- B) All other employees, including supervisors, managers, or directors, who become aware of possible harassment of an employee, either as a result of having received a complaint directly from the employee, from any other reliable source of information, or from his or her personal observations, shall report the situation to a Department Head, the Human Resources Director, or the Town Manager.

SECTION 1-1-8- INVESTIGATION

- A) The goal will be to investigate any such complaint promptly and thoroughly.
- B) If the Town determines that an employee has harassed another individual, appropriate disciplinary action will be taken against the offending employee, up to and including termination of employment.

SECTION 1-1-9 - NO REPRISALS

No reprisals of any kind by any employee or manager shall be taken against an employee because that employee has asserted a complaint or because that individual has reported, witnessed, or has assisted in any way in the investigation of a harassment complaint.

SECTION 1-1-10 - OPTION TO REPORT TO OUTSIDE AGENCY(IES)

At the option of the employee, the State of Arizona Attorney General Civil Rights Division, 1275 West Washington, Phoenix Arizona 85007 or the Federal Equal Employment Opportunity Commission, 3300 N. Central Avenue, Suite 690, Phoenix Arizona 85012 may be contacted for assistance.

SECTION 1-1-11 - EMPLOYEE DEVELOPMENT

The Following actions shall be undertaken to achieve employee job satisfaction and fair treatment:

- A) Assure that there shall be no discrimination with regard to training and educational opportunities, upgrading, promotions, layoffs, and termination of any employee. Any action that might adversely affect employees in accordance with State and Federal laws shall be brought to the attention of the Equal Opportunity Officer.
- B) Actively encourage employees to increase their skills and job potential through training and educational opportunities. Offer guidance and counseling in developing programs tailored to individual aptitudes and desires, taking full advantage of programs offered by State and Federal agencies and other appropriate programs.

SECTION 1-1-12 - COORDINATION WITH STATE AND FEDERAL LAWS

The Town recognizes its responsibilities to comply with and ensure that equal opportunity and non-discrimination policies of State and Federal agencies with which it conducts business are carried out in compliance with Executive Order No.11246, as amended.

SECTION 1-1-13 - DEFINITIONS

- A) Equal Employment Opportunity Policy: The commitment to ensure equal employment opportunity for all employees and appointed officials to the full extent of State and Federal law.
- B) Equal Employment Opportunity Program: The written results-oriented program specifically set forth in this policy detailing the steps to be taken to ensure equal employment opportunity.
- C) Equal Employment Opportunity Officer: That person designated by the Town Manager who is responsible for meeting the obligations and requirements of the Equal Employment Opportunity Policy and Program.

POLICY 1-2 CODE OF CONDUCT

As employees of the Town of Camp Verde, we must manage our personal and business affairs so as to avoid situations that might lead to conflict, or the appearance of conflict, between self-interest and our duty to the Town, to the persons served by the Town and to the general public.

Common sense and good judgment will dictate the proper course of action in most situations. However, if there is a question of even a slight conflict with our Code of Conduct, others will tend to exaggerate it. The best policy is to resolve such questions by addressing them at the outset so they will not become embarrassing problems later. Such matters can easily be addressed by discussing them with the Department Head or Human Resources Director. Handling these matters in this manner should avoid any occasion for disciplinary action. However, any violation of this Code of Conduct may result in disciplinary action. Depending upon the severity of the violation, such disciplinary action could include any one or a combination of the following: oral warning, written reprimand, probation, and/or suspension or discharge. Situations may arise that have not been directly addressed in this Code of Conduct. The final resolution to such situations rests with the Town Manager.

SECTION 1-2-1 - PERFORMANCE OF DUTIES

- A) Employees should perform official duties diligently, conscientiously and to the best of their ability, remembering that they are public servants.
- B) Employees should always perform their duties with courtesy and respect for the public and for co-workers and without bias or prejudice, manifested by words or conduct, based upon age, race, religion, national origin, gender, sexual orientation, veteran status, disability or political affiliation.
- C) With support from the Town, employees should seek to maintain and improve their personal and professional growth and development and that of their co-workers through cooperation and participation in training and educational programs relevant to their duties and through any licensing or certification required for their position.
- D) Employees should perform their duties impartially in a manner consistent with law and the public interest, unswayed by kinship, position, partisan interests, public pressure or fear of criticism or reprisal.

- E) Employees should bring to the attention of their supervisor any information that, by its nature or inference, could disclose or cause to be addressed any condition or situation that is detrimental to the image of the Town of Camp Verde or that they regard as a threat of liability, a threat to safety, or a breach of law. The Town will not retaliate against any employee who makes such a disclosure in good faith. Resolution shall be pursued in accordance with the provisions of applicable local, and State and Federal law.

SECTION 1-2-2 - ABUSE OF POSITION

- A) No employee should use or attempt to use his or her official position to secure unwarranted privileges or exemptions.
- B) No employee or a member of the employee's immediate family should accept, solicit, or agree to accept any gift, favor, or anything of value with the understanding that the official actions, decisions, or judgments of any employee will be influenced.
- C) No employee should request or accept any fee or compensation beyond that received by the employee in his or her official capacity for advice or assistance given in the course of his or her public employment.
- D) Each employee should use the public resources, property, and funds under the employee's control responsibly and for the public purpose intended by law and not for any private purpose.

SECTION 1-2-3 - CONFLICT OF INTEREST

Every employee has an obligation to diligently identify, disclose, avoid, and/or manage conflicts of interest. Potential conflicts of interest exists when an employee or an employee's immediate family has a substantial financial or ownership interest that may be favorably or detrimentally impacted by a decision made by the Town of Camp Verde in which the employee participates. Even if no abuse of position actually occurs, a conflict of interest or its appearance can seriously undermine the public's confidence and trust in the Town's governmental system. A violation of conflict-of-interest rules may result in criminal penalties under state law. For purposes of this policy, immediate family members or relatives have the same definition as "relatives" under state law A.R.S. § 38-502 (spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse).

- A) Outside Contracts: Employees and their immediate family members should not enter into any contract with any component of the Town government for financial gain or to secure valuable things or benefits for themselves that would not ordinarily accrue in the performance of the employee's official duties, apart from an employment appointment without full disclosure and satisfactory management of any potential conflict of interest in accordance with policies established by the Town of Camp Verde.
- B) Nepotism: Employees should not be involved in the decision to hire or provide any other benefits or anything of value to members of their immediate family. Further, employees should not be in a position to have any authority over the decisions made by their immediate family. or in the supervision of any member of their immediate family.
 - 1. Immediate family or employees who reside in the same household will be allowed to work in the same department, and neither will be required to transfer or terminate employment, as long as neither is in a position that requires supervising the other, overseeing any decisions made by the other, or holding any other authority over the other.

2. If a supervisory responsibility is involved, then the affected employees will determine which of them will transfer or resign in order to ensure compliance with this policy. The Town will assist in exploring transfer opportunities to like or similar positions for either employee.
 3. If no transfer opportunity exists after 90 days, one of the employees will be required to resign from employment with the Town.
- C) Business with Private Party or Vendor: Employees should not participate in decisions regarding conduct of Town business with any private party or vendor by whom the employee or an immediate family member is employed or is actively seeking employment.
- D) Acceptance of Gifts, Gratuities, and Hospitality: Employees should not accept gifts, loans, gratuities, discounts, favors, hospitality, services, or other compensation under circumstances from which it could reasonably be inferred that a major purpose of the donor is to influence the employee in the performance of duties. Examples of acceptable courtesies include a meal for speaking at a meeting or event; floral offerings or gifts of food to commemorate events such as illness, death, birth, holidays, and promotions; or a sample or promotional gift of nominal value (\$25 or less).

SECTION 1-2-4 - OUTSIDE EMPLOYMENT

- A) While the Town of Camp Verde does not oppose employees engaging in outside employment, each full-time employee should consider his or her position with the Town of Camp Verde to be his/her primary place of employment. The outside employment of part-time employees may also reflect on the Town. Therefore, the Town of Camp Verde will oppose outside employment when it interferes with any employee's duties with the Town of Camp Verde, involves a potential conflict of interest, or compromises the integrity or credibility of the Town. Consequently, in addition to conflict-of-interest situations addressed above, employees should avoid:
1. Outside employment with an entity that conducts business with the Town or requires the employee to have frequent contact with entities that regularly do business with the Town without full disclosure and satisfactory management of any potential conflict of interest.
 2. Outside employment that cannot be accomplished outside of the employee's normal working hours or is otherwise incompatible with the performance of the employee's duties by placing the employee in a position of conflict between the employee's role at the Town of Camp Verde and the employee's role in the outside employment.
 3. Performance of work for any governmental entity within the State of Arizona without written consent of both employers.
 4. Outside employment that exploits official position or confidential information acquired in the performance of official duties for personal gain.
 5. Outside employment that the public may view as work on behalf of the Town of Camp Verde.
- B) An exception to restrictions on outside employment pertains to the police. Outside employment of police must conform to the Marshal's Office Policies and Procedures.
- C) Due to the importance of the public's perception of the governmental system, the Town of Camp Verde requires that all employees who engage in outside employment disclose such work to the

Department Head, who will notify the Human Resource Director. Outside employment is subject to review for conformance to the Code of Conduct. Employees engaged in outside employment determined not to be in conformance may be required to cease such employment.

SECTION 1-2-5 - VOLUNTEER ACTIVITIES

Employees are encouraged to engage in volunteer activities. However, employees should evaluate their volunteer activities in the same manner as outside employment to identify any potential conflict with the employee's position with the Town of Camp Verde. Employees should discuss these potential conflicts with their Department Head.

- A) An employee should declare volunteer activities only if the employee believes there is some reason of concern consistent with the spirit of this Code of Conduct.
- B) All reported volunteer activities will be reviewed for appropriateness under the guidelines in this policy by the Department Head and the Human Resources Director.
- C) Should an employee disagree with the decision of the Department Head and Human Resources Director, he/she may request an additional review by the Town Manager, whose decision is final.

SECTION 1-2-6 - CONFIDENTIALITY

Employees of the Town of Camp Verde should carry out their duties in a manner which would withstand public scrutiny. Some employees handle confidential court-related, law enforcement-related, or employee-related documents, while others handle sensitive matters concerning the operation of the government. Employees should maintain the confidentiality of these matters, ensuring information about these activities is made public only upon appropriate authorization by the Department Head, Human Resources Director, or Town Manager.

SECTION 1-2-7 - POLITICAL ACTIVITY

The Town seeks to maintain neutrality concerning political matters to the extent humanly possible. Employees of the Town of Camp Verde have a right to entertain and express personal opinions about political candidates and issues, but when performing their duties on behalf of the Town during working hours, employees of the Town of Camp Verde should endeavor to maintain neutrality in action and appearance, except where an employee's position entails political advocacy on the part of the Town.

- A) Political Campaigns
 - 1. Each employee retains the right to vote as the employee chooses and is free to participate actively in political campaigns during non-working hours. Such activity includes, but is not limited to, membership and holding office in a political party, campaigning for a candidate in a partisan election by making speeches and making contributions of time and money to individual candidates, political parties, or other groups engaged in political activity.
 - 2. An employee who chooses to participate in political activity during off-duty hours should not use his or her position or title within the Town in connection with such political activities.
- B) Candidate for Office
 - 1. An employee who declares an intention to run for partisan elective office must take an unpaid leave of absence upon filing of nomination papers, unless more than 50% of the employee's salary is paid by Federal funds; in which case the employee must resign. If elected, he or she must resign.

2. An employee may be a candidate for an unpaid non-partisan elective office or may be appointed to an unpaid non-partisan office in another jurisdiction, without separating from employment, provided that the employee otherwise complies with this Code of Conduct.

C) Political Activism

Employees should not engage in political activity during scheduled work hours, or when using government vehicles or equipment, or on Town property except in the performance of their duties on behalf of the Town. Political activity includes, but is not limited to:

1. Displaying literature, badges, stickers, signs, or other items of political advertising on behalf of any party, committee, agency, candidate for political office, or political issues sought to be placed on the ballot.
2. Using official authority or position, directly or indirectly, to influence or attempt to influence any other employee in Town employment to become a member of any political organization or take part in any political activity.
3. Soliciting signatures for political candidacy or for the purpose of placing an issue on the ballot.
4. Soliciting or receiving funds for political purposes.

D) Political Discrimination: Employees should not discriminate in favor of or against any employee or applicant for employment on account of political contributions or permitted political activities.

SECTION 1-2-8 - USE OF PUBLIC/TOWN-OWNED VEHICLES

A) Vehicles owned by the Town of Camp Verde will be used for official business only.

1. Employees may, with approval of their supervisor, use their personal vehicle to conduct Town business and will be reimbursed at the current approved mileage rate.
2. All employees who drive Town vehicles or drive their own vehicle on Town business must have in their possession the appropriate Arizona driver's license when driving on Town business.
3. Town vehicles shall not be used for transportation to an employee's place of residence as a take-home vehicle unless the employee lives within the town limits or is an emergency services employee with less than a thirty-minute response time back to the Town limits, and is required by the Town to commute in the vehicle for the following reasons:
 - a) The department assignment of the vehicle shall be to a position that is responsible for responding to an emergency situation related to public health or safety and the protection of property on a 24-hour basis.
 - b) Use of a Town vehicle to commute between home and work, under U.S. Internal Revenue Service (IRS) regulations, is required to be reported as auto fringe benefit compensation unless the vehicle is a qualified non-personal use vehicle. Examples of qualified non-personal use vehicles include clearly marked police vehicles and unmarked police vehicles used by law enforcement officers if the officer is authorized to carry a firearm, execute search warrants, and make arrests.

b)c) Full-time sworn officers living within the 50-mile radius of the Town limits are eligible to participate in a take-home vehicle program.

Commented [JK1]: This change aims at providing an incentive for retention and recruitment of law enforcement officers.

—4.

- B) No employee of the Town shall request, use or permit the use of Town-owned clothing, equipment, materials, or other property for unauthorized personal convenience, for profit, for private use, or as part of secondary employment. Use of such Town property is to be restricted to such services as are available to the Town generally and for the conduct of official Town business.
- C) Authorized personnel use includes taking a Town vehicle to lunch when going to and from meetings on workdays as needed, use of a Town copy machine at cost, stopping to run personal errands when in a Town vehicle when the destination point is in conjunction with official or authorized business, and other nominal personal uses as permitted by the Town Manager on a case-by-case basis.

SECTION 1-2-9 - DRIVER'S LICENSE STATUS

- A) The Town reserves the right to authorize the Human Resources Director to verify annually the driver's license status of employees who use Town vehicles in performing their job duties.
- B) Any Town employee who drives Town vehicles as part of their job duties and has their license suspended or revoked must report this fact to their Department Head.
 - 1. The employee will be automatically suspended from driving a Town vehicle followed by a notice to the employee to explain the revocation or suspension of his/her license.
 - 2. An inadequate explanation could be grounds for dismissal.
- C) If a Town employee drives Town vehicles as part of their job duties, has their license suspended or revoked and they do not report this fact to their Department Head, this could be considered grounds for dismissal.
- D) Department Heads will advise the Human Resources Director and the Town Manager of such revocation or suspension.

SECTION 1-2-10 - INVESTIGATION BY OUTSIDE AGENCY

Complaints or allegations against employees that may be criminal in nature may be referred to an appropriate outside agency for investigation.

SECTION 1-2-11 - RESTRICTION ON CHILDREN AND NON-EMPLOYEES IN THE WORKPLACE

- A) So long as a professional ambiance is maintained and the productivity and safety of the employee, nearby co-workers, the visitor or the public is not compromised, a child or non-employee of the Town is permitted to accompany or visit an employee in the workplace in the following circumstances:
 - 1. Friend or family member visits are reasonable in length and frequency to the extent that it does not compromise work productivity or customer service. It will be the Department Head's responsibility to monitor this activity.
 - 2. An unexpected emergency when a minor child or legal ward of an employee has no other available reasonably safe alternative than to stay with the employee, provided that the child shall in no event remain in the workplace for more than four hours. If a child is contagious with an illness, the child will not be allowed in the workplace.

3. Occasional Town-sanctioned activities, such as bringing your child to work day.

- B) An employee should not permit children and non-employees to use Town computers, Town issued equipment and vehicles to include transporting family members in a Town issued vehicle.

CHAPTER 2

EMPLOYMENT PROCESS

POLICY 2-1 - HIRING PROCESS

Vacancies may be filled by transfer, promotion, demotion, re-employment, or from an employment list or other selection process established for filling that particular vacancy, a current employee must have completed the initial evaluation period in order to be eligible for a vacancy. After each recruitment or promotion and subsequent appointment, the employment list established for that purpose may be destroyed after six (6) months.

POLICY 2-2 - JOB POSTING FOR CURRENT EMPLOYEES

When job openings arise, qualified internal candidates will be given full consideration in filling those openings where possible. However, internal posting is not required, and the Town may recruit directly from outside sources. To encourage employees to express their interest, the Town has established a job-posting program. The program will notify employees of openings below the senior management level and provide a method for employees to apply. If the internal candidate pool consists of less than two candidates, the job posting must be reposted externally to attract any and all qualified applicants. Vacancies for exempt positions will be posted internally and externally.

SECTION 2-2-1 - ELIGIBILITY

To be eligible, an employee must be in good standing, meaning that the employee's overall work record is acceptable, and have completed the initial evaluation period. The Town Manager may approve a promotion or transfer for an employee who has not completed the initial evaluation period in his or her current position upon the recommendation of the Department Head.

SECTION 2-2-2 - EMPLOYEE RESPONSIBILITIES

Employees are responsible for monitoring job vacancy notices and submitting their application forms for jobs posted to the Human Resources staff. They are also responsible for demonstrating that they are qualified for the open position(s).

SECTION 2-2-3 - REVIEW OF QUALIFICATIONS

The hiring supervisor will contact employees who may apply to discuss the job opportunity and the employee's qualifications. If the employee is not selected, the hiring supervisor will generally explain why.

SECTION 2-2-4 - NOTIFICATION OF CURRENT SUPERVISOR

Employees are not required to notify their supervisors when applying for a posted position in a different department. However, if an employee is a finalist for a position, the hiring supervisor will then contact the current supervisor for, among other purposes, a recommendation.

POLICY 2-3 - JOB ANNOUNCEMENT

SECTION 2-3-1 - FULL-TIME POSITIONS

After all internal recruitment options have been exhausted through the job posting program for non-department head positions only, all positions, other than temporary positions, shall be publicized to the general public by advertisement in a variety of job posting sites; by posting announcements in the Town building; through electronic means such as the Internet; or other methods determined by the Human

Resources Director.

- A) The announcements may specify the title of the position, the nature of the work to be performed, minimum requirements for the position, the manner of making application, salary range, and other pertinent information. The announcement shall indicate that the Town is an equal opportunity employer.
- B) The announcement will be open for 10 working days and contain a closing date for receipt of applications as determined by the Human Resources Director in conjunction with the Department Head or Town Manager. The Human Resources Director may extend the application deadline.
- C) If a position vacancy occurs within 60 calendar days of the closing date of a previously advertised position in the same classification, the position will not require re-advertisement. If there are not a sufficient number of qualified applications received for position openings, the position may be re-advertised.

SECTION 2-3-2 - PART-TIME POSITIONS

The Town Manager may make part-time appointments where positions require someone less than full-time. Part-time employees hired after September 2009 are not eligible for employee benefit programs offered by the Town.

SECTION 2-3-3 - TEMPORARY POSITIONS

The Town Manager may authorize temporary appointments, provided budgeted funds are available. Temporary positions shall generally be limited to a maximum of 3 full calendar months. Temporary positions may be extended for up to an additional 3 months. Temporary employees may apply for part-time or full-time positions through the normal application for the general public.

POLICY 2-4 - APPLICATION

SECTION 2-4-1 - DEFINITION OF APPLICANT

An applicant is an individual who applies to the Town by completing an official Town employment application or delivering a resume. An applicant can deliver an application or resume by mail (electronically or U.S. mail) or in person.

SECTION 2-4-2 - APPLICATION FORMS

- A) Application forms shall be accepted for positions that are open.
- B) An Applicant may apply for more than one position, provided that each position is open for applications.
- C) Application forms require information regarding training, work experience, other pertinent personal and employment information, and employment references. Each applicant, including senior management, must submit a completed application.
- D) Each application must be signed by the person submitting the application and filed with the Human Resources Department. All applications, together with accompanying materials, become the property of the Town.
- E) The employment process may require that applicants submit to a physical examination in

compliance with the American with Disabilities Act and/or to fingerprint background investigations as defined in the Fingerprinting Policy. When recruiting for key leadership positions, the employment process shall require the Human Resources Director to form a hiring committee that will be responsible for objectively evaluating and rating the qualifications of all applicants and making recommendations of which applicants shall move forward in the process.

SECTION 2-4-3 - REJECTION OF APPLICATION

The Town may reject any application that indicates that the applicant does not possess the minimum qualifications required for the position, has made a misstatement of any material fact, or has practiced any deception or fraud in his/her application.

SECTION 2-4-4 - APPLICATION RETENTION

Applications shall be kept active for six months and may be destroyed pursuant to the A.R.S. Retention Schedule.

POLICY 2-5 - EXAMINATION

Selection techniques used by the Town are impartial, practical, and job-related, and are designed to determine the candidate's knowledge, skills, and abilities for the position. The examinations used may include, but are not limited to oral, written, performance, assessment center, physical/mental fitness, and training/experience evaluations. In addition, evaluation of past work performance, work samples, personal interviews, and background investigations may be used in the selection process.

SECTION 2-5-1 - PHYSICAL AND MENTAL FITNESS

- A) All applicants for Town employment shall be of sufficient mental and physical fitness to be able to perform the essential functions of the positions for which they have applied. The physical and mental fitness of individuals entering Town employment may be evaluated by physicians or employee assistance professionals approved by the Town. Current employees may be subject to medical examinations or inquiries when they are job-related and consistent with business necessity.
- B) Reasonable accommodations for a qualified individual with a disability shall be provided unless provision of such an accommodation would impose an undue hardship upon the Town. The physical and mental qualifications of entering or current employees with disabilities may be evaluated by physicians approved by the Town.
- C) Sworn police employees who belong to the Public Safety Personnel Retirement System must continue to meet the physical, mental, psychological, and emotional requirements for their job classifications.

SECTION 2-5-2 - PRE-EMPLOYMENT DRUG TEST

Applicants selected for employment to certain positions will submit to a pre-employment drug test for illegal drugs. These positions include police employees, positions that require a commercial drivers' license (CDL), and any position considered a safety-sensitive position. Potential hires who test positive for illegal drug use will be ineligible for employment with the Town.

SECTION 2-5-3 - TEST DEVELOPMENT

The hiring department develops the examination contents with assistance provided by the Human Resources Department. Examination contents are confidential, and unauthorized disclosure to any candidate is grounds for discipline. In certain situations, outside consultants may be contracted to assist with test development.

SECTION 2-5-4 - TEST ADMINISTRATION

The Human Resources Department will administer the testing process unless otherwise designated to the hiring department.

SECTION 2-5-5 - REASONABLE ACCOMMODATION

The Human Resources Department shall ensure that reasonable accommodations are made in test procedures so that persons with disabilities can be tested in an appropriate manner.

POLICY 2-6 - DISABILITY PREFERENCE

Any person certified as a qualified individual with a disability who meets the requirements set forth in the selection process may be given additional consideration. Proof of eligibility for the disability preference (i.e., signed physician's statement) must be presented to the Human Resources Department at the time of application or examination.

POLICY 2-7 - INTERVIEWING

Interviews may be conducted to gather information specific to the candidate's ability to meet job requirements. Interviewers will prepare an appropriate process that relates to the applicant's ability to meet educational, technical, and other requirements of the position to be filled. The focus of the interview will be the applicant's work and pertinent non-work experience.

SECTION 2-7-1 - INTERVIEW PROCESS

- A) The Human Resources Director shall coordinate the interview process unless otherwise designated to the hiring department.
- B) An interview panel will be selected and confirmed by the Human Resources Director with input by the hiring department. The panel shall generally consist of personnel who have expertise with the technical elements of the position and other persons who can professionally contribute to the process. A Human Resource representative may also be present. Relatives or personal friends of the applicant will be excluded from serving on the panel. Reasonable accommodations shall be made for disabled applicants to allow participation in the interview process.
- C) The Department Head or designee and the Human Resources Director shall be responsible for the development of interview questions and standards for measurement of candidate responses.
 - 1. Consistency will be maintained in the questions asked of all candidates.
 - 2. The questions must be job related.
 - 3. Questions that pertain to race, religion, sex, marital status, or other protected classes or other inquiries that directly or indirectly disclose such information are prohibited.
 - 4. Inquiries about an applicant's ability to read, write, or speak a foreign language are permitted when such inquiries are based on job requirements.
 - 5. The Human Resources staff will provide the interview panel with copies of the applications of final candidates prior to the interview, along with proposed interview questions and a schedule of interviews. The Human Resources staff will also meet on an as-needed basis with panel members prior to the interview for an orientation on appropriate interview and assessment techniques needed to evaluate each candidate objectively.
 - 6. Each panel member will score the candidates independently.

7. Following the interview, the interview panel shall reach consensus and report the interview results and recommendations to the Human Resources Director.

POLICY 2-8 - REFERENCE CHECK

It is the policy of the Town to carefully investigate the backgrounds of all prospective applicants selected for employment to ensure that the relevant facts about an applicant's employment history and personal background have not been misstated, either on the employment application or resume or during the job interview.

SECTION 2-8-1 - PROCEDURE

- A) After an applicant has been selected for employment, the Human Resources staff will conduct employment verification and reference checks on the applicant. Parts of the reference check may be delegated to the hiring department. No offer of employment shall be made to the applicant selected until the reference and/or background checks are completed and meet Town standards.
- B) Certain safety-sensitive positions designated by the Human Resources Department will undergo a thorough background check. The background process will include: 1) the completion of a background questionnaire and interview; 2) psychological examination; 3) polygraph examination; 4) drug screening; and 5) medical examination.
- C) Applicants are required to sign a release authorizing the respective employer or educational institution to release the appropriate information to the Town.
- D) Results of the reference check and/or background check will help determine the applicant's fitness for the position.

POLICY 2-9 - VETERAN'S PREFERENCE

SECTION 2-9-1 - ELIGIBILITY

- A) Any veteran who served on active duty for 6 months or longer in any branch of the United States military, has an honorable discharge, and meets the requirements set forth in the selection process may be given additional consideration.
- B) Veterans entitled to compensation for a service-connected disability will receive consideration in addition to the duty-served consideration.
- C) Proof of eligibility for veteran or special disability preference must be submitted at the time of application or examination.

SECTION 2-9-2 - SPOUSE ELIGIBILITY

- A) Veterans' spouses are given additional consideration if the veteran, during active duty as a member of any branch of the United States armed forces, is either missing in action, captured, or forcibly detained by a foreign power, or has a total, permanent service-connected disability; or died while having such disability.
- B) Proof of eligibility must be submitted at the time of application or examination.

POLICY 2-10 - SELECTION

The Town Manager will approve the selection and hiring process used by the Human Resources Department to include conditions of extending an offer of employment.

SECTION 2-10-1 - NOTIFICATION

- A) The appropriate Department Head shall notify both the successful and unsuccessful candidate(s) unless otherwise delegated to the appropriate supervisor.
- B) A completed Personnel Action Form (PAF) signed by the Town Manager constitutes approval of hiring the candidate. The candidate will be asked to accept or reject the offer within a set number of days.
- C) If the first offer is rejected, the Human Resources Director will decide, with input from the department, whether to hire another candidate or to re-open the position.

SECTION 2-10-2 - APPOINTMENT

- A) For all positions, the Human Resources Department in cooperation with the hiring department will contact the final accepting candidate to outline, in writing, the terms of employment.
- B) Personnel Action Forms will be prepared for the new employee by the hiring department.

SECTION 2-10-3 - APPLICANT EXPENSES

- A) The Town does not reimburse any applicant for travel costs in conjunction with the hiring process.
- B) If selected, the employee pays relocation costs in full.
- C) For Key Leadership positions, the Town Council may consider travel and relocation costs.

SECTION 2-10-4 - NOTICE TO UNSUCCESSFUL APPLICANTS

Once a candidate accepts the employment offer, all other candidates are notified that they were not selected for the position.

POLICY 2-11 - FINGERPRINTING

The Town appreciates and values potential employees, current employees, and volunteers who assist the Town in serving the citizens of our community. The Town believes that employees and volunteers have an obligation to the public to demonstrate a high level of integrity and ethical standards in both personal and official conduct. It is, therefore, the Town of Camp Verde's policy that when hiring and appointing employees and volunteers, steps are taken to ensure a safe working environment for our children, employees, citizens, and visitors.

SECTION 2-11-1 - AFFECTED POSITIONS

- A) All potential employees, current employees, and volunteers will need to be background checked and fingerprinted if they:
 - 1. Are being appointed to a position that involves the supervision or working with children, (i.e., managing, coaching, refereeing, teaching,) and/or
 - 2. Appointed to a position that involves public safety/ security sensitive positions, and/or
 - 3. Appointed to a position that involves the handling of town funds, and/or

4. Discloses on their application that they have a prior criminal conviction.

- B) The hiring department has the responsibility for ensuring that fingerprints are taken, and a background investigation is completed before an employee or volunteer is appointed.

SECTION 2-11-2 - FAILURE TO COMPLY

- A) Any potential employee who is subject to the requirements of this policy and who fails to agree to be fingerprinted shall not be offered employment with the Town.
- B) Any volunteer who is subject to the requirements of this policy and who fails to agree to be fingerprinted will not be allowed to volunteer for the Town.
- C) Any current employee who is or becomes subject to the requirements of this policy and fails to agree to be fingerprinted shall be subject to immediate termination.

POLICY 2-12 - EMPLOYEE ORIENTATION

All new full-time and part-time employees will be scheduled to meet with Human Resources staff for general orientation and onboarding no later than their start date. Each employee will be provided with information on employee benefits and Town policies. Human Resources staff will distribute and explain the benefits enrollment forms and their completion deadlines.

SECTION 2-12-1 - CITIZENSHIP

All newly hired employees must present evidence of United States citizenship or registration as a legally documented worker in accordance with the Immigration Reform and Control Act of 1986. All newly hired employees shall complete a Form I-9, Employment Eligibility Verification. All applicants for sworn police officer positions must be United States citizens.

SECTION 2-12-2 - LOYALTY OATH

All Town employees shall take the oath or affirmation as prescribed by state law.

SECTION 2-12-3 - HIRING DEPARTMENT RESPONSIBILITIES

The hiring department provides additional information, including:

- A) Work standards and regulations
- B) Hours of work, time sheets, leave requests;
- C) Description and duties of the position;
- D) Safety rules and procedures, location of safety or protective equipment;
- E) Tour of the work area, including location of equipment, supplies, etc., and the procedures for use of the work area materials;
- F) Introduction to co-workers;
- G) Schedules for lunch and breaks;
- H) When and to whom to report absence from work;
- I) Who is responsible for performance planning and review.

SECTION 2-12-4 - DATE OF HIRE/LENGTH OF SERVICE ANNIVERSARY

Date of hire shall mean the effective starting date of the individual's employment with the Town to determine length of service.

POLICY 2-13 - INITIAL EVALUATION PERIOD

All new classified employees placed in full-time and part-time positions must serve a period of initial evaluation. The evaluation period is designed to give the employee time to learn the position and to give the supervisor time to evaluate the employee's potential and performance.

SECTION 2-13-1 - LENGTH OF TIME

- A) All newly hired full-time employees shall be subject to an initial evaluation period of not less than 6 full calendar months of actual service during which the supervisor and employee are to evaluate the employee's ability to learn and do the job.
- B) Part-time employees shall be subject to an initial evaluation period of 12 full calendar months.
- C) The initial evaluation period for certified peace officers and dispatchers shall be for a period of not less than 12 full calendar months.
- D) All promotional appointments, voluntary transfers, and voluntary demotions shall be subject to an evaluation period of 6 full calendar months.
- E) Informal evaluations should be conducted during the course of the evaluation period to assess performance and to advise the employee of expectations regarding performance.

SECTION 2-13-2 - COMPLETION OF INITIAL EVALUATION PERIOD

At the end of the evaluation period, the employee is formally evaluated and provided with written documentation of progress. This formal evaluation will accompany a Personnel Action Form and becomes official acknowledgement of successful completion of the initial evaluation period. The evaluation and Personnel Action Form will be placed in the employee's personnel file.

SECTION 2-13-3 - EXTENSION OF INITIAL EVALUATION PERIOD

- A) Under unusual circumstances, the initial evaluation period may be extended. This extension is only after a review of the situation and the employee's abilities and demonstrated potential on a case-by-case basis. An initial evaluation period extension is made only upon the recommendation of the supervisor and the Department Head and approval of the Town Manager and may only be extended one time.
- B) If an emergency arises during an employee's initial evaluation period that requires a leave of absence, such time off, if granted, will not be considered as time worked. Granting such time off is solely the responsibility of the Department Head.

SECTION 2-13-4 - EMPLOYMENT CLASSIFICATION CHANGE

When the employee successfully completes the initial evaluation period, they will become a regular employee.

SECTION 2-13-5 - DISMISSAL DURING INITIAL EVALUATION PERIOD

- A) During the initial evaluation period, a newly hired employee may be dismissed at any time by the Department Head with the approval of the Town Manager, with or without cause and without any recourse through the Disciplinary Appeals Procedure.
- B) Written notification of the termination shall be given to the employee and a copy filed in his/her personnel file.

POLICY 2-14 - EMPLOYEE IDENTIFICATION CARDS

Town identification cards may be issued to Town employees who may require Town identification while working or representing the Town. The Human Resources Department is responsible for the issuance of identification cards.

SECTION 2-14-1 - ISSUANCE, USE AND RETURN OF CARD

- A) The card shall be carried when an employee is acting in an official capacity. The card shall be used as identification if requested by a member of the public or another employee.
- B) Unauthorized or inappropriate use of the employee identification card is prohibited and will result in disciplinary action.
- C) Each employee is responsible for possession of the identification card and to take care to protect it from loss, theft, or misuse. If a card is lost, damaged, or destroyed, it is the responsibility of the employee to report to the Human Resources Department so that it can be replaced.
- D) All cards remain the property of the Town and shall be returned to the Human Resources Department upon termination of employment or upon special request by the employee's Department Head or the Human Resources Department.

CHAPTER 3 COMPENSATION

POLICY 3-1 - CLASSIFIED AND UNCLASSIFIED SERVICE

The Town of Camp Verde employment service is divided into unclassified and classified service.

SECTION 3-1-1 - CLASSIFIED POSITIONS

All employees of the Town not specifically listed as unclassified employees shall be part of the classified service.

SECTION 3-1-2 - UNCLASSIFIED POSITIONS

- A) Unclassified employees are part of a management team designed to carry out the goals and policies of the Town.
- B) The following are unclassified employees:
 - 1. All Town Officers appointed by the Town Council:
 - a. Town Manager
 - b. Town Attorney
 - c. Town Magistrate
 - 2. All Town Officers appointed by the Town Manager pursuant Article 3-2 of Town Code.
- C) The Camp Verde Town Code states:
 - 1. The Town Manager and Town Attorney (if serving as an employee) may be removed from their positions for cause or removed by the Council other than for cause, by offering severance pay of six (6) months' salary. All other department heads and classified employees report to the Town Manager and may be removed for cause.
 - 2. The Town Magistrate shall serve for a term of either two or four years. During such a term, a magistrate may be removed only for cause.

POLICY 3-2 - CLASSIFICATION PLAN

The Town Manager will ensure the preparation and maintenance of a classification plan consisting of descriptions of positions defined by essential tasks, qualifications, and knowledge, skills, and abilities characteristic of the position.

SECTION 3-2-1 - PURPOSE

The classification plan shall be developed and maintained so that all positions substantially similar with respect to duties, responsibilities, authority, and character of work are similarly classified and compensated, and positions substantially different in scope complexity are appropriately classified and compensated.

SECTION 3-2-2 - PLAN AMENDMENT

- A) The classification plan may be amended from time to time by ordinance, resolution, motion, or adoption of the Town's budget.
- B) When a new position is created, the classification plan shall be amended. The Town Council must approve any additions to the Town's Classification Plan.

SECTION 3-2-3 - POSITIONS CLASSIFICATIONS

- A) Position descriptions shall be maintained by the Human Resources Department for all regular full-time and regular part-time positions.
- B) Position descriptions are descriptive only and are not restrictive in nature. Examples of essential tasks listed in the position description are intended only as illustrations of the various types of work performed. The omission of specific statements of tasks does not exclude them from the position if the work is similarly related or a logical assignment to the position. Supervisors may assign different tasks to a position when the duties are similar in type and responsibility to those described in the classification description.
- C) The position description does not constitute an employment agreement between the Town and employee and is subject to change as the needs of the Town and the requirements of the job change.
- D) When the duties or responsibilities of positions have changed significantly, the Town Manager will ensure that the position is reclassified accordingly.
- E) Each employee's position description is maintained as part of his/her Personnel File.
- F) A position may be reclassified to a higher-level classification, or the classification may be assigned to a higher salary maximum. An affected employee may or may not receive a salary increase.
- G) A position may be reclassified to a lower-level classification, or the classification may be assigned to a lower salary range. An employee's salary will be frozen if the new maximum is lower than the incumbent's salary. The employee will receive no salary increase until the new maximum salary is higher than the employee's salary.
- H) Abolished Positions
 - 1. The Town Council may abolish any position not established by Title 9, Arizona Revised Statutes.
 - 2. Employees transferred, demoted, or laid-off because a position is abolished do not have the right to appeal.

SECTION 3-2-4 - EMPLOYMENT CLASSIFICATIONS

- A) Work Schedule Classifications
 - 1. Full-time – An employee hired for an indefinite period in a position for which the normal work schedule is 30 to 40 hours per week.
 - 2. Part-time – An employee hired for an indefinite period in a position for which the normal work schedule is less than 30 hours per week.
 - 3. Initial Evaluation – An employee hired for an indefinite period in a position for which the normal work schedule is up to 40 hours per week whose performance is being evaluated to determine if further employment in a specific position or with the Town is appropriate.

4. Promotion Evaluation – An employee who has been promoted and is being evaluated to determine if the promotion is appropriate.
 5. Regular – An employee who has successfully completed his or her initial evaluation period.
 6. Temporary – An employee hired for a position for which the scheduled work week can range from any number of hours up to 40 hours, but the position is required for only a specific, known duration, usually less than 3 months. Employment beyond any initially stated period does not in any way imply a change in employment status.
- B) Nonexempt employees are entitled to overtime pay under the specific provisions of federal and state laws. A nonexempt employee devotes most of his or her hours to activities that are not managerial, administrative, or professional.
- C) Exempt employees are excluded from specific provisions of federal and state overtime wage and hour laws and are not entitled to overtime pay. An exempt employee devotes most of his or her hours to activities that are managerial, administrative, or professional.

POLICY 3-3 - SALARY PLAN

It is the policy of the Town to establish a compensation system that will allow the Town to effectively compete for qualified personnel and to ensure that salaries are equitable and commensurate with the duties performed by each employee. All employees are paid a salary or wage established for a job classification under the Classification and Salary Plan adopted by the Town Council. In arriving at rates or ranges, consideration is given, but not limited to prevailing rates of pay for similar work in other public and private employment arenas of similar size and environment, as well as the Town's financial condition and other relevant factors. The Town Manager shall direct such further studies of the salary plan as may be requested or approved by the Town Council. Compensation is stated in terms of monthly salary or hourly wage.

SECTION 3-3-1 - NEW EMPLOYEES

New employees will ordinarily be paid the minimum rate to mid-point rate in the appropriate salary range. When circumstances warrant, the Town Manager may authorize new employment or re-employment at other than the minimum rate dependent upon the experience and qualifications of the individual being hired.

SECTION 3-3-2 - GENERAL INCREASES

General salary increases, adjustments, or modifications may be granted at the sole discretion of the Town Council.

SECTION 3-3-3 - SALARY SCHEDULE

- A) The salary schedule shall be adopted by the Town Council in conjunction with the budgetary process. Copies are available in the Human Resources Department and on a Town Staff shared drive.
- B) Pay is an administrative decision and is not subject to appeal.

SECTION 3-3-4 - ANNIVERSARY DATES

- A) Date of Hire/Length of Service Anniversary means the effective starting date of the individual's employment with the Town. This date is used to determine how long an employee has worked for the Town.

- B) An employee who is promoted, demoted, or transferred will have his/her performance evaluation anniversary date changed to the effective date of the promotion, demotion, or re-employment.
- C) An employee returning from a leave of absence without pay will have his or her performance evaluation anniversary date extended by the same length of time the employee was on leave without pay.
- D) There will be no change in an employee's performance evaluation anniversary date where there has been a reallocation of an employee's position to a new classification title when there have been no recent, abrupt, and/or significant changes in tasks and responsibilities.
- E) An employee reinstated to the same position or a position in the same class following layoff from the Town will have his/her performance evaluation anniversary period extended by the same length of time as the duration of the layoff.

SECTION 3-3-5 - PLAN AMENDMENT

- A) The salary plan may be amended from time to time by action of the Town Council. Amendments and revisions shall be submitted to the Town Council through the Town Manager.
- B) In the event that a salary of any position is re-evaluated by the Town Manager, and the Town Council authorizes implementation, and results in an increased salary range for the position, the employee shall retain his/her current salary within the range or assume the entry level step of the new range, whichever is greater.

SECTION 3-4 - MERIT PAY POLICY

The purpose of merit pay is to reward individual employees' efforts and contributions.

SECTION 3-4-1 ELIGIBILITY

- A) Employees must be in a regular full-time or part-time position with at least twelve months of continuous service to be considered for a merit increase.
- B) Employees must have completed evaluation on file with Human Resources for the most recent performance cycle.
- C) Employees must receive an overall rating of "Meets Expectations" or "Exceeds Expectations" in their annual performance evaluation.
- D) Employees who have an overall rating of "Needs Improvement" or "Unsuccessful" are not eligible for a merit increase.
- E) Employees whose pay is at the maximum of their position's salary range may not be granted a merit increase that would cause the base salary to exceed the maximum of the position's range. An employee who is at the maximum of the pay grade within his/her salary range is eligible for a merit bonus based on performance. The merit bonus shall be awarded as an annualized one-time lump sum payment

equivalent to 2% of their pay. The employee's base rate of pay shall remain unchanged.

- F) Salary increases for Council-appointed positions shall be at the discretion of the Council.
- G) In addition to the overall evaluation rating, merit pay shall also be based on the following criteria:

Performance: Commendable performance of job duties or contributions.

Work Behavior: Attitude toward the job, including initiative and dependability, and cooperation with others. Disciplinary action that occurs before a merit increase becomes effective or an employee's placement on performance improvement plan may be cause to withhold a merit increase as determined by the Department Director in collaboration with Human Resources.

Additional responsibilities: Taking on additional responsibilities, employees, and/or projects due to new programs/services and/or increased skills and abilities.

Education achievement: An employee's completion of a degree program, certification, or licensing program related to the employee's position, duties, and responsibilities, and/or career development plan.

SECTION 3-4-2 MERIT PAY PROCESS

- A) Merit increase funding levels are recommended by the Town Manager and approved by the Town Council during the fiscal year budget process.
- B) Eligibility requirements must be met as a condition of receiving merit pay.
- C) Merit pay may vary according to each employee's contributions, performance, and work behavior.
- D) Department Directors shall make a written recommendation to Human Resources outlining the proposed increase and its justification for each employee.
- E) Recommendations must be reviewed by Human Resources and authorized by the Town Manager.
- F) Merit increases are not subject to appeal or grievance.

SECTION 3-4-3 MERIT PAY AMOUNT

Eligibility for merit increases and merit payments is based on an eligible employee's overall annual performance rating, as measured by a performance review, plus the additional factors outlined above.

Rating "meet expectations" will allow an employee to be recommended for up to 75% of the allotted increase, not to exceed 75% of the allotted amount.

Rating "exceeds expectations" will allow an employee to be recommended for 75-100% of allotted increase.

POLICY 3-5 - PERFORMANCE EVALUATION

The purpose of the performance evaluation is to provide employees with timely reports of their progress and allow for correction of deficiencies; to provide employees with positive recognition of strengths and special abilities; to provide an ongoing performance record that may become part of documentation used in making personnel decisions; to provide employees with an opportunity to discuss ways and means for improvement; to provide a means to focus on expectations; and to provide direction for future performance.

SECTION 3-5-1 - TIMELY EVALUATIONS

- A) Employees on initial evaluation status shall be evaluated two weeks prior to the end of the initial evaluation period, at which time the employee shall be advised of his or her status. Department Heads may choose to evaluate each employee more often during the evaluation period. The initial evaluation period is not tied to the pay plan.
- B) All regular full-time and regular part-time employees shall be evaluated at least once a year within 30 days of the performance evaluation anniversary date. Department heads may choose to evaluate employees more often. The annual performance evaluation period is tied to the pay plan.
- C) It is the responsibility of each Department Head to maintain a list of employee performance anniversary dates and to evaluate employees within the appropriate time frame.

SECTION 3-5-2 - PROCESS

- A) The supervisor is responsible for completing the performance evaluation and discussing it with the employee. The evaluation shall be forwarded to the Department Head. The Department Head may return it for reconsideration due to evidence of rating error, bias, or other relevant factors.
- B) Completed evaluations are subject to review and approval by the Department Head, whose determination shall be final.
- C) The completed evaluation shall be forwarded to the Human Resources Department for processing.
 1. If the evaluation meets the criteria for a pay adjustment, a completed Personnel Action Form and evaluation will be forwarded to the Town Manager for his/her approval of the pay adjustment.
 2. If the evaluation does not meet the criteria for a pay increase and is not an initial evaluation, the evaluation will be filed with no Personnel Action Form completed.
- D) The original employee performance evaluation and employee comments, if any, are placed in the Personnel File and will remain filed for the length of time required by law.

SECTION 3-5-3 - RATING DEFINITIONS

- A) Exceeds Expectations: A clear and obvious strength. The employee's performance is definitely and clearly superior, extraordinarily motivated and well above the expected general performance of essential tasks set for the position.
- B) Meets Expectations: Totally competent performance. Good solid contributor. The employee performs consistently at a trained and qualified level of efficiency and effectiveness.
- C) Needs Improvement: Needs development. Performance is inconsistent and fluctuates. Some improvement required. More skill, experience, and time in the job are required to attain successful performance.
- D) Unsuccessful: Fails to meet minimum levels of acceptable performance. The employee does not perform or make consistent, visible effort to achieve established performance standards.

SECTION 3-5-4 - APPEAL OF EVALUATION

- A) If, after discussion of the evaluation between the employee and the supervisor, there is disagreement about the evaluation, the supervisor's comments shall take priority. The employee may submit a separate page that explains the employee's disagreement and includes documentation, if available, to support the employee's comments.
- B) Evaluations may be appealed within 3 working days of the completion date of the evaluation to the next higher supervisor, with final appeal to the Town Manager or the Town Manager's appointee.

POLICY 3-6 - PAY PERIODS AND PAY DATES

SECTION 3-6-1 - PAY PERIODS

A pay week begins every Sunday at 12:01 AM and ends the following Saturday at 12:00 midnight. There are 26 pay periods in the year.

SECTION 3-6-2 - TIME SHEETS AND PAYROLL RECORDS

- A) Time sheets are to be completed by all employees. Falsification of time sheets is reason for disciplinary action.
- B) Changes in rate, position, and status shall be supported by a Personnel Action Form (PAF) approved by the Town Manager submitted through the Human Resources Department. The PAF shall be made a part of the employment history record of the employee. No salary change shall be implemented unless accompanied by an approved PAF.
- C) Payroll records shall be maintained by the Town for a minimum of seven years.
- D) The Finance Department is responsible for answering inquiries concerning payroll matters.

SECTION 3-6-3 - PAY DATES

Town employees are paid biweekly. If a pay date falls on a holiday, the day of pay shall be the last working day preceding the normal pay date.

SECTION 3-6-4 - PAY CHECKS

- A) Checks or vouchers are distributed by the Finance Department to each department by noon on the Wednesday following the close of the pay period.
- B) With each paycheck or voucher, employees receive a statement of earnings, deductions, leave balances, and compensatory time balances for the period covered by the payment.
- C) In the absence of specific instructions or direct deposit, the Finance Department or employee's Department Head or supervisor will hold checks for those who are away on the regular pay date until the employee returns to work. Other arrangements must be made in writing.
- D) An employee's paycheck may be released to the employee's spouse, designated family member or to another person only if authorized in writing by the employee.
- E) For safety, loss prevention, and overall efficiency, employees are encouraged to use Direct Deposit. Employees are expected to cash their paychecks on their personal time.

SECTION 3-6-5 - PAY ADVANCES

The Town of Camp Verde does not grant requests for pay in advance of regular paychecks.

POLICY 3-7 - OVERTIME/COMPENSATORY TIME

It is the Town's policy to avoid the necessity of overtime whenever possible, but overtime work may sometimes be necessary to meet emergency situations, seasonal or peak workload requirements of a critical nature. Department Heads are responsible for the planning required to minimize the need for overtime. If, in the judgment of a Department Head, work beyond the normal workday or workweek is required, the Department Head may authorize such work. This policy shall not contravene the provisions of the Federal Fair Labor Standards Act (FLSA) pertaining to the minimum rate of compensation for employment in excess of an established work period, excluding exempt positions.

SECTION 3-7-1 - NONEXEMPT EMPLOYEES

- A) Whenever any nonexempt employee is required to work overtime in excess of 40 hours per week, that person shall be compensated for such excess time at the rate of either:
 - 1. Pay for Service – One and one-half (1 ½) times the regular rate of pay at which such person is employed; or
 - 2. Compensatory Time Off – One and one-half (1 ½) hours of compensatory time off for each hour worked in lieu of cash payment.
- B) The determination of whether an employee receives Pay for Service or Compensatory Time Off for overtime worked will depend on the current budget capacity. In all cases, the Department Head's decision is final. Department Heads may adjust the weekly work schedule to avoid overtime at the end of the workweek.
- C) "Hours worked" for purposes of calculation of overtime pay shall be defined as time on the job performing a responsible work assignment.
- D) Time shall begin once the employee is at the workstation or at the call origination for emergencies as outlined in the Time and Attendance Policy.
- E) Employees who participate in the required training are paid only for actual time in training sessions and, if the training is off-site, for travel time to and from the training. Overtime will be compensated for travel time only if travel time is compensable under the FLSA. Employees who are on out-of-town business for the Town will be compensated only for actual hours worked during the trip.
- F) Vacation, sick, and other leave shall not be considered time worked and shall be deducted from "hours worked" during overtime calculation for each workweek.
- G) The Department Head must specifically authorize the rendering of overtime services. Employees shall obtain such authorization prior to working any overtime if possible.
- H) The Town Manager will ensure that all overtime is recorded and that work schedules that will allow all employees full opportunity to use accumulated compensatory time off within reasonable periods of time are developed as delineated under the Town's Compensatory Leave Policy.
 - 1. An employee may accumulate no more than 120 hours of compensatory time.
 - 2. Accumulated compensatory time in excess of that permitted must be used within 60 calendar

days from the date the compensatory time is recorded.

3. The Town Manager may make an exception in the accumulated compensatory time as recommended by the Department Head, such exceptions shall be documented in writing and filed in personnel file.
4. Upon termination of employment or change in status (classification) and/or an employee being placed on an additional duty assignment resulting in a change of pay rate, compensatory time shall be paid out at the same pay rate as when the compensatory time was accumulated.

SECTION 3-7-2 - EXEMPT EMPLOYEES

- A) The overtime provisions shall not apply to employees whose positions have been determined to be exempt from the provisions of the Fair Labor Standards Act. The Town Council shall be responsible for these designations, and the Human Resources Department shall maintain a list of exempt employees.

POLICY 3-8 – PAID HOLIDAY LEAVE

It is the policy of the Town to pay for a selected number of holidays. The Town administration is generally closed on those days.

- A) Holidays observed by the Town are:

New Year's Day	Independence Day	Day after Thanksgiving
Civil Rights Day	Labor Day	Christmas Eve
President's Day	Veteran's Day	Christmas Day
Memorial Day	Thanksgiving Day	

SECTION 3-8-1 - ELIGIBILITY

- A) Employees eligible for holiday pay are:
 1. Full-time employees
 2. Employees in their initial evaluation period
 3. Other classifications of employees approved by the Town Manager
- B) Paid holiday leave for non-exempt employees is accrued each pay period at the rate of 3.39 hours per pay period, equivalent to 88 hours per year. Paid holiday leave for exempt positions is applied automatically within the regular work week the Holiday falls on. During the initial evaluation period an employee may borrow necessary holiday leave hours if requested and approved by the Department Head. No holiday leave may be borrowed after the first 6 months of employment.
- C) The Town will grant paid holiday leave to all eligible employees immediately upon assignment to an eligible classification.
- D) Paid holiday leave shall be used to supplement employees' regular work hours when the Town offices are closed due to an observed holiday.
- E) Paid holiday leave that is not utilized to supplement employees' regular work hours when the Town offices are closed may be used at a later date in place of vacation leave.
- F) An employee who is absent without authorized leave on the day immediately preceding or following a holiday shall not be eligible to use paid holiday leave for the holiday and shall lose pay for the day

absent.

- G) Offices will only be closed for observed holidays that occur on regularly scheduled workdays (Monday through Friday). Observed holidays that occur on days that offices are normally closed shall not result in additional office closures.
- H) If a recognized holiday falls during an eligible employee's paid absence (i.e., vacation, sick leave) paid holiday leave may be utilized for the holiday instead of the paid time off benefit that would otherwise have been applied.
- I) Paid holiday leave is cumulative with a maximum year-end accumulation of 40 hours. Hours in excess of 40 hours on December 31 of each year shall be forfeited.

SECTION 3-8-2 - WORK ON HOLIDAY FOR HEALTH OR SAFETY REASONS

- A) Public Safety and other essential service employees may be required to work on holidays.
- B) Employees who are required to work on an observed holiday shall receive overtime pay (time and one-half) for the time actually worked. The employee may request to have the additional and half-time hours converted to compensatory time in lieu of additional pay.
- C) If the actual holiday is different than the observed holiday, employees will receive holiday pay for working the actual holiday and not the observed holiday.
- D) If an eligible employee is required to work on an actual holiday, the employee will receive the employee's overtime rate of pay for that usual shift. Any hours worked on an actual holiday over 40 hours in that workweek will be paid at an overtime rate. Working on an Observed Holiday, as opposed to an actual Holiday, will be treated as a normal workday with hours paid at the employee's regular hourly rate.

SECTION 3-8-3 - TERMINATION OF EMPLOYMENT

Upon termination, employees will be paid for unused paid holiday leave time that has been earned through the last day of work at their prevailing rate.

POLICY 3-9 - PAYROLL DEDUCTIONS

SECTION 3-9-1 - MANDATORY DEDUCTIONS

Deductions required by law are withheld from the employee paycheck each pay period. These include federal income tax, state income tax, Social Security, Medicare (FICA), retirement, and any legal wage garnishment.

SECTION 3-9-2 - VOLUNTARY DEDUCTIONS

Other deductions require an employee's written authorization. Examples include but are not limited to direct deposit, deferred compensation, United Way, dependent health insurance coverage, and supplemental health or life insurance.

POLICY 3-10 PROMOTION

The Town attempts to fill vacant positions with qualified Town employees before advertising to the general public, following a policy of upward mobility whenever possible. A promotion is a change to a position in a salary range higher than the one an employee currently occupies. Employees are encouraged to apply for

any vacancy for which they may qualify.

SECTION 3-10-1 - ELIGIBILITY

- A) Regular employees who have completed the designated initial evaluation period in the current position at a satisfactory level of performance may apply for promotion outside the employee's current department. An exception to this policy may be granted with prior approval of the Town Manager.
- B) Selection of an employee for a promotion is based on past work record and performance appraisal, education and special training undertaken, knowledge of the job duties, licensing relevant to the position, length of service, or other pertinent evidence of increased service value of an employee to the Town.
- C) Only employees who meet requirements set forth in promotion examination announcements may compete in promotion examinations.

SECTION 3-10-2 - PROCEDURE

Procedures for requesting consideration vary among departments, and supervisors can advise an employee on how to proceed within the department. Promotion examinations shall be conducted whenever necessary in the opinion of the Department Head and with the approval of the Town Manager.

- A) A job posting application should be submitted to Human Resources.
- B) When considering the promotion of Town employees having the same or similar qualifications, the position will be filled after considering the factors listed above.
- C) In cases where only one employee applies for a position and the hiring department knows the person's abilities and qualifications, the formal selection process may be dispensed with upon concurrence with the Human Resources Director.
- D) The Department Head may make temporary assignments for a specified time or assignment as necessary. Such appointments are made on an "acting" basis, and the employee returns to his or her regular position upon completion of the assignment. The salary for "acting" appointments is set by the Department Head in consultation with the Human Resources Director.

SECTION 3-10-3 - SALARY FOR PROMOTION POSITION

- A) Upon promotion to another class, the employee shall be placed at a rate within the new pay range corresponding to the qualifications for the class. Generally, this rate would be the minimum of the range, but not less than a 5% increase from their former base rate of pay.
- B) Upon promotion to a supervisory position, employees shall receive a salary at least 10% higher than their former base rate of pay.

SECTION 3-10-4 - PROMOTION PERFORMANCE EVALUATION PERIOD

- A) The promotion evaluation period shall be used by both the supervisor and the employee for closely observing and assessing work performance suitable for the new position.
- B) Promoted employees shall be subject to an evaluation period of not less than 6 full calendar months of service in the promotion position.

- C) A formal evaluation will be conducted 2 weeks prior to the end of the promotion evaluation period.
- D) Promoted employees who successfully complete their promotion evaluation period will be notified by their Department Head. The performance evaluation will be submitted to Human Resources, who will complete a Personnel Action Form for processing.
- E) Successful completion of the promotion evaluation period does not create any contractual rights for promoted employees.
- F) Promotions do not change the person's date of hire/length of service anniversary. However, the performance evaluation anniversary date for future performance evaluations and pay adjustments will be revised to coincide with the promotion date.
- G) Promoted employees who fail to meet the standards for the promoted positions may be reinstated to a position in the classification in which he or she most recently completed an evaluation period, within the department in which that evaluation period was completed, and at the same salary that he or she received prior to promotion. This may take place only if the previously held position is available with the approval of the Town Manager. The employee's performance evaluation date prior to his or her promotion will be reinstated if requested. Promoted employees who fail to meet the standards for the promoted positions are subject to the progressive disciplinary system outlined in Section 5-5 of the employee manual.
- H) Promoted employees who fail to complete the promotion evaluation period because of a lay-off are entitled to return to their former position and salary held before promotion if the position is available. Their performance evaluation anniversary date will return to the date prior to promotion.

POLICY 3-11 LATERAL TRANSFER

A lateral transfer is a change in position at the same or lower salary range than the one currently occupied.

SECTION 3-11-1 - ELIGIBILITY

- A) A regular full-time or part-time employee is eligible to seek a lateral transfer to another position within the same department any time a position is vacant.
- B) A full-time or part-time employee is eligible to seek a lateral transfer to another department after successfully completing the current department's initial evaluation period.

SECTION 3-11-2 - PROCEDURES

- A) Any current eligible employee interested in applying for a transfer must file a completed Town application form with the Human Resources Department according to instructions listed on the job posting.
- B) If the employee meets the stated requirements for the position, and is in good standing, she/he will proceed through the regular hiring process with all other general public applicants.
- C) The Personnel File of the transfer applicant will be made available to the Department Head responsible for filling the open position.

- D) If the current employee is selected, his/her Department Head will be advised prior to the offer being made to the employee.
- E) If the employee accepts the position, it will be the responsibility of the two Department Heads, along with the employee, to reach agreement on a transfer date. Every effort should be made to accomplish the transfer within two weeks of the offer's acceptance.

SECTION 3-11-3 - SALARY FOR TRANSFER POSITION

The salary offered to the employee must be consistent with the salary and requirements of the new position.

- A) An employee who meets only the minimum requirements for the position will be started at the minimum of the salary range regardless of the employee's current salary.
- B) An Employee who exceeds the minimum requirements for the position may be offered a salary in the new range that reflects the same percentage to the mid-point of the previous salary range.

SECTION 3-11-4 - TRANSFER EVALUATION PERIOD

- A) Transferred employees are subject to an evaluation period of not less than 6 full calendar months in the transfer position.
- B) The evaluation period is used by both the supervisor and the employee for closely observing and assessing work performance suitability for the new position.
- C) Formal evaluation will be conducted 2 weeks prior to the end of the evaluation period.
- D) Transferred employees who successfully complete their evaluation period will be notified by the Department Head. The performance evaluation will be submitted to Human Resources, who will complete a Personnel Action Form for processing.
- E) Successful completion of the evaluation period does not create any contractual rights for transferred employees.
- F) Transfers do not change the employee's performance evaluation anniversary.
- G) If an employee is not able to perform the new duties satisfactorily, the employee may have the opportunity to return to his/her previous position if it has not been filled or may be referred to other job openings upon the approval of the Town Manager. If another position is not secured, the employee may be placed on administrative leave without pay.

POLICY 3-12 DEMOTION

An employee reassigned to a position in a lower classification regardless of the reason (disciplinary, voluntary, in lieu of layoff, for reasons of disability or incapacity, department reorganization, response to market data, etc.) will receive a cut in pay commensurate with the nature of the demotion as determined by the Department Head (unless it involves the Department Head) in consultation with the Human Resources Department and approved by the Town Manager.

SECTION 3-12-1 - ANNIVERSARY DATE CHANGE

- A) Demotions do not change the person's date of hire. However, the performance evaluation anniversary date for future salary adjustments changes to the effective date of the demotion.

- B) Employee in position classifications that are downgraded or upgraded in salary to reflect changes in market conditions will retain their existing anniversary date for future performance-based adjustments.

SECTION 3-12-2 - PROCEDURE

- A) No employee shall be demoted to a position for which he or she does not possess the minimum qualifications.
- B) An employee being demoted shall be notified two weeks prior to the effective date of demotion except in emergency situations.
- C) Any demotion to prevent layoffs may be revised when the employee's previous position is reopened.
- D) Persons demoted to new positions will be subject to the standard evaluation period for the new position, unless specifically waived by the Town Manager.

POLICY 3-13 RECLASSIFICATION PROCEDURE

Revision of position descriptions and reallocations within the classification plan shall be made as often as is necessary to provide current information on positions and classes. It is the duty of the Human Resources Director to examine the nature of all positions and to allocate them to existing or newly created classes; to recommend changes in the classification plan as are made necessary by changes in the duties and responsibilities of existing positions; and to periodically review the entire classification plan and recommend appropriate changes in the allocations of positions in the classification plan.

SECTION 3-13-1 - PROCEDURE

- A) When a new position is requested by a Department Head or the duties of an old position are substantially changed, the Department Head shall submit a written recommendation to the Human Resources Director including justification for the reclassification and emphasizing changes in the position responsibilities or requirements for qualifications, such as experience, education, certifications, etc.
- B) The request will be reviewed by the Human Resources Director. A job audit, which is an analysis of the critical elements of a position and placement in the Town's classification/salary schedule, will be undertaken.
- C) If the request is justified, the budget impact will be determined, and a report prepared for review by the Town Manager and Town Council.
- D) Any reclassification involving an upgrade of salary that is not requested and approved as part of the budget process must have specific Council approval.
- E) If approved, the Human Resources Department will take the necessary steps to implement the reclassification.
- F) If the requested action is for downgrading of a position, and the Town Manager agrees, the Human Resources Director shall coordinate implementation steps.
- G) If the Town Manager does not concur with the request for the downgrade, the Department Head

will be provided with reasons. The decision of the Town Manager is final.

- H) As a result of reclassification, the salary range shall be increased or decreased.
- I) Any employee who considers his or her position improperly classified shall first submit a request in writing for reclassification to his/her Department Head, who shall review the request and transmit with written recommendation to the Human Resources Director, who will follow the justification procedures above.

POLICY 3-14 - PAY FOR WORKING OUT OF CLASSIFICATION

Increased compensation for working out of classification is provided as monetary recognition to an employee for the assumption and performance of duties normally performed by an employee of a higher or professional classification.

SECTION 3-14-1 - JUSTIFICATION

- A) The assumption and performance of the duties of the higher or professional classification must encompass the full range of responsibilities of the classification. It does not pertain to a temporary assignment made for the purpose of providing a training opportunity to the employee.
- B) The performance of duties must be for an extended period of time to fill the needs of the vacant position. An extended period of time is generally considered as an assumption of duties and responsibilities that will last in excess of 30 working days.
- C) Compensation for working out of classification shall be allowed only after written recommendation of the Department Head and Human Resources Director and approval of the Town Manager. Recommendation and approval shall be accomplished prior to the assumption of the higher or professional classification responsibilities.
- D) The employee's compensation will increase to the starting salary of the higher or professional classification in which the employee is substituting, or 5% whichever is greater.
- E) When the temporary assignment is completed, the employee's salary will be readjusted to its previous level or the level it would have attained, including general salary increases and performance-related adjustments, if the out-of-classification pay had not been made.
- F) The employee's date of hire anniversary and performance evaluation anniversary will remain unchanged throughout the temporary assignment.

POLICY 3-15 TIME AND ATTENDANCE

SECTION 3-15-1- PURPOSE

The Town of Camp Verde is subject to numerous laws and regulations that govern the way we conduct our business. The laws that regulate employees' wages and hours are designed to ensure that employees are paid as specified, within these regulations.

SECTION 3-15-2- DEFINITIONS

Exempt Employees: Exempt employees are exempt from the provisions of the Fair Labor Standards Act (FLSA).

Non-Exempt Employees: Non-exempt employees are not exempt from FLSA standards. Under the FLSA, these employees must be paid for travel time, on-call time, and overtime. Non-exempt employees may also be referred to as "hourly" employees.

Hours Worked: Hours worked include scheduled hours worked and, for all non-exempt employees, overtime hours and compensable travel and on-call time (refer to the applicable collective bargaining agreement or non-union handbook for definitions and eligibility).

Paid time off: Paid time off refers to the specific type of paid time off provided by Town employees in accordance with the Town Employee Manual.

Meal Periods: Bona fide meal periods (30 minutes) are not compensated as work time, may also be referred to as "meal breaks". The employee must be completely relieved from duty for the purpose of eating regular meals. The employee is not relieved if he/she is required to perform any duties while eating.

Rest Periods: Rest period of 10 minutes are paid for as working time, may also be referred to as "rest break".

Clock in, Punch in (or out) all denote the same meaning. They all refer to the action whereby an employee utilizes the electronic time and attendance software system and associated hardware to record their commencement or termination time from compensable work. This function may also be referred to as a "punch."

Travel Time: Time spent by an employee in travel as part of his/her principal activity, such as travel from jobsite to jobsite or to attend trainings, conferences, or meetings during the workday, must be considered as hours worked. An employee who travels from home before the regular workday and returns home at the end of the workday is engaged in ordinary home-to-work travel. This is not considered hours worked.

Time Collection Device – Employees will be required to punch using one of several devices that may include a computer web portal, electronic timeclock, smartphone app or other input device.

FLSA - Fair Labor Standards Act.

Grace Period - The period of time, 7 minutes, before and after a punch.

Time Off Request - Time off requests can be generated in Time and Attendance System using the timeclock or computer via the "Request Time Off" module. The automated leave request must be properly approved by the supervisor, prior to the time being taken by the employee. Once approved, Time approver will apply the time off to the timecard.

SECTION 3-15-3- PROCEDURES

Time Recording - Non-exempt employees are expected to record their hours worked accurately and completely. Knowingly falsifying time records for yourself or another person will result in immediate disciplinary action up to and including termination for all employees involved. Various departments may choose to use different time collection devices such as physical time clock devices, web portal on a workstation or phone application. Personnel not using time collection device as assigned, clocking in for someone else or having other people clock in for them may be subject to disciplinary action, up to and including termination for all those involved.

Paid time off shall be used when an employee does not reach her or his regularly scheduled hours in a work week. Unpaid leave may be granted if no accrued leave is available at the discretion of the Town Manager.

Time Window for Clocking In/Out - Employees should attempt to clock in/out as close to their designated start/end time as possible. However, in large work groups, it may not be possible for all employees to clock in at their exact designated start time. Therefore, a time window of a seven-minute grace period before and after the designated start time has been created so that the employee will not be docked pay or paid overtime.

Clocking In Late - Employees are expected to clock in and out at times designated by their manager/supervisor. Employees clocking in past the grace period are considered late. Absenteeism and tardiness will be handled by the employee's manager or supervisor.

Clocking In Early - Employees may not clock in before the grace period of seven minutes before their scheduled work time without authorization from their manager or supervisor.

Clocking Out Late - Employees may not clock out more than the grace period of seven minutes after the scheduled work end time without authorization from their manager or supervisor.

Failure to Properly Clock In and Out - For hourly employees, it is each employee's responsibility to clock in and out. If an employee fails to punch, it is the responsibility of the employee to notify his/her supervisor no later than one day after it occurred. If the employee fails to notify their supervisor by the payroll deadline, missed pay may not be paid until the following payday.

Tardiness - Tracking tardies will be the responsibility of managers and supervisors. Employees are expected to be ready to work at their designated/scheduled start times.

Rest Periods

For every four hours worked, an employee will receive one fifteen (15) minute paid rest period each day. These breaks are scheduled by the supervisor and breaks not taken are lost at the end of each day. If an employee works in a department where breaks are not directly assigned, he/she must co-ordinate with co-workers to maintain adequate coverage at all times. Employees must return to work on time. These breaks are provided to enable associates to take care of their personal needs and may not be extended, tacked onto lunch hours, or used to compensate for late arrivals or early departures. Employees must remain on the job site during paid rest periods. Reasonable break times will be afforded to nursing mothers in accordance with the mandates of the Patient Protection and Affordable Care Act.

Meal Periods

- A) A non-exempt employee who works six (6) hours or more will receive a thirty (30) minute unpaid meal period. This meal period will normally be scheduled approximately midway through the employee's shift. Employees are required to clock out at the beginning of the meal period and clock back in at its conclusion. If the shift can be completed in six (6) hours or less, the employee may waive the meal period, by mutual consent with his/her supervisor. Employees are relieved of all active responsibilities and restrictions during meal periods and not compensated for that time. While supervisors will advise their employees about their rest breaks and meal period schedules it is the employee's responsibility to ensure that all breaks are taken and properly recorded on their time records.
- B) It is a violation of the Time and Attendance Policy for non-exempt employees to work through their meal period without supervisor's approval.

- C) CVMO employees in certain positions designated by the Town Marshal, shall receive a paid meal period. In order to qualify for paid meal breaks, employees must be on call during their entire work shift and not leave the work premises unless authorized and must respond to duty calls during meal periods if necessary. Failure to respond to duty calls will be grounds for disciplinary action.

On-call Pay

- A) On-call status begins after the completion of the workday and continues until resuming work the following workday, unless a defined length of time is determined prior to the time the call commences. Each job title that The Town of Camp Verde classifies as exempt (under the Fair Labor Standards Act) will not be eligible to receive call pay.
- B) Employees will be considered engaged by The Town of Camp Verde from the time they leave home (or when they receive the call) until the work is completed. This time will be considered worked time and will be recorded as such on the time record by the employee. Circumstances causing an increase in travel time should not be included in the time worked.
- C) Call pay cannot be taken when an employee is taking vacation, holiday, birthday, or personal day; absent for illness; absent for funeral leave; on a leave of absence; not able or available for work.
- D) An employee's compensation for on-call status will be paid at the rate approved by the administrative staff.
- E) An employee who is on call must meet the following criteria to receive the pay
 1. When notified by must answer the call within five minutes.
 2. Arrive in the work unit within 30 minutes or less after receiving the call.
 3. Arrive in a condition "fit" for duty. If an employee does not meet this criterion, he or she will forfeit the call pay from the time of the first attempt to contact him or her to the end of the call period.
 4. When an employee is called back to work, this work time will be paid at the employee's regular rate of pay or at his or her overtime rate if the employee has already worked the required hours.
 5. The Town of Camp Verde reserves the right to validate the availability of an employee receiving on-call pay. Two attempts will be made to contact the call employee.
- F) An employee will receive a minimum of two hours' pay for each time the employee is called out to perform emergency or needed services.

SECTION 3-15-4- TAMPERING AND FALSIFICATION

Any attempt to tamper with and/or falsify the timekeeping hardware, software, or any associated records is a serious offense that could result in termination of employment. Any attempt by an employee to record time for another employee or alter or modify in any way the time record of another employee may be subject to disciplinary action up to and including termination.

CHAPTER 4

EMPLOYMENT BENEFITS

POLICY 4-1 - BENEFITS CONTINUATION/COBRA

The federal Consolidation Omnibus Budget Reconciliation Act (COBRA) of 1985, amended by the Health Insurance Portability and Accountability Act (HIPAA) of 1996, gives covered employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the Town of Camp Verde's health plan when a "qualifying event" would result in a loss of eligibility. Some common qualifying events are resignation, voluntary or involuntary termination of employment, death of an employee; a reduction in an employee's hours or a leave of absence, transition between jobs, an employee's divorce or legal separation; or a dependent child no longer meeting eligibility requirement.

SECTION 4-1-1 - WHO PAYS

Under COBRA, the employee or beneficiary pays the full cost of coverage at the Town's group rates plus an administration fee as prescribed by federal law. Qualified individuals may be required to pay the entire premium for coverage, up to 102 percent of the cost of the plan.

SECTION 4-1-2 - WRITTEN NOTIFICATION OF ELIGIBILITY

The Town of Camp Verde, through its health insurance supplier, provides each eligible employee with a written notice describing rights and responsibilities under COBRA when the employee becomes eligible for coverage under the Town's health insurance plan; when the employee experiences a qualifying event; and at various federally required dates depending upon the employee's election of COBRA.

POLICY 4-2 - COMPENSATORY LEAVE

Compensatory time is credit for hours worked in excess of a person's normal workweek in accordance with the Fair Labor Standards Act (FLSA). Use of compensatory time as compensatory leave must be pre-approved by the immediate supervisor or department head.

SECTION 4-2-1 - NONEXEMPT EMPLOYEES

- A) Nonexempt employees shall be paid overtime or given compensatory leave at the rate of time and one-half for all hours worked in excess of the normal 40-hour work week if the employee actually worked in excess of 40 hours in one week.
- B) Upon termination of employment, a nonexempt employee will be paid at the employee's prevailing salary rate for unused compensatory time that has been earned through the last day of work.

SECTION 4-2-2 - EXEMPT EMPLOYEES

Executive, administrative, and professional employees are considered exempt employees and are not covered by the overtime pay provisions of the FLSA.

POLICY 4-3 FAMILY AND MEDICAL LEAVE

In accordance with the Family and Medical Leave Act (FMLA) of 1993, the Town of Camp Verde provides family and medical leaves of absences without pay, for up to 12 weeks, to eligible employees who are temporarily unable to work due to a serious health condition or disability as defined by the act; who wish to take time off from work duties to fulfill family obligations relating directly to childbirth, adoption, or placement of a foster child; or who must care for a child, spouse, or parent with a serious health condition. The Town of Camp Verde will maintain group health insurance coverage during the FMLA term.

SECTION 4-3-1 - DEFINITION OF SERIOUS HEALTH CONDITION

A serious health condition means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility or continuing treatment by a licensed health care provider.

SECTION 4-3-2 - ELIGIBILITY

- A) Employees in the following employment classifications are eligible to request FMLA leave as described in this policy:
 - 1. Regular full-time employees who have worked for the Town at least 52 weeks (12 months).
 - 2. Regular part-time employees who have worked for the Town at least 1,250 hours in the previous 12 months.
- B) Eligible employees should make written requests for FMLA leave to their supervisor at least thirty (30) days in advance of foreseeable events and as soon as possible for unforeseeable events or within no more than two working days after learning of the unforeseen need for leave. An employee requesting unforeseen FMLA leave has the obligation to comply with the Town's regular reporting requirements.
- C) It is the responsibility of the employee to notify the Human Resources Department of the need to take leave for a serious health condition. The notice must make clear that the serious health condition makes the employee unable to perform his job functions.
- D) Department Heads must notify the Human Resources Department of all absences for medical leave reasons that exceed three working days, regardless of whether sick leave, vacation leave, or unpaid leave is used. The Human Resources Director will determine if the absence is under the FMLA.

SECTION 4-3-3 - VERIFICATION OF NEED

Employees requesting family leave related to the serious health condition of a child, spouse, or parent shall be required to submit a health care provider's statement verifying the need for family leave to provide care, its beginning and expected ending dates, and the estimated time required. FMLA leave may be used to maintain a reduced workweek for intermittent leave for preplanned and pre-scheduled medical treatment. Certification by a licensed health care provider shall be required. Certification forms are available from the US Department of Labor or at www.dol.gov.

SECTION 4-3-4 - MAXIMUM LEAVE TIME AVAILABLE

- A) Eligible employees may request up to a maximum of twelve (12) weeks of FMLA leave within any 12-month period. Any combination of family leave and medical leave may not exceed this maximum limit. An eligible employee who is a spouse, son, daughter, parent, or next of kin of a current member of the Armed Forces, including a member of the Nation Guard or Reserves, with a

serious injury or illness may be granted up to a total of 26 workweeks of unpaid leave during a single 12-month period to care for the service member.

- B) Eligible spouses who both work for the Town shall be restricted to a combined total of twelve (12) weeks leave within any 12-month period for childbirth, adoption, or placement of a foster child, or to care for a parent with a serious health condition.
- C) If this period of absence proves insufficient, consideration may be given to a written request for an extended (administrative) leave without pay, which shall not exceed one year.

SECTION 4-3-5 - HOW FMLA LEAVE IS MEASURED

The Town uses a rolling 12-month period measured backward from the date an employee takes any FMLA leave. Each time an employee uses FMLA leave, the remaining leave entitlement is the balance of the 12 weeks that has not been used during the immediately preceding 12 months.

SECTION 4-3-6 - USE OF ACCUMULATED LEAVE

Employees are required to first use any accumulated paid leave time before taking unpaid FMLA leave.

SECTION 4-3-7 - CONTINUATION OF HEALTH INSURANCE BENEFITS

- A) Subject to the terms, conditions, and limitations of the applicable plans, the Town of Camp Verde will continue to provide benefits for health insurance for the full period of the approved family or medical leave in accordance with COBRA coverage mandates.
- B) The employee will continue to be responsible for the cost of supplemental benefits and dependent care coverage if continued coverage is desired. Payments must be made by the 10th day of each month. If payment is more than 30 days overdue, coverage will be dropped.

SECTION 4-3-8 - SUSPENSION OF ACCUMULATION OF OTHER TOWN-PROVIDED BENEFITS

- A) Employees on FMLA who are receiving vacation or sick leave pay will continue to be paid for holidays while on leave and accrue vacation and sick leave.
- B) Employees who are on unpaid FMLA leave will have vacation and sick leave accrual and holiday benefits suspended during the unpaid leave and will resume upon return to active employment.
- C) Use of FMLA leave is not considered a break in service when determining eligibility for vesting or for participation in a benefit.

SECTION 4-3-9 - RETURN TO WORK

- A) So that an employee's return to work can be properly scheduled, an employee on FMLA leave is required to provide the Town with at least two days' advance notice of the date the employee intends to return to work.
- B) If the employee was on FMLA leave due to a serious health condition, before returning to work, the employee must provide a work release from the health care provider attesting that they are able to resume work. The work release must be accepted by the Human Resources Department prior to the employee returning to work.

- C) When an FMLA leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified.
- D) The only exception may be for a highly compensated position. The employee in this position will be notified when he/she requests leave that the Town may choose to fill the position because it is key to the Town's operations. If the Town chooses to fill the position, it will first offer the employee the opportunity to return to work immediately.

SECTION 4-3-10 - INTERMITTENT LEAVE OR REDUCED WORK WEEK

- A. In certain cases, intermittent use of the 12 weeks of FMLA leave or a part of a reduced workweek may be allowed by the Town. Employees wishing to use leave intermittently or to utilize a reduced work week schedule for FMLA birth, adoption, or foster care purposes will need to discuss and gain approval of such use from the employee's Department Head and the Human Resources Department.
- B. If the need is for preplanned and prescheduled medical treatment of the employee, the employee is responsible for scheduling the treatment in a manner that does not unduly disrupt the Town's operations. Intermittent or reduced workweek use of FMLA is subject to medical certification by a license health care provider.
- C. In some cases, the Town may temporarily transfer an employee using FMLA leave intermittently or on a reduced workweek schedule to a different job with equivalent pay and benefits if another position would better accommodate the intermittent or reduced workweek schedule.

SECTION 4-3-11 - TERMINATION OF EMPLOYMENT

- A) If an employee resigns voluntarily before returning from FMLA, health insurance benefits are subject to COBRA law.
- B) If an employee fails to report to work promptly at the end of the approved leave period, the Town will assume that the employee has resigned.

POLICY 4-4 – WORKER'S COMPENSATION

Worker's Compensation is a program of insurance administered by the State Industrial Commission to protect workers, their families, and dependents from loss due to a work-related or "industrial" accident or illness without assessing fault or blame for the accident or illness. The program provides for payment of medical bills, physical and vocational rehabilitation, and financial compensation while the worker is disabled – either temporarily or permanently – and is unable to work while on industrial leave. It also provides for lump sum payments for particularly serious injuries such as the loss of a finger, eye, foot, etc., and assures death benefits and compensation to the worker's family or dependents in the event the injury is fatal. Industrial leave is defined as leave to obtain treatment and/or recuperation necessitated by an injury or condition sustained in the course and scope of employment with the Town of Camp Verde as determined by an authorized health care provider. Industrial leave is not accumulated but is available through the State Industrial Commission in conjunction with state law.

SECTION 4-4-1 - REPORTING REQUIREMENT

- A) Any employee involved in an industrial injury, or an occupational illness as defined by the State Worker's Compensation laws must report the incident to his or her immediate supervisor or Department Head within 24 hours or as soon thereafter as possible.

- B) Hours lost due to the injury or illnesses are reported on the employee time sheet as “industrial disability.”

SECTION 4-4-2 - PAYMENTS

- A) Worker's Compensation does not pay for the first seven days off unless the total number of days off exceeds 14 days. If the claim is approved for payment, paid leave used for the injury or illness may be reinstated to the employee's leave balance record upon reimbursement to the Town of the amount paid.
- B) Worker's Compensation pays a State-mandated percentage of the employee's daily wage.

SECTION 4-4-3 - USE OF PAID LEAVE WHILE ON INDUSTRIAL LEAVE

- A) An employee receiving disability payments under the Worker's Compensation laws may use accumulated paid leave in order to continue to maintain regular income. Arrangements to maintain regular income may be made through the Human Resources Department.
- B) Sick leave or vacation leave may be used to supplement any payments that an employee is eligible to receive from State disability insurance. The combination of any such disability payments and Town paid sick or vacation leave benefits shall not exceed the employee's normal weekly earning. The purpose of this policy is to ensure that an employee does not suffer economic hardship as a result of a work-related injury or illness; however, the employee should not realize a financial gain as a result of injury or illness.
- C) Lost time for worker's compensation in excess of seven days will run concurrent with Family Medical Leave (FMLA). While out due to an injury or illness covered by worker's compensation for over seven days, employees will be placed on FMLA leave up to twelve weeks.
- D) No employee shall receive sick leave or use vacation time as a result of a job injury, illness, or disease incurred while employed by another employer.

SECTION 4-4-4 - RETURN TO WORK

An employee returning from Worker's Compensation leave must notify their supervisor of their intent to return to work and must provide a work release from the health care provider attesting that they are able to resume their normal work duties or modified duties. The work release must be accepted by the Human Resources Director prior to the employee's return to work.

POLICY 4-5 - MILITARY LEAVE

A military leave of absence will be granted to any employee, except those occupying temporary positions, to attend scheduled drills or training or if called to active duty with the U.S. armed services. Military leave shall be granted in accordance with the provisions of applicable State and Federal law. (i.e., A.R.S. § 26-168, 26-171, 38-610)

SECTION 4-5-1 - NO BREAK IN SERVICE

Active military service of an employee who is restored to employment with the Town of Camp Verde is not a break in service and shall be counted as credited service.

SECTION 4-5-2 - LIMIT OF PAID TIME OFF

Paid time off, in accordance with the law, shall be limited to an equivalent of thirty (30) workdays in a 24-month period. The period of time spent in training or scheduled drills under orders shall not be deducted from the paid vacation leave balance to which the employee is otherwise entitled unless it exceeds thirty workdays.

POLICY 4-6 SPECIAL LEAVE OF ABSENCE

Employees may be granted a special leave of absence as approved by the Town Manager. An employee shall not use a special leave of absence to work for another employer or to pursue self-employment. Leaves are designed to accommodate employees who have critical personal situations only. An employee who fails to return to work on the date specified in the leave request without receiving an extension in advance is considered to have resigned.

SECTION 4-6-1 - SPECIAL LEAVE OF ABSENCE WITH PAY

- A) In some cases, an employee may be granted a special leave with pay in the event the Town Manager or Mayor grants a temporary emergency leave for a natural disaster or other situation that may jeopardize the safety and/or health of employees, such as weather, fire, flood, or pandemic, or in a declared state of emergency, disaster, or grief.
- B) In some instances, it may be necessary to remove an employee from the workplace to allow for an investigation by the Town into matters concerning possible discipline of the employee and/or other Town employee(s). This type of leave is not a disciplinary action, and in general, should not exceed fifteen (15) working days without written approval from the Town Manager or the Town Manager's designee.
- C) The Town Manager, with Council approval, may also approve special leave with pay for an employee for a fixed period of time when such leave is considered by the Town Manager to be beneficial to the Town or in the best interest of the Town.

SECTION 4-6-2 - SPECIAL LEAVE OF ABSENCE WITHOUT PAY

- A) A special leave of absence without pay for a period not to exceed 90 calendar days may be granted by the Town Manager to any full-time employee who has completed one year of employment. The granting of such an extended leave without pay must be for the benefit of the Town and must be approved by the Town Manager after recommendation from the respective Department Head. Such leave may be granted only after accrued vacation leave and compensatory leave has been exhausted.
- B) Under extenuating circumstances, the Town Manager may grant an extension of a leave period upon written request by the employee. Such an extension may not exceed 3 months and will be based on departmental, as well as employee consideration.
- C) Any employee who has been granted leave without pay shall retain his/her original date of hire but shall not accumulate any vacation or paid leave time during the unpaid leave of absence, nor be entitled to holiday pay.
- D) Any employee who is on a leave without pay at the time of his/her performance evaluation anniversary may not be eligible for a regular annual review of job performance nor for an

adjustment in pay until the performance evaluation anniversary immediately following the return to active employment.

- E) Employees on leave without pay may elect to continue group insurance coverage. However, the employee must bear the entire cost of both employee coverage and dependent coverage. Payment must be submitted to the Finance Department by the 10th of each month to ensure continued coverage.
- F) The Town is not obligated to hold the employee's position open while the employee is on leave without pay. The position may be filled on a temporary or regular basis. The employee's right to return to the Town from leave without pay shall depend on the availability of an appropriate position.

POLICY 4-7 - BEREAVEMENT LEAVE

If an employee wishes to take time off due to the death of an immediate family member, the employee should notify his or her supervisor immediately.

SECTION 4-7-1 - APPROVAL

- A) Approval of bereavement leave for up to 3 days shall occur in the absence of unusual operating requirements. A supervisor shall extend the leave up to two additional days if travel outside the state is required.
- B) Any employee may, with the supervisor's approval, use any available paid leave balances for additional time off as necessary.

SECTION 4-7-2 - IMMEDIATE FAMILY DEFINED

The Town of Camp Verde defines "immediate family" as the employee's spouse, parent, child, brother or sister, grandparent, or grandchild; the employee's spouse's parent, child, brother or sister, grandparent, or grandchild; and the child's spouse. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.

POLICY 4-8 - SICK LEAVE

The Town of Camp Verde provides sick leave with pay to eligible employees. Sick leave credit is cumulative with a maximum accumulation of 480 hours.

SECTION 4-8-1 - ELIGIBILITY

In an effort to follow the Fair Wages and Healthy Families Act all employees are entitled to sick leave.

SECTION 4-8-2 - RATE OF ACCUMULATION

Regular full-time employees and employees who are in an initial evaluation period shall accumulate sick leave at a rate of 3.69 hours per pay period, equivalent to 12 days per year. Part-time employees accrue sick leave at the rate of one hour for every 30 hours worked up to 40 in a calendar year. Up to 40 unused, accrued hours will be carried over at the end of the year. Notwithstanding, part-time employees may only use up to 40 hours of paid sick leave per calendar year.

SECTION 4-8-3 - ALLOWABLE USES

- A) Sick leave benefits are intended solely to provide income protection in the event of illness or injury.

Sick leave shall be allowed for:

1. Personal illness, disease, or injury, which renders the employee unable to perform the duties of the position and travel time to and from a physician's office;
2. Surgical, medical, dental, or optical treatments, examinations, or fittings that must be made during working hours; or
3. Illness, injury, examination, or treatment by a health care provider of a member of the employee's immediate family.

- B) The immediate family shall consist of the spouse, children, parents, grandparents, brothers, sisters, or other individuals whose relationship to the employee is that of a dependent.
- C) An employee may be granted use of sick leave to care for an ill or injured immediate family member in compliance with the Family Medical Leave Act.
- D) Sick leave cannot be used to care for well family members.

SECTION 4-8-4 - NOTIFICATION TO SUPERVISOR

- A) Employees who are unable to report to work due to illness or injury shall notify their direct supervisor before the start of their workday or within two hours after the time set for beginning their daily duties.
- B) The direct supervisor must also be contacted on each additional day of absence unless the sick leave is part of the FMLA leave program.
- C) Employees who are unable to report to work to perform assigned duties due to illness are expected to be at home, or in transport to or from a physician's office or medical facility. Employees who fail to comply with this stipulation are subject to disciplinary action.

SECTION 4-8-5 - PHYSICIAN'S VERIFICATION

- A) If an employee is absent for three or more consecutive days due to illness or injury, a physician's statement shall be requested verifying the disability and its beginning and expected ending dates.
- B) Verification may be requested for other sick leave absences as well and may be required as a condition to receiving sick leave benefits and/or to authorize that the employee may safely return to work.
- C) If the evidence of illness provided is determined by the Department Head to be inadequate, the absence may be charged to another category of leave or considered leave without pay.
- D) Physician's or other qualified medical practitioner's verification statements are to be forwarded to the Human Resources Department.

SECTION 4-8-6 - ADDITIONAL CONDITIONS

- A) Sick leave shall not be used in lieu of vacation, nor shall it be used in addition to vacation.
- B) An employee who is absent more than three workdays shall be subject to the Family Medical Leave Act. Department Heads are responsible for ensuring the Human Resources Department is immediately notified of absences of more than three days.

SECTION 4-8-7 - NO SICK LEAVE AVAILABLE

An employee who has a non-work-related illness or injury and has exhausted accumulated sick leave may apply for special leave without pay.

SECTION 4-8-8 - TRANSFER OF HOURS TO VACATION

Sick leave accumulated in excess of 480 hours must be converted on the 15th of December each year to either vacation time or cash value.

- A) If converted to vacation time, the conversion shall be one hour of vacation for every two (2) hours of accumulated sick leave in excess of 480 hours.
- B) If converted to cash value, the conversion rate shall be made at 50% of the employee's current hourly wage multiplied by the number of hours in excess of 480 hours.

SECTION 4-8-9 - TERMINATION OF EMPLOYMENT

- A) At the time of resignation or retirement, an employee in good standing shall receive the cash value of their accumulated sick leave balance as calculated below:

<u>Years of Continuous Service</u>	<u>Payout Percentage</u>
One to less than ten (10) years	10%
Ten (10) to less than fifteen (15) years	25%
Fifteen (15) plus years	50%

- B) Years will be calculated on the employee's Date of Hire/Length of Service Anniversary.
- C) Employees, in good standing, who leave Town employment and become re-employed with the Town within 120 days, will use their original Date of Hire anniversary for calculating years of continuous service.

POLICY 4-9 - SICK LEAVE BANK

The Sick Leave Bank provides a short-term option to alleviate undue hardship to eligible member employees who become unable to work due to a serious personal illness or injury and has exhausted all available paid leave (vacation, sick leave, and compensatory time). This policy is based on compassion and generosity and is meant to promote a spirit of mutual support among employees. Membership in the Sick Leave Bank is voluntary.

SECTION 4-9-1 - DEFINITIONS

- A) **Serious Personal Illness or Injury:** Is an illness or injury as defined by the Family and Medical Leave Act of 1993 that requires an employee to be absent from work for more than (3) three consecutive days.
- B) **Eligible member employee** means all regular employees eligible to accrue sick leave who have enrolled in the Sick Leave Bank after six months of continuous employment.
- C) **Sick Leave Bank** is a common pool of hours to which employees contribute hours on an annual basis to become members.

SECTION 4-9-2 - ELIGIBLE RECIPIENT

- A) A recipient of donated hours must currently be on an approved medical leave of absence without pay and possess a physician's certification specifying that the recipient is not yet able to return to work.
- B) The recipient:
1. Must have exhausted all paid vacation leave, sick leave, and compensatory time from his/her accounts; and
 2. Is absent from work due to a condition that otherwise would meet FMLA standards; and
 3. Is not eligible to receive benefits through an insurance program paid by the Town; and
 4. Is not eligible to receive payments from the retirement system, which he/she is a member; and
 5. Is not eligible to receive payments from Social Security; and
 6. Has elected membership in the Sick Leave Bank.

SECTION 4-9-3 - GENERAL PROVISIONS

- A) The maximum award a Sick Leave Bank member may receive is ~~480~~ 240 hours per year as measured forward from the date of the last request.
- B) The Sick Leave Bank is funded by the annual contribution of sick leave hours from each participating member. The amount of the contribution required is:
1. Full-time (30 – 40 hours a week) employees donating eight (8) hours of sick leave annually.
 2. Sick Leave Bank donations are deducted and credited to the Bank following each open enrollment period.
- ~~C)~~ Requests for Sick Leave Bank hours shall be made through the Department Head with the Human Resource Department, administration of these provisions shall be done by the Town Manager.
- ~~C/D)~~ Sick Leave Bank hours are intended to support employees in their recovery and return to work. Once it is determined that an employee will not be returning, Sick Leave Bank hours will no longer be available.

Commented [JK2]: This change is necessary to resolve the depletion of the Sick Leave Bank due to high usage.

POLICY 4-10 - VACATION LEAVE

Vacation leave is available to eligible employees to provide opportunities for rest, relaxation, and personal pursuits.

SECTION 4-10-1 - ELIGIBILITY

Employees in the following employment classification are eligible to earn vacation leave as described in this policy:

- A) Regular full-time employees
- B) Employees who are in an initial evaluation period.

SECTION 4-10-2 - BENEFIT YEAR

- A) The length of eligible service is calculated on the basis of a "benefit year." This is the 12-month period that begins when an employee starts to earn vacation leave.
- B) The benefit year for all eligible employees begins on the employee's effective date of hire.
- C) An employee benefit year may be extended for any significant leave of absence except military leave of absence.
- D) Once employees enter an eligible employment classification, they begin to earn paid vacation time according to the schedule.
- E) During the initial evaluation period employees can request use of vacation leave to the extent of available balance.

SECTION 4-10-3 - RATE OF ACCUMULATION

- A) The amount of paid vacation time employees receive each year increases with the length of their employment as shown on the following charts:

1. Eligible nonexempt employees:

<u>Years of Service</u>	<u>Annual Vacation Accrual</u>	<u>Per Pay Period</u>
Less than 1 to less than 5	80 hours	3.08 hours
5 to less than 10	104 hours	4.00 hours
10 or more to less than 15	120 hours	4.62 hours
15 or more	160 hours	6.15 hours

2. Eligible exempt employees:

<u>Years of Service</u>	<u>Annual Vacation Accrual</u>	<u>Per Pay Period</u>
Less than 1 to less than 5	120 hours	4.62 hours
5 to less than 10	144 hours	5.54 hours
10 or more	160 hours	6.15 hours

- B) The maximum allowed accrued vacation time will be equal to double (x2) the employee's annual accrual based on years of service. Accrual will not continue if the employee is over maximum allowed.
- C) Vacation leave will not accumulate while an employee is on leave of absence without pay.
- D) Employees in good standing who leave Town employment and become re-employed with the Town within 120 days will use their original Date of Hire anniversary for calculating years of service.
- E) A Exempt positions, at the discretion of the Town Manager, may be given years of service credit, not to exceed twelve (12) years, only for the purpose of accruing the proper level of leave commensurate with experience upon hire.

SECTION 4-10-4 - REQUEST FOR LEAVE

- A) Paid vacation time can be used in minimum increments. Employees are encouraged to use five consecutive workdays (40 consecutive hours) of paid vacation time each year for rest, relaxation, and personal pursuits.

- B) To take vacation, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including Town needs and staffing requirements.

SECTION 4-10-5 - TERMINATION OF EMPLOYMENT

Upon termination, employees will be paid for unused vacation time that has been earned through the last day of work at their prevailing rate.

POLICY 4-11 - CIVIC DUTY

The Town of Camp Verde encourages employees to fulfill their civic responsibilities as citizens. In accordance with Arizona Revised Statutes, the periods of civic duty absence will be with pay and related benefits while serving on a jury, responding to a subpoena to appear as a witness or voting, according to the provisions below.

SECTION 4-11-1 - JURY DUTY

- A) The Town of Camp Verde encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees in an eligible classification may request up to 10 days of paid jury leave over a one-year period. Employee classifications that qualify for paid jury duty leave are:
1. Regular full-time employees
 2. Employees who are in an initial evaluation period
- B) Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence.
- C) Employees summoned to jury duty shall be paid their regular salary, provided they submit their jury duty fee amounts to the Finance Department.
- D) Mileage and per diem amounts may be kept by the employee.
- E) If employees are required to serve beyond the period of paid jury duty leave, they may use any available paid leave balances (i.e., vacation, comp time) or may request an unpaid jury duty special leave of absence.
- F) Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence.
- G) Employees are expected to report to work whenever the court schedule permits.
- H) Either the Town of Camp Verde or the employee may request an excuse or postponement from jury duty if, in the Town's judgment, the employee's absence would create serious operational difficulties.

SECTION 4-11-2 - WITNESS DUTY

The Town of Camp Verde encourages employees to appear in court for witness duty when subpoenaed to do so.

- A) If employees have been subpoenaed or otherwise requested to testify as witnesses, they will be granted a maximum of 40 hours of paid time off per instance to appear in court.

- B) Employees will be paid at their base rate and are free to use any remaining paid leave benefits (i.e. vacation, comp time) to receive compensation for any period of witness duty absence that would otherwise be unpaid.
- C) The subpoena should be shown to the employee's supervisor immediately after it is received so that operating requirements can be adjusted, where necessary, to accommodate the employee's absence.
- D) The employee is expected to report for work whenever the court schedule permits.
- E) Time spent in court on personal matters will not be paid.

SECTION 4-11-3 - VOTING

Every employee is encouraged to exercise the right to vote in all public elections. Any employee eligible and registered to vote in any public election held within this state may request time off for voting.

- A) The employee may be absent for three hours with pay on the day of the election for the purpose of voting after notifying his/her supervisor or Department Head.
- B) The Department Head may specify the hours during which the employee may be absent for the purpose of voting. Before leaving their assigned duties or workplace, the employee shall notify his/her supervisor or department Head that they are leaving for the purpose of voting.
- C) An employee may be required to provide evidence of eligibility to vote prior to approval for time off.

POLICY 4-12 - GROUP BENEFITS

The Town of Camp Verde provides group benefits coverage, which may change from time to time for eligible employees. The Town contributes toward all mandated programs such as Social Security, Worker's Compensation, Unemployment Insurance, etc. The Human Resources Department is responsible for the implementation and administration of all group insurance plans.

SECTION 4-12-1 - ELIGIBILITY

- A) Regular employees of the Town are generally eligible for coverage under all of the Town's benefit programs, depending upon the restrictions and limitations of a particular benefit plan.
- B) Where applicable, the employee may elect to cover dependents under these programs in accordance with current contract requirements and rate schedules. Normal eligibility rules must be met.
- C) Other employment classifications are not eligible for benefit coverage except as specifically provided for in a particular benefit plan.

SECTION 4-12-2 - GROUP INSURANCE COVERAGE

The Town contributes to the cost of providing group insurance coverage for full-time employees who participate in the group insurance programs offered by the Town, depending upon the restrictions and limitations of the particular benefit plan.

SECTION 4-12-3 - VOLUNTARY BENEFITS

Voluntary benefits such as benefits for dependents, supplemental health benefits and additional employee-related benefits are offered by the Town through the Human Resources Department, depending upon the limitations and restrictions of the particular plan. Voluntary benefits are offered at the discretion of the Town Manager. Voluntary benefits are fully paid by the employee.

SECTION 4-12-4 - RETIREMENT PLAN

- A) Employees whose normal workweek is 20 hours or more and who have met the eligibility requirement of the retirement plan are required to participate in a retirement plan offered by the Town.
 - 1. Certified police personnel participate in the Public Safety Personnel Retirement System (PSPRS).
 - 2. All other eligible employees participate in the Arizona State Retirement System (ASRS).
- B) Retirement benefits accumulate from both employee and employer contributions. Contributions to the retirement system are mandatory for eligible positions and are deducted from the employee's salary each payroll period.
- C) Employees are vested in accordance with the retirement plan in which they are enrolled.
- D) If an employee terminates service without retiring, accumulated vested contributions, with earned interest, are refundable upon request.
- E) Employees that are retired through the Public Safety Retirement System and therefore, ineligible to participate in the ASRS or PSPRS, the Town will match up to 3% of gross wages for alternate retirement plans.

SECTION 4-12-5 - EMPLOYEE ASSISTANCE PROGRAM

- A) The Town provides an employee assistance program (EAP) to all full-time employees.
- B) When an employee voluntarily seeks assistance from the EAP, confidentiality is maintained. The Town will not be informed that help has been sought unless the employee requests that the information be released.
- C) When stress or personal problems interfere with job performance, the Town will encourage and may require participation in the EAP to deal with job-related performance issues. When participation is required, confidentiality is maintained. The EAP will only verify that the employee has participated as required.
- D) Use of the EAP may be a condition of continued employment if the Town's drug and alcohol abuse policy is violated or at the discretion of the supervisor.
- E) No employee will have his or her employment or promotional opportunities jeopardized solely by participating in the EAP, nor will participation in the EAP protect the employee from disciplinary action for substandard performance.

SECTION 4-12-6 – TRAUMATIC EVENT COUNSELING FOR PUBLIC SAFETY EMPLOYEES

- A) The purpose of this benefit is to meet the requirements of A.R.S. §38-672 and §38-673 to provide up to twelve visits of licensed counseling to certified peace officers and police dispatchers who are exposed to certain events, as described below, while in the course of duty:
1. Visually (or audibly) witnessing the death or maiming or visually (or audibly) witnessing the immediate aftermath of such a death or maiming of one or more human beings.
 2. Responding to or being directly involved in a criminal investigation of an offense involving a dangerous crime against children as defined in section A.R.S. §13-705.
 3. Requiring rescue in the line of duty where one's life was endangered.
 4. Using deadly force or being subjected to deadly force in the line of duty, regardless of whether the peace officer was physically injured.
 5. Witnessing the death of another peace officer while engaged in the line of duty.
 6. Responding to or being directly involved in an investigation regarding the drowning or near drowning of a child.
- B) If the licensed mental health professional determines that the certified peace officer and/or police dispatcher needs additional visits of licensed counseling beyond that which the certified peace officer and/or police dispatcher are entitled to (12 visits) and that the additional visits are likely to improve the certified peace officer's and police dispatcher's condition, upon receiving a written recommendation including supporting evidence from the licensed mental health professional, the Town shall pay for up to an additional twenty-four (24) visits if the visit(s) occur within one (1) year after the first visit pursuant to this section.
- C) If the employee leaves work to attend a treatment visit, they will be paid regular wages instead of using paid time off. Time off work for appointments and/or time off work during a no-work status may run concurrent with FMLA (Family Medical Leave Act).

POLICY 4-13 – SUPPLEMENTAL BENEFITS PLAN FOR PUBLIC SAFETY EMPLOYEES

The purpose of this Supplemental Benefits Plan for Public Safety Employees ("SBP" or "plan") is to meet the requirements of A.R.S. §38-961 and provide additional economic benefits to police employees who are injured and eligible for a specific category of workers' compensation benefits.

SECTION 4-13-1 - ELIGIBILITY

The Town has discretion to determine the eligibility of an employee to participate or continue in this plan. To be eligible for supplemental benefits under this plan initially and to continue in the plan as described in this policy, the employee must meet all of the following criteria:

- A) Be a police officer employed full-time by the Town at the time of injury.
- B) Be injured and eligible for workers' compensation benefits pursuant.
- C) Be receiving workers' compensation lost-time wage replacement benefits.
- D) Follow all other procedures for requesting benefits as outlined in this policy or related documents.
- E) Participate in all risk management activities related to his or her workers' compensation injury.
- F) Be physically unable to return to work for the Town in any capacity, including alternative work assignments or light duty, as determined by the Town and as supported by the employee's physician or an independent medical exam (IME) ordered by the Town directly or through its workers' compensation insurance provider. The employee's inability to work in a capacity assigned by the Town, including inability to work light duty assignments, must be supported by appropriate medical documentation in order for the employee to remain eligible under this supplemental benefits plan.

- G) Remain a Town full-time employee during the time period the employee is receiving the supplemental benefits.

SECTION 4-13-2 – PLAN DESCRIPTION

All benefits under this plan will be provided while the employee meets all eligibility criteria, for a period up to six months from the date the employee receives first payment of workers' compensation lost-time wage replacement benefits pursuant to A.R.S. § 23-1041.

- A) Payment by the Town of the difference in salary between the employee's base pre-injury salary, less taxes and the workers' compensation benefit paid to the employee, and any other voluntary deductions on the part of the employee.
- B) Continued payment of the Town's employer portion of premium for health care benefits as was paid pre-injury and/or as is paid for other similarly enrolled employees. The employee remains responsible for paying the same portion of his/her health care benefits as was paid pre-injury and/or as is paid by similarly enrolled employees.
- C) Payment by the Town of both employer and employee contributions to the Public Safety Personnel Retirement System as based on the employee's pre-injury salary.
- D) Credit for service in the Public Safety Personnel Retirement System at the same accrual rate as pre-injury.
- E) Maintenance of accrued Town leave balances at pre-injury level, including sick and vacation leave, and/or PTO.

To the extent the employee is eligible for and receives salary or benefit changes while receiving benefits under this plan, the plan benefits will be adjusted accordingly. If all employees are provided automatic salary adjustments as part of an annual process, the employee will receive benefits under this plan based on his/her new adjusted salary as he/she would receive if not injured. Such adjustments may or may not benefit the employee. If during the benefit period under this plan the Town changes employer health care benefits contributions, the employee may be required to pay additional premiums as would any other similarly situated employee.

SECTION 4-13-3 – PROCEDURE

The Town Manager's Office will receive all requests for plan benefits, in writing from the employee outlining the request and any relevant information needed for decision making by the Town. Such requests must be made within 30 days of the employee's receipt of his or her first lost-time wage replacement benefit paid under workers' compensation. The Town Manager's Office will provide the request to the employer-designated SBP administrator. Failure to make a request within the timeframe established herein shall be construed as a waiver of any rights under A.R.S. §38-961.

- A) The Town SBP administrator will review the written request, the circumstances surrounding the injury, employee eligibility for workers' compensation, and any other relevant factors. Within 30 days of receipt of request for benefits under this plan, the SBP administrator shall provide the employee with written determination of benefits eligibility under this plan.
- B) Supplemental benefits under the plan will be provided from the date of an employee's injury for a period not to exceed six months, as long as the employee continues to meet all eligibility criteria.
- C) Employees granted benefits under this plan will cooperate fully with the Town, SBP administrator, and others working to coordinate benefits.
- D) The employee's Town leave accounts will be frozen as of date of injury until conclusion of

participation in the plan.

E) If an employee is denied participation in the plan for any reason, he or she has a right to appeal such denial. The process for doing so is, exclusively, the following:

1. Within ten (10) working days from receipt of denial letter file a written appeal with the Town Manager stating the reason for the appeal and facts that the employee wishes to have considered.
2. Within five (5) working days the Town Manager will render a written opinion affirming or denying eligibility based upon the information provided.
3. If the Town Manager is also the SPB administrator, the appeals process shall be to the Town Council. Under such provision, the Town Council shall have up to thirty (30) days to render a written opinion.

CHAPTER 5

WORK RULES

POLICY 5-1 - HOURS OF WORK

An employee is expected to work the days and hours necessary to perform all assigned responsibilities and tasks in order to provide continuity in access by and service to the citizenry and facilitation of teamwork and supervisory assistance. Attendance shall be a consideration in determining promotions, transfers, satisfactory completion of evaluation periods and continued employment with the Town.

SECTION 5-1-1 - NORMAL WORK WEEK AND WORK HOURS

- A) The basic work week is generally 40 hours of work pursuant to the Town Code. This begins for most employees at 12:01 AM Sunday and ends at 12:00 midnight on Saturday.
- B) Modifications to the workweek and work schedule may be made by the Department Head to provide essential Town services, subject to any federal and State statutory or constitutional limitations relating to hours of work.

SECTION 5-1-2 - ABSENCES AND TARDINESS

- A) Advanced notice of absence is expected; notice of unavoidable absences is expected within one-half hour of the beginning of duty or as soon as possible if the employee is physically unable to notify his or her supervisor or Department.
- B) Advanced notice of anticipated tardiness is expected; notice of unavoidable tardiness is expected as soon as possible. Tardiness must be made up during the pay period in which it occurs.
- C) Notification of an absence or tardiness by another employee, friend, or relative is not considered proper except in an emergency situation where the employee is physically unable to make the notification.
- D) Poor attendance and frequent tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

POLICY 5-2 - PERSONNEL FILES

The Town maintains a personnel file on each employee. The personnel file contains documentation regarding all aspects of the employee's tenure with the Town, such as performance appraisals, beneficiary designation forms, disciplinary action notices and employment history. Employees may review their personnel files at reasonable intervals during normal business hours in the presence of Human Resources staff.

SECTION 5-2-1 - ACCESS TO OFFICIAL PERSONNEL FILE

Access to information in an employee's personnel file is confidential to the extent permitted by federal and state law. During the normal course of employment, the following individuals are authorized to review an employee's personnel file: The Town Manager, Department Head, immediate supervisor, the employee, Town Attorney (or his/her designee) or a state or federal enforcement employee conducting an official investigation.

SECTION 5-2-2 - UPDATING PERSONNEL RECORDS

- A) Department Heads are responsible for forwarding documents for inclusion in the personnel files of those employees assigned to their department.
- B) To ensure that personnel files are up to date at all times, employees should notify their supervisor or Human Resources staff of any changes in name, telephone number, home address, marital status, number of dependents, beneficiary designation, scholastic achievements, the individuals to notify in case of an emergency and so forth.
- C) Each employee may inspect audit or copy, his or her personnel file to ensure accuracy and completeness of the file. A Human Resources representative must be present when a file is reviewed or copied.
- D) The following portions of the employee's personnel file are matters of public record: Name of the employee, date of employment, current and previous duties and dates received, name, location, and dates of previous assignments, current and previous salaries, and dates of each change, and the name of the employee's current or last known supervisor. It is recognized that personal privacy is an exception to the public records disclosure requirements. Private sensitive information that is not freely available to the public and encompasses the individual's control of information concerning his/ her person such as social security numbers, personal addresses and personal phone numbers, birth dates, emergency point of contact, tax information, bank account information.
- E) Personnel records do not include records of an individual relating to the conviction, arrest or investigation of conduct constituting a violation of criminal laws of this State or another state or the United States, confidential reports from previous employers or records maintained in compliance with Arizona Revised Statutes (consent of, access to, and control of personnel records).

SECTION 5-2-3 - MAINTENANCE OF PERSONNEL FILES

- A) The Human Resources Director is responsible for maintaining personnel files and must approve materials for inclusion in a file.
- B) An employee may submit a written statement for inclusion in his/her personnel file if he or she believes that any of the included materials requires correction and/or clarification.
- C) Items not included in the official personnel file may not be used for either promotional or disciplinary proceedings unless the employee falsified a time sheet or other information.

SECTION 5-2-4 - RECORDS RETENTION

- A) An employee's personnel file will be retained during the tenure of the employee and for a minimum of 3 years after the employee's employment with the Town has terminated unless a longer period is required by law. During this retention period, nothing will be removed from the personnel file.
- B) Name, position, the date of hire, and the date of termination will be retained indefinitely.

SECTION 5-2-5 - RECORDS RELEASE

- A) Human Resources treats as confidential all employee information except when requested to verify information relating to job title, department, base salary, and dates of employment.

- B) Other information contained in the personnel file will be released with express written permission of the employee or to the extent allowed by law.

POLICY 5-3 PERSONAL APPEARANCE

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the organizational image the Town of Camp Verde presents to the general public. During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Department Heads are responsible for determining and enforcing the dress code for their respective areas of responsibility.

SECTION 5-3-1 - ACCEPTABLE ATTIRE

Because of the changing nature of fashion, regulations pertaining to acceptable employee attire and grooming are flexible. There are, however, certain expected norms of professional appearance, of personal neatness, cleanliness, and good grooming that are applicable to all employees.

SECTION 5-3-2 - UNACCEPTABLE ATTIRE

- A) Extravagance and extremes of style and attire are not in good taste in a public service environment. The Town of Camp Verde reserves the right to advise any employee at any time that his or her grooming, attire, or appearance is unacceptable.
- B) After having been advised, the employee will be expected to comply with the suggested change. Failure to do so will result in the employee's suspension without pay until corrective action by the employee is taken.
- C) Repeated lack of compliance may result in further disciplinary action, up to and including discharge.

SECTION 5-3-3 - UNIFORMS

- A) Employees who are required to wear a uniform of any type in the performance of their duties will either be provided such uniforms by the Town or provided with a uniform allowance.
- B) Uniforms that are provided by the Town become the property of the employee during the employment service to the Town.
- C) Laundering, cleaning, and general upkeep of uniforms is the responsibility of each employee.
- D) Employees should be aware that furnishing of uniforms and maintenance or replacement allowance, if any, might under certain circumstances, be considered a taxable benefit.

POLICY 5-4 MAIL, ELECTRONIC MAIL, COMPUTER, AND ONLINE SERVICES USAGE

SECTION 5-4-1 - CONDITIONS OF EMPLOYMENT

As a condition of employment and continued employment, employees agree as follows:

- A) All electronic storage and communication systems and all information transmitted by, received from or stored in these systems are the property of the Town;

- B) These systems are to be used solely for job related purposes and not for personal purposes;
- C) Employees have no expectation of privacy in connection with the use of this equipment or with the transmission, receipt, or storage of information in the equipment;
- D) The Town may monitor an employee's use of this equipment at any time at its discretion, which may include printing and reading all e-mails entering, leaving, or stored in these systems, as well as listening to any voice mail messages;
- E) No employee will use a pass code or voice mail access code that is unknown to the Town or that is not expressly authorized; and
- F) To obtain approval for, and have virus-scanned, all outside files prior to loading such files in the Town's computer system.

Mail received or distributed at the Town is the property of the Town. The Town may monitor, open, and review all mail at any time at its discretion.

SECTION 5-4-2 – SOFTWARE COPYRIGHT

The Town purchases and licenses various computer software for business purposes and does not own the copyright to this software or its related documentation. Employees may not reproduce such software or use it on more than one computer unless authorized to do so by the software license agreement. Employees with questions or concerns regarding the use of software or its related documentation should contact their Department Head.

SECTION 5-4-3 - PROHIBITED USE

Improper use of the Town's electronic storage and communications equipment is strictly prohibited. This includes, without limitation, transmission or reception of any material in violation of federal, state, or local law or regulation (including copyright material, threatening or obscene material or material that is trade secret or confidential); using the Town's equipment or resources for commercial activities, religious, or political causes, outside organizations, games, multimedia, or other non-employment related matters; and transmitting offensive jokes, sexually explicit messages, chain letters, or material that is otherwise disruptive to the orderly operation of the Town.

SECTION 5-4-4 - PASSWORDS

Employees should remember that log-on and other passwords should not be shared with anyone else, unless an authorized town official requests such information. Failure to cooperate with an authorized Town official in any investigation involving the Town's electronic communications system is a violation of the policy and shall result in discipline, up to and including termination of employment.

SECTION 5-4-5 - CONSEQUENCES OF PROHIBITED USE

Any violation of this policy shall result in disciplinary action, up to and including termination of employment.

POLICY 5-5 - DISCIPLINARY SYSTEM

Effective discipline is a positive process when its purpose is to train or develop by instruction. Whenever appropriate, training is encouraged as a means of improving employee productivity and effectiveness through positive and constructive methods. However, improper employee conduct shall be considered good cause for disciplinary action.

Each supervisor shall have the responsibility and authority, with approval of the Department Head, to administer appropriate discipline to his/her subordinates using a positive progressive discipline process as a corrective measure.

SECTION 5-5-1 - DISCIPLINE PROCESS

- A) In general, the concept of progressive discipline means that a series of increasingly severe disciplinary actions will be administered to correct employee behavior or performance.
- B) This shall only be a guideline for supervisors, however. Not all discipline will begin with counseling or reprimands.
- C) The totality of the circumstances will dictate the appropriate level of discipline for each incident. Review of the particular facts and circumstances, such as the severity of the offense or an employee's disciplinary history, regardless of whether for the same offense, may indicate that more severe disciplinary measures, up to and including immediate termination, are appropriate.
- D) Whether or not the procedures are followed, all employees are subject to discharge when, in the sole opinion of the management, an employee's job performance or conduct threatens the wellbeing of the Town, its employees or its citizens.

SECTION 5-5-2 - DEFINITIONS

- A) Employee: Includes all Town employees of any status or classification, except elected officials.
- B) Initial evaluation employee: new employee whose continued regular employment depends upon the successful completion of an initial evaluation period. An employee may be terminated at any time with or without cause during the initial evaluation period.
- C) Notice of proposed disciplinary action: A written five (5) day advanced notice given to an employee documenting the proposed disciplinary action and the proposed effective date.
- D) Pre-action meeting: A meeting with the employee, the employee's representative, if desired, and the Department Head where the employee may present reasons in writing or orally as to why the proposed disciplinary action should not be taken.
- E) Progressive Discipline: A series of increasingly severe disciplinary actions, ranging from oral counseling to discharge.
- F) Termination: Used interchangeably with the word "discharge," meaning dismissal from employment. This does not include a layoff.

SECTION 5-5-3 - GROUNDS FOR DISCIPLINARY ACTION

- A) Discharge may occur as the result of a single serious infraction that warrants immediate dismissal, including but not limited to:
 - 1. Dishonesty, including intentionally giving false information, intentionally falsifying records or making false statements when applying for employment, lying to supervisors in connection with the employee's job; falsifying time sheets for payroll.

2. Discrimination or failure to abide by Equal Employment Opportunity regulations, including sexual or other harassment of a protected class.
3. Reporting to work under the influence of intoxicants or nonprescription/illegal drugs or using such substances while on Town property.
4. Theft or removal of Town money, merchandise, or property, including property in custody of the Town without permission.
5. Possession of firearms, other weapons or explosives not authorized by the Town in Town facilities or while on Town business.
6. Conviction of a felony or gross misdemeanor.
7. Other reasons deemed valid by Town officials.

- B) Other grounds for disciplinary actions, up to and including discharge, include but are not necessarily limited to the following:
1. Being absent from work without permission or failure to report to the supervisor or Department when one is absent;
 2. Being habitually absent or tardy for any reason;
 3. Failure to follow the orders of one's supervisor(s);
 4. Inability or unwillingness to perform the assigned job; failure to perform assigned work in an efficient or effective manner;
 5. Participation in prohibited political activities;
 6. Acceptance of fees, gifts, or other valuable items in the performance of the employee's official duties for the Town;
 7. Any action, on or off the job, bringing discredit to the Town;
 8. Violations of any of the Town policies, Town ordinances, State or federal law;
 9. Violating safety rules and regulations; being wasteful of material, property or working time; failure to observe security or safety procedures;
 10. Two written reprimands or other disciplinary actions in 24 consecutive months;
 11. Inability to get along with fellow employees so that the work being done is hindered and not up to required levels; speaking critically or making derogatory or false accusations so as to discredit other employees or supervisors;
 12. The use of profanity or abusive language towards a fellow employee or member of the general public while performing official duties as a Town employee;

13. Abuse of sick leave privileges by reporting sick when not sick or obtaining sick leave pay falsely or under false pretenses;
14. Divulging or misusing confidential information, including removal from Town premises without proper authorization any employee lists, records, designs, drawings, or confidential information of any type;
15. Improper use of the Town's electronic storage and communications equipment, including without limitation the transmission or reception of any material in violation of federal, state, or local law or regulation or use for non-employment related matters;
16. Such other act, error or omission detrimental to the mission of the Town;
17. Other reasons deemed valid by Town officials.

SECTION 5-5-4 - TYPES OF DISCIPLINARY ACTION

- A) Oral Warning or Counseling: A verbal notice to the employee discussing a problem of relatively minor degree of the employee's performance. The oral warning or counseling shall be given in private. The supervisor shall inform the employee that the supervisor is issuing an oral warning, that the employee is being given an opportunity to correct the condition, and if the condition is not corrected, the person will be subject to more severe disciplinary action. A written notation of the warning is to be included in the employee's personnel file after acknowledgement by the employee (See 5-5-4. B.3).
- B) Written Reprimand:
 1. A written reprimand is issued if the initial measure of oral warning is not sufficient or if the infraction is severe enough to warrant a written reprimand in the employee's personnel file.
 2. Written reprimand notices must be issued within ten days after the occurrence of the violation claimed by the supervisor or ten days after completion of an administrative investigation. The contents of this notice will be explained to the employee in an interview.
 3. The original will be signed by the employee and placed in the employee's personnel file. If the employee refuses to sign the acknowledgement, then the supervisor and one other witness shall note on the reprimand that the employee received a copy and refused to sign it.
 4. A copy will be given to the employee and included in the employee's department file.
- C) Suspension with Pay: A suspension with pay is involuntary time off without loss of pay as a result of a severe infraction of policies or for repeated violation. For minor infractions, a suspension may often be given after the employee has received a written warning.
 1. Employee Decision-Making Suspension: The employee shall be instructed to decide during this "decision-making" suspension if he or she will commit to the correction of each performance deficiency and meet the Town's expected standards. Upon return to work, the employee will be required to submit, in writing, to the Department Head if and how he/she intends to meet the expected standards or has decided to leave the Town's employment. This type of suspension will not exceed one working day.
 2. Town Investigative Suspension: This action may be used to remove an employee from the

work site in order to allow for an investigation by the Town of behavior that is suspected of being illegal, that is not in the best interests of the Town, or that places other employees or citizens in jeopardy.

- a) If charges are substantiated, disciplinary action will be taken in accordance with the nature of the offense and may include recovery of salary and benefits paid during the suspension.
 - b) If charges are unfounded, the employee will be restored to duty and a letter of exoneration will be placed in the employee's official personnel file.
 - c) This type of suspension is normally paid and shall ordinarily not exceed 21 calendar days. The Town Manager, however, may authorize an extension when a comprehensive investigation will require more time to reach a conclusion.
- D) Suspension without Pay: Suspension without pay is involuntary time off with loss of pay. This type of action may be taken when the offense is of a serious enough nature to warrant discharge but when circumstances related to an employee's overall performance would not warrant immediate discharge. The length of suspension should not exceed 15 working days. The number of days of suspension, whether a specific number of days or indefinitely, will depend on the severity of the infraction.
- E) Involuntary Demotion: An involuntary demotion consists of a reassignment to a lower position classification. This type of action may be taken for serious improper conduct and/or consistent inability to meet job performance expectations. Generally, it will occur in a situation in which it is determined the employee is either unwilling or unable to perform his or her responsibilities of that position. Demotion is not a substitute for dismissal when dismissal is warranted. Employees who are returned to their previous assignments before completing a promotion evaluation period are not considered to have been involuntarily demoted.
- F) Discharge:
1. Discharge is the involuntary, permanent removal or termination of an employee from employment. Immediate removal of an employee from the job site pending review for discharge may be warranted in instances involving serious insubordination; theft; serious, illegal, or destructive acts while on the job; or other substantial reasons deemed appropriate by the Town Manager. An employee may also be discharged after repeated offenses of a less serious nature if the supervisor has documented the offenses and appropriate performance-related changes have not resulted from previous progressive disciplinary action. This does not include a layoff.
 2. During the initial evaluation period, employees may be terminated at any time with or without cause and without the right of appeal. Written notification of dismissal shall be signed by the employee who has not completed the initial evaluation period and placed in the employee's personnel file, with a copy given to the employee. The dismissal of such employees requires the concurrence of the Department Head, the Human Resources Director, and the Town Manager.

SECTION 5-5-5 - NOTICE TO EMPLOYEE

An employee who has completed the initial evaluation period shall receive a 5-day written notice of intent whenever the Town intends to take a disciplinary action resulting in termination, reduction in pay, demotion, or suspension without pay. Notice under this section is not required for layoffs, assignments, transfers, or reassignments, including those to or from lead positions. The notice will generally provide the following

information:

- A) Notice of the intended disciplinary action and the proposed date of implementation.
- B) The reasons for the action.
- C) The date and time, not more than 3-days after the notice is given to the employee, of a pre-action meeting with the Department Head (or his or her designee), for the employee to present reasons in writing or orally as to why the proposed disciplinary action should not be taken.
 - 1. The affected employee may have a non-attorney co-worker of the employee's choosing present during the pre-action meeting. The co-worker may not speak on behalf of the employee but may advise the employee during the meeting.
 - 2. Any relevant information presented by the employee regarding the proposed disciplinary action shall be considered.
- D) Failure by the employee either to attend the pre-action meeting or to timely submit reasons in writing why the proposed disciplinary action should not be taken will be deemed a waiver of the employee's right to do so and the proposed disciplinary action will be implemented as written.

POLICY 5-6 PERSONNEL ACTION REVIEW PROCEDURES

SECTION 5-6-1 - PURPOSE

The Town of Camp Verde provides personnel action review procedures as a means to:

- A) Ensure all employees fair and equitable treatment;
- B) Promote harmonious relations among employees, supervisors, and managers;
- C) Encourage the settlement of disagreements informally at the employee-supervisor level;
- D) Provide an orderly procedure to handle disagreements through the various supervisory levels when necessary;
- E) Resolve grievances as quickly as possible.

SECTION 5-6-2 - SOLE REMEDY

Policy 5-6 is the sole and exclusive internal remedy available to employees for resolving disputes arising from Town employment.

SECTION 5-6-3 - INFORMAL PERSONNEL ACTION REVIEW PROCEDURES

- A) An employee who has a problem or complaint, which does not qualify as a reviewable issue as defined below, should promptly inform, and discuss it with his or her immediate supervisor, endeavoring to resolve the matter expeditiously and informally at the employee-supervisor level.
- B) If informal discussion does not resolve the problem or complaint to the employee's satisfaction, the employee should discuss it with his or her supervisor's immediate supervisor, if any, the Department Head, the Human Resources Director, or the Town Manager or designee.
- C) Every effort should be made to find an acceptable solution by informal means at the lowest level of

supervision.

SECTION 5-6-4 - FORMAL PERSONNEL ACTION REVIEW

Except where formal review of the employment matter is not authorized by these procedures, any regular employee, not appointed by the Town Council, may file a request for formal review of an employment action involving termination, reduction in pay, involuntary demotion, or suspension without pay in accordance with the Formal Personnel Review Procedures set forth in Section 5-6-7. The employee may also file a request for formal review of an employment action involving Written Reprimand up to and including steps through Section 5-6-7 (c).

SECTION 5-6-5 - EMPLOYMENT MATTERS NOT SUBJECT TO REVIEW

The following employment matters are not subject to formal review:

- A) Placement of an employee in, or the content or structure of, the Town's Classification Plan;
- B) Placement of an employee in, or the content or structure of, the Town's Salary Plan;
- C) The content or structure of the Town's benefits programs;
- D) An employee's performance evaluation;
- E) Extension of an evaluation period;
- F) Assignments, transfers, or reassignments, including those to or from lead positions or special positions.
- G) Municipal finance or budgetary issues; and
- H) Layoffs;
- I) Oral warning or counseling.

SECTION 5-6-6 MISCELLANEOUS RULES

- A) Employees who have not completed an initial evaluation period with the Town are not permitted to use the formal personnel action review procedures.
- B) After an issue has been initially presented for review, an employee may not add new allegations at a subsequent step.
- C) Time limits provided in these procedures may be extended to a date assured by mutual written agreement of the Town and the appealing employee.
- D) An employee's failure to file a timely appeal in writing to the next step in the process will constitute a waiver, and the decision shall be final, binding and not subject to further review.
- E) Meetings held under these procedures shall be conducted at a mutually agreed upon time and place that affords a fair and reasonable opportunity for all persons entitled to be present to attend.
- F) No discipline, retaliation, or threats of retaliation shall be taken against any employee, representative, witness, or other participant, whether testifying or not, in these personnel action

review procedures by reason of such participation.

- G) All information obtained during the processing of a request for personnel action review will be maintained confidentially to the extent permitted by state law.
- H) Employees may have an observer present at any interview in the process. The observer may not participate in the interview; rather, the observer may merely attend and watch the interview.
- I) If the observer is a Town employee, the time spent attending the interview shall be counted as time worked for pay and benefit purposes.
- J) During any interview in the process, the employee seeking review shall be permitted to take reasonable breaks of limited duration to consult with any other person.
- K) For pay and benefit purposes, time spent by employees in discussions with management or in testifying before a "Hearing Officer" is considered time worked.
- L) Employment matters subject to review may be resolved or settled at any step in the process. Such matters will be processed until: (a) the employee is satisfied; (b) the employee does not file a timely appeal (as defined by the formal steps); or (c) a decision has been made in the final step.
- M) All employment decisions (and resulting wage and/or benefit losses flowing from them) are effective when made by the Department Head. Upon reversal of the decision at any step in the review process, the successful employee may recover any such wage and/or benefit losses previously incurred.

SECTION 5-6-7 – FORMAL PERSONNEL ACTION REVIEW PROCEDURE STEPS

- A) Step One: Appeal to Department Head
 1. Within five business days of the time the employee receives written notification of an employment matter that is subject to review, the employee must file a request for formal personnel action review with the Town's Human Resources Department on a form provided by the Town.
 2. The Department Head (or in the Department Head's absence, the person designated to act on the Department Head's behalf) shall investigate the issue, attempt to resolve it, and give a written decision to the employee within ten business days of having received the employee's request for formal personnel action review from the Town's Human Resources Department.
 3. If the issue involves the employee's Department Head, the Human Resources Department shall give the request for formal personnel action review to the Town Manager who shall proceed as stated in Step Two.
- B) Step Two: Appeal to Town Manager
 1. If the employee is not satisfied with the Department Head's decision or if no decision has been rendered within ten business days after submission to the Department Head, the employee may appeal the decision to the Town Manager.
 2. The appeal must be submitted in writing to the Human Resources Department within ten business days after delivery to the employee of the decision (Step Two) being appealed.

3. The Town Manager will review the appeal and communicate a decision in writing to all concerned parties within ten business days of having received the employee's written notice of appeal from the Human Resources Department.
 4. The Town Manager may delegate the duties under Step Two.
- C) Step Three: Appeal to a Hearing Officer
1. If the employee is not satisfied with the Town Manager's decision or if no decision has been rendered within ten business days after submission to the Town Manager, and provided the employment matter is subject to a Step Three appeal, the employee may appeal the decision to a qualified, independent Hearing Officer appointed by the Town. The Town shall maintain a list of qualified, independent, Hearing Officers.
 2. Provided they are not otherwise excluded under Section 5-6-5, only disciplinary actions taken by the Town that involve termination, reduction in pay, involuntary demotion, or suspension without pay are subject to a Step Three appeal to a Hearing Officer.
 3. An appeal must be submitted in writing to the Human Resources Department within ten business days after delivery to the employee of the Town Manager's decision. If the employee fails to submit a written appeal within ten business days, the lower action will be automatically affirmed.

SECTION 5-6-8 - RULES OF APPEAL TO THE QUALIFIED HEARING OFFICER

- A) The appeal will be a written statement, addressed to the Hearing Officer through the Human Resources Department, explaining the employment matter appealed, the action desired, and the reasons for it. The appeal shall also include all previous correspondence concerning the matter.
- B) Upon receipt of a notice of appeal, the Human Resources Department shall set a date and place for the hearing on the appeal within three (3) months from the effective date of the disciplinary action. The Human Resources Department shall notify all interested parties of the date, time, and place of the hearing.
- C) If an appeal is made the Human Resources Director, in consultation with the Town Manager and Town Attorney, if necessary, shall determine whether the appeal complies with these procedures and is subject to review. If so, a qualified Hearing Officer shall be appointed by the Town.
- D) Both the appellant and the Department Head shall submit to the Human Resources Department a list of witnesses, including names, addresses, and nature of the expected testimony from each, and a list of exhibits to be introduced at the hearing no later than seven (7) calendar days prior to the commencement of the hearing. No other witnesses or exhibits may be introduced at the hearing unless approved by the Hearing Officer. The Hearing Officer may grant a time extension beyond the required limits if requested by either party in writing and good cause is shown for granting the extension.
- E) The Town Attorney shall represent the Town and present the case to the Hearing Officer. The employee has the right to be represented by counsel at the employee's expense, to written notice of the specific grounds for termination, to disclosure of the evidence supporting the termination, the opportunity to confront and cross examine available adverse witnesses, the opportunity to be heard, in person, and present evidence, and to subpoena witnesses.

- F) Both the Town and the appellant will have the opportunity to present witnesses and evidence, to cross-examine witnesses, and to be heard in person.
- G) The findings and recommendation of the Hearing Officer shall be made to the Town Manager and shall include a written statement as to the evidence relied upon by the Hearing Officer and the reasons for his or her decision. The Town Manager has the final decision on all personnel appeals, and can modify, accept, or reject the recommendations of the Hearing Officer. If the Town Manager rejects the Hearing Officer's recommendation, he or she must state the reasons therefore in writing.

CHAPTER 6

EMPLOYMENT DEVELOPMENT

POLICY 6-1 - EDUCATION ASSISTANCE

SECTION 6-1-1 - PURPOSE

The Town of Camp Verde recognizes that the skills and knowledge of its employees are critical to the success of the organization. The education assistance program encourages personal development through formal education so that employees can maintain and improve job-related skills or enhance their ability to compete for reasonably attainable jobs within the Town.

SECTION 6-1-2 - ELIGIBILITY FOR PARTICIPATION

- A) All regular full-time employees with satisfactory work and attendance standards who have successfully completed the initial evaluation period are eligible to participate.
- B) Employees who are receiving grants, scholarships, or veteran's benefits are eligible to participate, but only to the extent that employee's course tuition costs are not covered by these external funds.
- C) Only those courses beginning after the new employee's initial evaluation period ends will be considered for reimbursement.
- D) Employees participating in the program are required to achieve grade C or higher in order to remain eligible.
 - 1. An original grade report or transcript must be provided to Human Resources within 45 days of the completion of each course. Failure to submit the grade report or transcript within the time limit will result in disqualification for tuition assistance.
 - 2. Courses taken on a pass/fail basis must be "passed." Non-graded courses (graded satisfactory/unsatisfactory) must be completed with a "satisfactory" grade. No courses may be audited.
 - 3. Courses will only be reimbursed one time through this program. If the employee elects or is required to retake the course, the employee will be responsible for the cost, regardless of time in between reimbursement, location of course, or reason for retaking the course.
- E) Generally, only those courses requiring attendance during off-work hours will be considered for tuition assistance. With approval from their Department Head, an employee may flex their work schedule to attend an approved tuition assisted course.

SECTION 6-1-3 - CRITERIA FOR APPROVAL

- A) All applications for educational assistance are expected to have the prior approval of their Department Head. The initial step to qualify for the educational assistance program is to apply for the assistance with the Human Resources Department. Human Resources will administer the educational assistance program. Tuition assistance funding levels are recommended by the Town Manager and approved by the Town Council through the fiscal year budget process.
- B) The program provides tuition assistance for courses that are:
 - 1. Directly related either to the employee's present job or to a position within the Town to which

the employee could logically progress in the future; or

- C) A part of a planned program leading to an undergraduate or graduate degree in a field that has applicability to Town business (e.g., accounting, engineering, criminal justice, management). The course must be:
 - 1. Taken on the employee's own time and
 - 2. Approved by the applicable Department Head, and the Town Manager.
- D) Courses may be taken at Town-approved:
 - 1. Accredited colleges, universities, community colleges;
 - 2. State or public-school systems, adult education systems, vocational and trade schools.

SECTION 6-1-4 - REIMBURSEMENT

- A) The Town will reimburse 100% of the actual tuition as identified by the school, college, or university and agreed upon by the Human Resources Director and available funding.
 - 1) To ensure fund availability, employees are required to submit a Tuition Reimbursement request during the fiscal budget planning process.
 - 2) During limited funding periods, reimbursements are granted on a first-come-first-served basis.
- B) The employee must bear all other expenses, which include but are not limited to books, supplies, parking, transportation, transcripts, application and administrative fees, lab fees, and other non-tuition expenses.

SECTION 6-1-5 - TERMINATION OF EMPLOYMENT

- A) Each employee will be required to sign an agreement stating that if he or she separates from Town employment for any reason within two years of receiving reimbursement, an amount will be withheld from the final paycheck according to the following schedule:

Date of Separation	Percentage of Reimbursement Withheld from Final Paycheck
Under 6 months after receiving reimbursement	100%
6 to 12 months after receiving reimbursement	75%
12 to 18 months after receiving reimbursement	50%
18 to 24 months after receiving reimbursement	25%
24+ months after receiving reimbursement	0%

- B) If the amount of the employee's final paycheck is not sufficient to cover costs, the individual will be required to reimburse the Town for the amount due at the time of termination.

POLICY 6-2 - TOWN-SPONSORED and REQUIRED TRAINING

It is the policy of the Town to encourage and coordinate training opportunities for employees and supervisors in order that services performed by the Town will be more efficient and effective. Training is defined as any work-related seminar, conference, convention, or workshop attended by an employee whose registration and expenses are funded in whole or in part by the Town.

SECTION 6-2-1 - PROCEDURES

- A) Attendance at training programs within the state will be approved at the Department Head level.
- B) Attendance at training programs out-of-state require approval by the Town Manager prior to registration.
- C) After returning from a training program, employees will normally summarize for the Department Head what new expertise they have gained that may be shared with other employees. The Department Head will disseminate the information as appropriate.
- D) Town-sponsored and required training shall generally be arranged during regularly scheduled work hours. A Department Head may change the standard work hours to accommodate or require attendance at such training activities. Required training shall be recorded as time worked within the meaning of this policy.
- E) Employees who acquire training on their own time and expense are encouraged to notify the Human Resources Department so the information can be noted in the employee's personnel file. A copy of any certificates awarded should be forwarded for inclusion in the employee's personnel file.
- F) The Human Resources Department shall maintain an employee training history and shall periodically audit training attendance and policy compliance.

SECTION 6-2-2 WAGE ADJUSTEMENTS FOR TRAINING AND CERTIFICATIONS

Some training and certifications may allow for the employee's wage adjustment.

- A) Pay increases for obtaining any newly acquired certifications must be directly related to the employee's current position or a higher position within the same field of work to prepare the employee for potential promotional opportunities.
- B) To be eligible for a wage adjustment for training and certification, an employee must be employed on a full-time basis and have a history of satisfactory work and attendance standards after successful completion of the initial evaluation period.
- C) Pay increase amounts and funding levels are approved by the Town Manager during the annual fiscal year budget process.
- D) Certifications and training that are required to perform essential job functions do not qualify for wage adjustments.
- E) Certifications and training that are not evaluated by way of assessment (i.e. certificate of attendance) do not qualify for wage adjustments.

CHAPTER 7

SAFETY AND HEALTH

POLICY 7-1 - SAFETY AND LOSS MANAGEMENT

The Town is committed to providing a safe and healthy working environment. In this connection, the Town makes every effort to comply with relevant federal and state occupational health and safety laws and to develop the best feasible operations, procedures, technologies, and programs conducive to such an environment. The Town's policy is aimed at minimizing the exposure of its employees and visitors to its facilities to health and safety risks.

SECTION 7-1-1 - EMPLOYEES SUPPORT FOR SAFE WORK PRACTICES

- A) All employees are expected to work diligently to maintain safe and healthy working conditions and to adhere to proper operating practices and procedures designed to prevent injuries and illnesses.
- B) The responsibilities of all employees in this regard include:
 - 1. Exercising maximum care and good judgment at all times to prevent accidents and injuries;
 - 2. Reporting to supervisors and seeking first aid for all injuries, regardless of how minor;
 - 3. Reporting unsafe conditions, equipment, or practices to supervisors;
 - 4. Using safety equipment provided by the Town at all times;
 - 5. Observing conscientiously all safety rules and regulations at all times;
 - 6. Notifying their supervisor, before the beginning of the work day, of any medications they are taking that may cause drowsiness or other side effects that could lead to injury to them and their co-workers; and
 - 7. Participating in appropriate safety training.

SECTION 7-1-2 - SAFETY COORDINATOR

The Town designates a full-time employee as its Safety Coordinator. The Safety Coordinator, along with the Town Manager, Department Heads, Supervisors, and Human Resources staff, will monitor and encourage compliance with safety and loss prevention programs, including education and training.

SECTION 7-1-3 - EVALUATION OF SAFETY PERFORMANCE

Employees are rated on appropriate safety performance as part of their performance evaluation.

SECTION 7-1-4 - USE OF TOWN EQUIPMENT AND VEHICLES

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, shall result in disciplinary action up to and including termination of employment.

POLICY 7-2 RETURN TO WORK

Employees of the Town who are, or could be, on leave of absence from their duties as a result of work-related illness or injury may be eligible for the Return-to-Work Program upon written certification of a medical care provider. The medical care provider must certify that the employee may return to work with restrictions on physical requirements of the job in question, and that those restrictions are not expected to last more than 180 days.

SECTION 7-2-1 TEMPORARY AND PERMANENT RESTRICTIONS

A restriction identifies a physical condition that prevents an employee from performing the full scope of his or her job duties as outlined in the job description. There are two types of restrictions.

- A) Temporary restrictions are defined as those limitations placed on an injured employee by a physician that are of a relatively short duration (less than 180 days) and the employee is expected to fully recover and to return to normal working conditions.
- B) Permanent restrictions are defined as those limitations placed on an employee by a physician that are expected to be long term (more than 180 days) or from which recovery is not expected. Employees who fall into this category are not eligible for participation in the Return-to-Work Program. They may elect to seek alternative employment or file for a "reasonable accommodation" under the Americans with Disabilities Act.

SECTION 7-2-2 - ALTERNATIVE JOB PLACEMENT

- A) When an employee is approved for participation in the Return-to-Work Program, primary consideration will be given to job placement within the employee's department and normal job duties.
- B) A secondary consideration will be alternative placement into another department or another assignment. That may mean an assignment that is a lower classification than the normal job assignment and commensurate wages for the duration of the temporary assignment.
- C) A critical consideration is to place the employee in a position to perform productive work that is both useful to the Town and achievable within the restrictions placed on the employee. Under no circumstances will a position be created solely for the purpose of providing work for an employee who is eligible to return to work under a temporary restriction. If there is no work available within the employee's department or in another department or assignment, the employee may remain on industrial leave.
- D) An employee shall not be returned to work to any job that is punitive in nature.

SECTION 7-2-3 - PLACEMENT NOT SUBSTITUTE FOR FILLING VACANCIES

Alternative placement will not be used to avoid the filling of vacancies within the department in question.

SECTION 7-2-4 - PARTICIPANT REQUIRED TO OBEY RULES

An employee participating in the Return-to-Work Program is subject to all rules, regulations, standards, policies, and procedures of the Town and the specific department.

SECTION 7-2-5 - PROCEDURE

- A) An employee must submit a written request and a written certification signed by a physician, noting the employee's restrictions and length of those restrictions. The Department Head and the Human Resources Director will evaluate the request in order to determine whether or not an employee is able to return to the assigned position.
- B) If authorized to participate in the Return-to-Work Program, the employee will be notified by the Department Head of the date he or she is expected to return to work.
- C) In no case will an employee authorized to participate in the Return-to-Work Program be placed in an area that will pose a health or safety risk to the Town, other staff, or the injured employee.

POLICY 7-3 - NO SMOKING

Smoking is prohibited throughout the Town's buildings and immediate workplace and in Town vehicles. This policy applies equally to all employees and visitors.

SECTION 7-3-1 - SMOKING AREAS

Employees who smoke may do so outside of the Town buildings in the properly designated areas. State law prohibits smoking in places of employment as well as within 20 feet of entrances/exits, windows, and ventilation intakes.

SECTION 7-3-2 - SMOKING BREAKS

Smoking breaks shall be limited to the same number of breaks that other Town employees receive.

SECTION 7-3-3 - SMOKING CESSATION

Employees who smoke, but who want to quit should contact Human Resources staff for information on possible medical insurance carrier and community resources, literature, or smoking cessation programs that may be available.

POLICY 7-4 - VIOLENCE IN THE WORKPLACE

SECTION 7-4-1 - CONSEQUENCES OF PROHIBITED CONDUCT

Any threats or acts of violence made by an employee against another person's life, health, well-being, family, or property are entirely unacceptable and are cause for immediate dismissal, even for a first offense. This policy holds for any threats made on Town property, at Town events or under other circumstances that may negatively impact the Town's ability to conduct its business.

SECTION 7-4-2 - INFRINGEMENT ON SAFE WORKPLACE

- A) Acts or threats of violence, whether made directly or indirectly, explicitly or implied, by words, gestures, or symbols, infringe upon the Town's right or obligation to provide a safe workplace for its employees and are prohibited.
- B) Possession of firearms, explosives, or weapons not authorized by the Town is considered threats of violence and is prohibited. The consequences of such prohibited possession is disciplinary action, up to and including immediate discharge.

SECTION 7-4-3 - COMPLAINT PROCEDURE

Any employee who believes that he or she has been, is or may be the target of threats or acts of violence or has witnessed or otherwise learned of violent conduct by another employee or by a third party, should contact a supervisor, Department Head, Human Resources Director, or the Marshal's Office immediately.

POLICY 7-5 - DRUG AND ALCOHOL-FREE WORKPLACE

It is the policy of the Town of Camp Verde that its employees be free of substances and alcohol abuse. Consequently, the use of illegal drugs by employees is prohibited. Further, employees shall not use alcohol during work hours or engage in "prohibited conduct" as defined in this policy. The overall goals of this policy are to ensure a drug-free and alcohol-free work environment and to reduce accidents, injuries, and fatalities.

SECTION 7-5-1 - CONSEQUENCES OF PROHIBITED CONDUCT

Illegal drug use, alcohol abuse, and failure to participate in drug screening are grounds for discipline up to and including discharge, even for a first offense.

SECTION 7-5-2 - DEFINITIONS OF PROHIBITED CONDUCT

- A) Illegal Drug Use includes possessing, using, purchasing, distributing, or selling illegal drugs, or reporting to work impaired by illegal drugs. Under this policy, "illegal drugs" include any drug or drug-like substance that:
 - 1. Is not legally obtainable;
 - 2. May be legally obtainable but has not been legally obtained; or
 - 3. Is being used in a manner or for a purpose other than prescribed.
- B) Alcohol Abuse includes possessing, using, purchasing, distributing, or selling alcoholic beverages at any time during the hours between the beginning and ending of the employee's workday, or reporting to work or working impaired by alcohol in any way.
- C) Failure to participate in the Town's drug and alcohol testing policy includes:
 - 1. Failure to submit to drug or alcohol testing;
 - 2. Failure to report immediately for drug or alcohol testing when requested to do so;
 - 3. Refusal to sign all appropriate consent forms; or
 - 4. Any other failure to cooperate to the Town's complete satisfaction.

SECTION 7-5-3 - USE OF LEGAL DRUGS

- A) While this policy does not prohibit the use of legal drugs, employees are required to notify the Human Resources if the use of any legal drug may endanger their safety or the safety of others. For example, an employee should tell the Human Resources Department if they are using any legal drug that warns about drowsiness or cautions against operating heavy machinery after use.
- B) "Legal Drugs" as used in this policy include prescribed and over-the-counter drugs or medications that have been legally obtained and are being used only for the purpose for which they were prescribed or manufactured.

- C) Anyone who fails to notify his or her supervisor about the use of legal drugs will be subject to disciplinary action up to and including discharge, even for a first offense.

SECTION 7-5-4 - TYPES OF TESTS

The Town has implemented four circumstances for drug and alcohol testing.

- A) Pre-employment Testing
1. Candidates selected for "safety-sensitive" positions must submit to a drug test. Any potential hire who tests positive for illegal drug use will be ineligible for employment with the Town.
 2. "Safety-sensitive" positions include those positions involving work that may pose a great danger to the public, the employee, or other employees (i.e., peace officers, work involving the operation of dangerous instrumentalities, or any position that requires an employee to operate heavy duty vehicles or transport others).
- B) Post-Accident Testing for all employees
1. Any employee, while on-duty and driving a Town vehicle, is subject to drug and alcohol testing any time he or she is involved in an accident where:
 - a) A fatality is involved;
 - b) The driver receives a citation for a moving violation arising from an accident where anyone involved requires immediate treatment for an injury away from the accident scene; or
 - c) Any vehicle involved incurs "disabling damage" (for example, must be towed away).
 2. Following any accident, the employee must notify the Town as soon as possible.
 3. Any time a post-accident drug or alcohol test is required, it must be performed as soon as possible following the accident. If no alcohol test can be made within 8 hours, attempts to perform an alcohol test shall cease. If no urine collection can be obtained for purposes of post-accident drug testing within 32 hours, attempts to make such collection shall cease.
 4. In the event that federal, state, or local officials conduct tests for the use of alcohol or controlled substances following an accident, these tests may meet the requirements of this policy, provided the tests conform to applicable federal, state, or local requirements. The Town may request or require testing documentation from such agencies and may ask or require the employee to sign a release allowing the Town to obtain such test results.
 5. In the event a driver is so seriously injured that he or she cannot provide a sample of urine, blood, breath, or saliva at the time of the accident, the driver must provide necessary authorization for the Town to obtain hospital records or other documents that would indicate the presence of controlled substances or alcohol in the driver's system at the time of the accident.

- C) Random Testing for certain Safety-Sensitive employees
1. Any employee who holds a CDL or is assigned to a Narcotics Enforcement Unit shall be subject to random drug and alcohol testing. The Town or its agents will submit all the required names to a random selection system. The random selection system provides an equal chance for each employee to be selected each time random selection occurs. Random selections will be reasonably spread throughout the year.
 2. To meet DOT requirements, the Town will test the average number of employee positions requiring a CDL in each calendar year at a rate established by the Department of Transportation (DOT) for the given year.
 3. Random selection, by its very nature, may result in employees being selected in successive selection or more than once a calendar year. Alternatively, some employees may not be selected in a calendar year.
 4. If an employee is selected at random for either drug or alcohol testing, a Town supervisor will notify the employee. Once notified, every action the employee takes must lead to a collection. If the employee engages in conduct that does not lead to a collection as soon as possible after notification, such conduct may be considered a refusal to test.
- D) Reasonable Suspicion Testing
1. The Town will require an employee to submit to alcohol and/or drug testing when there is reasonable suspicion to believe that the employee is engaged in illegal drug use or alcohol abuse.
 2. For purposes of this policy, "reasonable suspicion" will be based on specific observations concerning the appearance, behavior, speech, or body odors of an employee, including, without limitation, slurred speech, red eyes, dilated pupils, incoherence, unsteadiness, unexplained carelessness or accidents, erratic behavior, inability to perform the job and other unexplained behavior changes.
 3. These observations will be made by a supervisor, a peace officer, or other Town official who has been trained to recognize signs of alcohol and/or drug use.

SECTION 7-5-5 - AUTHORIZATION FOR PREVIOUS TEST RECORDS OF CDL HOLDERS

As a condition of employment, any employee who is required to hold a commercial driver's license (CDL) for the position shall sign a release authorizing the Town to obtain drug and alcohol testing records from the employee's previous employers for the previous two years. The Town will verify that no prior employer of the employee has records indicating a violation of any DOT rule pertaining to controlled substance or alcohol use within the previous two years.

SECTION 7-5-6 - DRUG TESTING

Drug and alcohol testing will be performed through means of breath, urinalysis, or blood testing. Urinalysis or blood testing will test for the presence of drugs and/or metabolites of the following controlled substances: marijuana, cocaine, opiates, amphetamines, phencyclidine (PCP) and all other controlled substances.

- A) The collection of samples shall be performed under reasonable and sanitary conditions.
1. Sample testing shall comply with scientifically accepted analytical methods and procedures. Drug testing shall be conducted at a laboratory approved or certified by the United States Department of Health and Human Services. Breath tests will be administered on an instrument approved by the Arizona Department of Health Services or the United States Department of Transportation.
 2. Sample collections shall be documented, and these documentation procedures shall include the following:
 - a. Samples shall be labeled in order to reasonably preclude the possibility of misidentification of the person tested in relation to the test provided.
 - b. Samples shall be split at the time they are collected and both splits shall be sent to the lab together.
 - c. The person being tested shall present reliable individual identification to the person collecting samples.
 - d. Sample collection, storage, and transportation shall be performed in a manner reasonably designed to preclude the possibility of sample contamination, alteration, or misidentification.
 - e. Drug use testing shall include confirmation of any positive drug test results for employees. Confirmation of positive drug test results for employees shall be by use of a different chemical process than was used in the initial drug use test. The second or confirmatory drug use test shall be a chromatographic technique such as a gas chromatography-mass spectrometry or another comparable reliable analytical method.
 - f. A drug use test shall be considered positive after the test is reviewed by a medical review officer and the MRO makes a determination. Information regarding the screening cutoff levels for various drugs will be made available upon request. An alcohol impairment test shall be considered positive when an employee's breath alcohol amount tests at .02% or greater.
- B) Laboratory Results: All laboratory results will be reported to the Human Resources Director for the Town. At the Human Resources Director's sole discretion, a determination will be made as to whether a result is positive or negative.
1. Negative test results will be reported to the Department Head.
 2. Before reporting a positive test result, the Human Resource Director will contact the employee to discuss the test results. After being contacted, the employee shall report to the Human Resources Director immediately. The employee has the right to explain the test result in a confidential setting. If the employee fails to report to the Human Resources Director within five days after notification, the Human Resources Director may verify the test is positive.
 3. After any positive verification, the employee may petition the Human Resources Director to reopen the case for reconsideration.

- C) Confidentiality: Individual test results for employees will be released to the Town and will be kept strictly confidential unless consent for the release of the test results has been obtained from the employee.
- D) Request for Results: Any individual who has submitted to drug testing in compliance with this policy is entitled to receive the results of the drug testing upon a timely written request.

SECTION 7-5-7 - ALCOHOL TESTING

- A) The Town will perform alcohol testing using a device that is on the National Highway Traffic Safety Administration's (NHTSA) conforming products list (CPL) and meets the DOT's testing requirements. This may be a breath-testing device, a saliva-testing device or any other approved device and may be provided through a trained supervisor or the Camp Verde Marshal's Office.
 - 1. The device will be operated by a technician who is certified and trained on the specific device he or she will be operating.
 - 2. The employee shall report to the alcohol-testing site as notified by the Town. The employee shall follow all instructions given by the alcohol technician.
- B) Any initial test indicating a Blood Alcohol Concentration (BAC) of .02 or greater will be confirmed on a breath testing device. The confirmation test will be performed no sooner than 15 minutes and no later than 30 minutes following the completion of the initial test.
 - 1. In the event the confirmation test indicates a BAC of .02 to .0399, the employee shall be removed from duty for 24 hours or until his/her next scheduled on-duty time, whichever is longer.
 - 2. Employees with tests indicating a BAC of .04 or greater are considered to have engaged in prohibited conduct, which shall result in disciplinary action up to and including termination, even for a first offense.
- C) All alcohol tests shall be performed just prior to, during, or just after duty.

SECTION 7-5-8 - SUBSTANCE ABUSE EVALUATION, RETURN-TO-DUTY, AND FOLLOW-UP TESTING

- A) Any employee who engages in prohibited conduct shall be provided with the names, addresses, and telephone numbers of qualified Substance Abuse Professionals (SAPs). If the employee desires to become requalified for employment with the Town, the employee must be evaluated by SAP and submit to any treatment the SAP prescribes.
- B) Following evaluation and treatment, if any, in order to become requalified for employment with the Town, an employee must submit to and successfully complete a return-to-duty drug and/or alcohol test.
- C) The employee is also subject to follow-up testing. Follow-up testing is separate from and in addition to the Town's reasonable suspicion, post-accident and random testing procedures. The schedule for follow-up testing shall be unannounced and in accordance with the instructions of SAP. Follow-up testing may continue for a period of up to 60 months following the employee's return to duty. No fewer than 6 tests shall be performed in the first 12 months of follow-up testing.

- D) The costs of any SAP evaluation or prescribed treatment shall be borne by the employee. The Town does not guarantee or promise a position to the employee should he/she regain qualified status.

SECTION 7-5-9 - DISCIPLINE AND APPEALS

- A) The disciplinary procedures included in this policy are subject to the notice provisions of the Discipline System Policy and appeal provisions included in the Problem Resolution Policy.
- B) The disciplinary guidelines contained in this policy supersede the progressive discipline policies of the Discipline System Policy.

SECTION 7-5-10 - CONTRACTORS AND VISITORS

Contractors and their employees or representatives and visitors will be notified that the Town of Camp Verde prohibits the use, possession, sale or distribution of drugs or alcohol on its property or at its work sites. Any person who is reasonably suspected to have drugs in his or her system or to be impaired by alcohol while on Town of Camp Verde property or work site is in violation of this policy. Contractors and their employees or representatives and visitors violating this policy will be refused entry onto Town property or Town work sites. In addition, appropriate legal entities may be contacted as required and appropriate.

SECTION 7-5-11 - NOT A CONTRACT

This policy is not intended, nor should it be construed as a contract between the Town and the employee. This policy may be changed at any time at the sole discretion of the Town Council.

CHAPTER 8

TERMINATION OF EMPLOYMENT

POLICY 8-1 - EMPLOYMENT END

Employment with the Town of Camp Verde may be ended voluntarily or involuntarily.

SECTION 8-1-1 - SERVICE RETIREMENT

Service retirement is voluntary termination after having satisfied the employment requirements of applicable retirement system procedures.

SECTION 8-1-2 - DISABILITY RETIREMENT

Disability retirement is voluntary termination necessitated by an injury or illness that renders the employee incapable of performing the essential tasks of his or her usual job. The termination is preceded by a letter from the employee to his or her supervisor advising of the disability ruling, date of termination, supporting documentation, and a ruling by the appropriate agency verifying the disability and approving the retirement.

SECTION 8-1-3 - EMPLOYEE-INITIATED RESIGNATION

An employee-initiated resignation is voluntary termination for any reason other than formal retirement. An employee wanting to leave the Town in good standing should provide a written resignation to his or her immediate supervisor at least 14 calendar days prior to the effective date of resignation. During the two weeks before the effective date, the employee will be available for work to aid in the training of a replacement. Exceptions to the time limit requirement may be granted by the Town Manager.

SECTION 8-1-4 - TERMINATION DURING INITIAL EVALUATION

During the initial evaluation period, an employee may be terminated at any time, with or without cause, by the Department Head after consultation with the Human Resources Director and the Town Manager.

SECTION 8-1-5 - DISCHARGE

Discharge is involuntary termination or dismissal of an employee by the Town.

SECTION 8-1-6 - LAYOFF AND RECALL

- A) Layoff means the reduction of employees due to budgetary constraints, shortage of work, a material change in duties or organization, or other reasons determined by the Town Manager. Layoff shall not be used in lieu of discipline.
- B) A Department Head may lay off an employee with the approval of the Town Manager because of material change in duties or organization or because of shortage of work or funds. Affected employees shall be given written notice as soon as possible, but not later than a minimum of 14 calendar days prior to the effective date of a proposed layoff.
- C) Layoff decisions, recall and filling of regular job vacancies may be made based on documented ability and performance of the duties required in the job and consideration of an employee's length of continuous service with the Town in the classification. Where documented performance, experience, and qualifications are equal, decisions to lay off, recall, and fill vacancies will be normally be made on seniority within the affected classification within the department.

- D) Layoff decisions shall be coordinated among the various Town departments to provide possible transfer of employees to positions for which the employees qualify.
- E) An employee who has been laid off by the Town may be recalled within one year of the layoff if the employee's previously held job is reopened or if a similar job for which the laid off employee is qualified becomes available. The Town is not required to follow the competitive hiring process to recall a laid off employee.

POLICY 8-2 - EXIT PROCESS

The Department Head is responsible for coordinating the exit process with the Human Resources Department.

SECTION 8-2-1 - EXIT CLEARANCE

Included in the final clearance is a verification that all Town equipment, materials, and supplies, such as keys, identification card, Town credit cards, and uniforms, depending upon the department, etc., have been returned.

SECTION 8-2-2 - EXIT INTERVIEW

Regular full-time and regular part-time employees can participate in an exit interview. The interview will be scheduled prior to the last day of employment. The Exit Interview shall be maintained separately from the employee's personnel file. Temporary employees do not ordinarily participate in an Exit Interview unless they volunteer to complete the interview.

SECTION 8-2-3 - FINAL PAYCHECK

- A) The Finance Department shall be notified of the employee's separation date through the Personnel Action Form. Employees shall receive pay for work performed through the last hour worked and for unused benefits as stipulated by Town policy and laws governing such payments.
 - 1. Involuntarily terminated employees must be issued their final paycheck within 3 working days of the termination. It is the responsibility of the Department Head to forward to Human Resources all completed paperwork to meet this federal requirement.
 - 2. All other employees who leave the employment of the Town will be paid at the next regular pay period.
 - 3. Costs of unreturned Town property will be deducted from the final paycheck.
- B) Before the final paycheck is issued to the employee, it is the responsibility of the Department Head to ensure that the employee has completed final clearance. Verification of clearance must accompany the Personnel Action Form.

SECTION 8-2-4 - CONTINUATION OF BENEFITS

- A) Benefits continue through the time actually worked by the employee. If the employee works any part of the month, Town-provided insurance benefits will continue through the last day of the month.
- B) Employees eligible to continue health benefits through C.O.B.R.A. and H.I.P.A.A. will be notified by the Town's Health Insurance Administrator within the time limit determined by law.

- C) For those employees who are not retiring, monies accumulated in the employee's retirement account are refundable. Forms required to request this refund are available through the retirement plan.

POLICY 8-3 - VERIFICATION OF TOWN EMPLOYMENT

It is the policy of the Town of Camp Verde that employee personnel records are confidential.

- A) Dates of employment, job classification, current or last rate of pay, department in which employee works or worked and eligibility for rehire will be verified in response to outside requests. Additional information may be shared in conformance with state law.
- B) All requests or phone calls for verification of employment or wages of current or former employees, written or verbal, should be forwarded to the Human Resources Department for processing.

POLICY 8-4 - RE-EMPLOYMENT

SECTION 8-4-1 - ELIGIBILITY

- A) Regular employees who resign from Town service in good standing after completing their initial evaluation period may be re-employed, upon approval of the Department Head, to an equivalent or lower position class occupied at the time of resignation. Employees re-employed within 120 days are considered to have continuous service for purposes of benefits.
- B) Promoted employees who resign during their promotion evaluation period are not eligible for re-employment in that position class but may be re-employed in the position occupied before promotion.
- C) Persons interested in re-employment should file a completed Town application form with the Human Resources Department. The individual will then proceed through the regular hiring procedures with other applicants as described in the Hiring Process Policy.
- D) The individual's previous personnel file will be re-activated once re-employed by the Town, provided re-employment is within five years after the original resignation.
- E) The date of hire will take the person's previous service with the Town into account; however, future performance pay increases will coincide with the re-employment date.
- F) Re-employed individuals must serve the required initial evaluation period.

SECTION 8-4-2 - COMPENSATION AND BENEFITS

- A) An individual re-employed in his or her former position may be paid at the same pay at the time he or she left the Town, provided that the re-employment is within 120 days of the previous resignation.
- B) Compensation of an employee re-employed to a position other than the former position will be subject to provisions for new hires.
- C) Re-employment after 30 days requires employees to serve the required waiting period for insurance benefits.

- D) Vacation leave eligibility will be based on previous Town service if re-employment occurs within 120 days of the previous resignation.

**Meeting Date:** February 4, 2026**Agenda Item Type:**

- | | | |
|--|---|--|
| ☐ Consent Agenda | ☐ Informational Presentation | ☐ Discussion Item |
| ☒ Action/Decision Item | ☐ Executive Session Request | ☐ Other: |

Requesting Department: Town Administration **Staff Resource:** Town Manager Miranda Fisher

Agenda Title: Discussion, consideration, and possible approval of Ordinance 2026-A510, an ordinance of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, amending Chapter 3 (Administration), Article 2 (Officers), Sections 3-2-1(C) and 3-2-4 of the Town Municipal Code to remove position-specific residency requirements for the Town Manager and Town Marshal.

Attached Documents:

- Draft Ordinance 2026-A510

Estimated Presentation Time: 10 minutes**Estimated Discussion Time:** 10 minutes**Reviewed By:**

- | | | | | |
|--|---|--|----------------------------------|---------------------------------|
| ☒ Town Manager | ☒ Legal | ☐ Risk Management | ☐ Finance | ☐ Other: |
|--|---|--|----------------------------------|---------------------------------|

Financial Review (if applicable):

- | | | | | |
|---------------------------------------|------------------------------|-----------------------------|---|---------------------------------|
| • Funding Source / GL Account Number: | | | | |
| • Approved in the FY26 Budget? | ☐ Yes | ☐ No | ☒ N/A | ☐ Other: |
| • Is this an approved CIP Project? | ☐ Yes | ☐ No | ☒ N/A | ☐ Other: |

Background Information:

Current Town Code Sections 3-2-1(C) (Town Manager) and 3-2-4 (Town Marshal) require these positions to establish residency within the Town of Camp Verde. However, Section 3-1-1 of the Town Code already provides the Town Council with authority to impose residency requirements for any position, as reflected in the advertising for the position. Section 3-1-1 also establishes a standard timeframe of one hundred eighty (180) days from the date of hire to establish residency and allows the Town Council to grant extensions when, in its discretion, extenuating circumstances warrant such an extension.

Because Section 3-1-1 applies broadly to all positions, the position-specific residency requirements contained in Sections 3-2-1(C) and 3-2-4 are duplicative of existing code and more restrictive than necessary. Removing these provisions maintains consistency within the Town Code while preserving the Town Council's ability to require residency when appropriate.

Eliminating position-specific residency requirements for the Town Manager and Town Marshal provides the Town greater flexibility during recruitment and helps expand applicant pools. Camp Verde continues to face challenges related to housing availability and cost of living, which can present barriers for



Town Council Agenda Information Memorandum

executive and public safety leadership candidates. Retaining flexibility allows residency expectations to be evaluated on a case-by-case basis based on the needs of each recruitment.

This ordinance is being brought forward at this time because the Town is currently recruiting for a new Town Marshal. During the recruitment process, staff identified that the existing residency requirement could unnecessarily limit the pool of qualified applicants. Removing the requirement from code ensures residency expectations do not become a barrier to attracting experienced candidates, while continuing to preserve the Town Council's authority under Section 3-1-1 to impose residency requirements when deemed appropriate.

Question(s) before the Council:

- Does Council have any questions for staff?

Proposed Motion:

I move to **APPROVE** Ordinance 2026-A510 amending Chapter 3 (Administration), Article 2 (Officers), Sections 3-2-1(C) and 3-2-4 of the Town Municipal Code to remove position-specific residency requirements for the Town Manager and Town Marshal.

OR

I move to **APPROVE** Ordinance 2026-A510 **with the following amendments...**

OR

I move to **DENY** Ordinance 2026-A510.



ORDINANCE 2026-A510

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, ARIZONA, AMENDING CHAPTER 3 (ADMINISTRATION), ARTICLE 2 (OFFICERS), SECTIONS 3-2-1(C) AND 3-2-4 OF THE TOWN MUNICIPAL CODE TO REMOVE POSITION-SPECIFIC RESIDENCY REQUIREMENTS FOR THE TOWN MANAGER AND TOWN MARSHAL.

WHEREAS, the Town Council of the Town of Camp Verde has authority to establish employment qualifications and conditions for Town officers and employees; and

WHEREAS, Section 3-1-1 of the Camp Verde Town Code already authorizes the Town to impose residency requirements for any position as reflected in the advertising for the position, including timelines and extensions granted by Council action; and

WHEREAS, Sections 3-2-1(C) and 3-2-4 currently impose position-specific residency requirements for the Town Manager and Town Marshal that are duplicative of, and more restrictive than, the general authority established in Section 3-1-1; and

WHEREAS, the Town Council finds that maintaining position-specific residency requirements unnecessarily limits applicant pools, particularly in light of current housing availability and cost-of-living challenges within the Town of Camp Verde; and

WHEREAS, removing position-specific residency requirements while retaining the Town's general authority under Section 3-1-1 provides greater flexibility to attract highly qualified candidates while preserving Council discretion to require residency when appropriate.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE:

Section 1: Section 3-2-1(C) of the Camp Verde Town Code is hereby amended by striking the residency requirement language in its entirety, so that Section 3-2-1(C) no longer requires the Town Manager to reside within the Town limits.

Section 2: Section 3-2-4 of the Camp Verde Town Code is hereby amended by striking the residency requirement language in its entirety, so that Section 3-2-4 no longer requires the Town Marshal to reside within the Town limits.

Section 3: All ordinance or parts of the ordinances adopted by the Town of Camp Verde in conflict with the provision of this ordinance or any part of the code adopted, are hereby repealed, effective as of the effective date of this ordinance;

Section 4: If any section, sentence, clause, phrase, or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance; and

Section 5: This Ordinance shall be effective upon expiration of a thirty (30) day period following the adoption hereof and completion of publication and any posting as required by Arizona State Law; and

Section 6: In accordance with Article II, Sections 1 and 2, Constitution of Arizona, and the laws of the State of Arizona, the Mayor and Common Council has considered the individual property rights and personal liberties of the residents of the Town and the probable impact of the proposed ordinance on the cost to construct housing for sale or rent before adopting this Ordinance.

PASSED AND APPROVED BY A MAJORITY OF THE TOWN COUNCIL OF THE TOWN OF CAMP VERDE, ARIZONA, ON THIS 2nd DAY OF April 2025.

Marie Moore, Mayor

Attest:

Approved as to form:

Town Clerk-Leah Rhodes

Trish Stuhan-Town Attorney

“Exhibits on file at the Town Clerk’s Office, 473 S Main St. Ste 102, Camp Verde. Arizona.”

EXHIBIT A

Redline – Residency Requirement Amendments

Section 3-2-1(C) – Town Manager

Current Code Language (Excerpt):

The Town Manager shall be appointed by the Town Council and shall serve at the pleasure of the Council. The Town Manager shall be a resident of the Town of Camp Verde and shall establish residency within one hundred eighty (180) days of appointment.

Proposed Amendment (Redline):

The Town Manager shall be appointed by the Town Council and shall serve at the pleasure of the Council.

Section 3-2-4 – Town Marshal

Current Code Language (Excerpt):

The Town Marshal shall be appointed by the Town Council and shall serve at the pleasure of the Council. The Town Marshal shall be a resident of the Town of Camp Verde and shall establish residency within one hundred eighty (180) days of appointment.

Proposed Amendment (Redline):

The Town Marshal shall be appointed by the Town Council and shall serve at the pleasure of the Council.

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Meeting Date: February 4, 2026

Agenda Item Type:

- | | | |
|---|---|---|
| ☐ Consent Agenda | ☐ Informational Presentation | ☒ Discussion Item |
| ☐ Action/Decision Item | ☐ Executive Session Request | ☐ Other: |

Requesting Department: Town Administration **Staff Resource:** Town Manager Miranda Fisher

Agenda Title: Discussion, consideration and possible direction on the annual Community Satisfaction and Strategic Priorities Survey questions.

Attached Documents:

- Draft Community Satisfaction and Strategic Priorities Survey questions

Estimated Presentation Time: 5 minutes

Estimated Discussion Time: 20 minutes

Reviewed By:

- | | | | | |
|--|--------------------------------|--|----------------------------------|---------------------------------|
| ☒ Town Manager | ☐ Legal | ☐ Risk Management | ☐ Finance | ☐ Other: |
|--|--------------------------------|--|----------------------------------|---------------------------------|

Financial Review (if applicable): N/A

- Funding Source / GL Account Number:
- Approved in the FY26 Budget? ☐ Yes ☐ No ☒ N/A ☐ Other:
- Is this an approved CIP Project? ☐ Yes ☐ No ☒ N/A ☐ Other:

Background Information:

In March 2026, the Town Council will prepare the FY27 Strategic Plan Action Plan, which identifies near-term priorities, work programs, and resource allocation across all Town departments.

In 2024, the Town utilized the National Community Survey to gather resident feedback. While the survey provided useful benchmarking data, Council and the community expressed concerns regarding survey length, complexity, and limited applicability to local decision-making. As a result, staff developed a customized Community Satisfaction & Strategic Priorities Survey that is shorter, more focused, and designed to directly inform operational and strategic decisions for the upcoming fiscal year.

The purpose of the Community Satisfaction & Strategic Priorities Survey is to assess current community satisfaction with Town services and day-to-day operations, evaluate department-level performance across all Town departments, and identify near-term service and infrastructure priorities. The survey is also intended to better understand community expectations related to communication, follow-through, and accountability, and to provide clear, defensible input to guide development of the FY27 Strategic Plan Action Plan. The survey intentionally focuses on current conditions and near-term priorities rather than long-range growth or policy issues in order to align more closely with the Town's annual strategic planning and budgeting processes.



Town Council Agenda Information Memorandum

Attached are the proposed survey questions developed by Town staff. Staff is requesting Council's feedback on the content, including any suggested revisions, additions, or deletions prior to releasing the survey to the public.

Town staff recommend the following timeline for completion of the survey:

- **Thursday, February 5th:** Release the survey
- **Thursday, February 26th:** Survey closes
- **Thursday, March 5th:** Town staff prepare a report based on the survey responses for Council review (this will include the raw data)
- **Thursday, March 12th:** Town Council reviews responses and sets the FY27 priorities.

Connection to the [FY25-FY30 Strategic Plan](#)

Town Council identified completing a Community Satisfaction Survey as one of their FY26 goals.

Question(s) before the Council:

- Does Council have any questions for staff?
- What changes, if any, would the Council like to make to the survey questions?

Town of Camp Verde - Community Satisfaction & Strategic Priorities Survey

The Town of Camp Verde is asking for your input to help shape the FY 2026–2027 Strategic Plan Action Plan. Your feedback will be used to identify which services, programs, and operational areas should be prioritized, and to help Town Council and staff make informed decisions about where to focus limited time, staffing, and financial resources. This survey is intended to ensure that the Town’s efforts over the next fiscal year are aligned with the needs and expectations of the community.

1. Overall, how satisfied are you with Camp Verde as a place to live today?

- ☐ Very satisfied
- ☐ Satisfied
- ☐ Neutral
- ☐ Dissatisfied
- ☐ Very dissatisfied

Optional comment: _____

2. Based on your experience, do you feel the Town is performing well in its day-to-day operations?

- ☐ Yes
- ☐ No
- ☐ Not sure

Optional comment: _____

3. How satisfied are you with the following Town departments or services?

(If you have not interacted with a department, please select “Not Applicable.”)

Scale: Very satisfied | Satisfied | Neutral | Dissatisfied | Very dissatisfied | Not applicable

Department / Service	Very Satisfied	Satisfied	Not Satisfied	Dissatisfied	Very Dissatisfied	N/A
Library	☐	☐	☐	☐	☐	☐
Public Works (streets, grounds, maintenance, CIP & engineering)	☐	☐	☐	☐	☐	☐
Utilities (water, wastewater & stormwater)	☐	☐	☐	☐	☐	☐
Parks & Recreation	☐	☐	☐	☐	☐	☐
Marshal’s Office (law enforcement)	☐	☐	☐	☐	☐	☐
Community Development (planning, zoning, building, code enforcement, animal control)	☐	☐	☐	☐	☐	☐
Economic Development	☐	☐	☐	☐	☐	☐
Town Clerk	☐	☐	☐	☐	☐	☐
Town Manager’s Office	☐	☐	☐	☐	☐	☐
Municipal Court	☐	☐	☐	☐	☐	☐
Finance	☐	☐	☐	☐	☐	☐
Human Resources	☐	☐	☐	☐	☐	☐

4. For any Town department you rated as “Dissatisfied” or “Very Dissatisfied,” please tell us how that department could improve.

5. Which areas should receive the most attention in the next fiscal year (2026-2027)?
(Select up to three)

- ☐ Water, wastewater & stormwater services
 - ☐ Roads, drainage & infrastructure
 - ☐ Parks, trails & recreation facilities
 - ☐ Public safety services
 - ☐ Customer service & responsiveness
 - ☐ Communication & transparency
 - ☐ Financial stewardship & budgeting
 - ☐ Facility maintenance
 - ☐ Internal operations & staffing
 - ☐ Community programs & services
 - ☐ Other: _____
-

6. If the Town could successfully improve only one thing over the next fiscal year (2026-2027), what should it be?

7. What is one thing the Town should:

- Start doing: _____
 - Stop doing: _____
 - Continue doing: _____
-

8. If the Town must focus on fewer priorities to be successful, which statement do you most agree with?

- ☐ Improve existing services, even if that means fewer new initiatives
- ☐ Maintain current service levels and add limited new initiatives
- ☐ Expand programs and services, even if improvements take longer
- ☐ Not sure

9. How confident are you that the Town Council and Town staff follow through on commitments and priorities once decisions are made?

- ☐ Very confident
 - ☐ Confident
 - ☐ Neutral
 - ☐ Not confident
 - ☐ Not confident at all
-

10. What could the Town do to improve follow-through or accountability?

11. How satisfied are you with the Town's communication about decisions, projects, and challenges?

- ☐ Very satisfied
 - ☐ Satisfied
 - ☐ Neutral
 - ☐ Dissatisfied
 - ☐ Very dissatisfied
-

12. What type of information would you like the Town to communicate more clearly or more often?

13. How likely are you to participate in Town meetings, surveys, or community events if they relate to issues that directly affect you?

- ☐ Very likely
 - ☐ Somewhat likely
 - ☐ Not sure
 - ☐ Unlikely
 - ☐ Very unlikely
-

14. What would make it easier for you to participate or provide input?

- ☐ Meeting days or times
 - ☐ Better notice / reminders
 - ☐ Clearer explanations of topics
 - ☐ Child-friendly events
 - ☐ Other: _____
-

15. Overall, how well do you feel the Town listens to community input when making decisions?

- ☐ Very well
- ☐ Well
- ☐ Neutral
- ☐ Not very well
- ☐ Not at all

Optional comment: _____

16. Which statement best describes how you feel after completing this survey?

- ☐ I feel confident the Town is asking the right questions
 - ☐ I'm hopeful my feedback will be used
 - ☐ I'm unsure how my feedback will be used
 - ☐ I'm concerned my feedback will not be acted on
-

Thank you for taking the time to share your feedback. Survey results will be reviewed by Town Council and staff and used to help guide the Town's FY 2026–2027 Strategic Plan Action Plan and resource priorities.