

**MINUTES**  
**TOWN OF CAMP VERDE**  
**WORK SESSION**  
**MAYOR AND COUNCIL**  
**473 S MAIN STREET, SUITE 106**  
**WEDNESDAY, JANUARY 12, 2022 at 5:30 P.M.**

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

**1. Call to Order**

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

**2. Roll Call**

Mayor Dee Jenkins, Vice Mayor Joe Butner, Councilor Bill LeBeau (ZOOM), Councilor Robin Whatley, Councilor Jackie Baker, and Councilor Cris McPhail are present. Councilor Jesse Murdock is absent.

**Also Present**

Town Manager Russ Martin, Finance Manager Mike Showers, Town Clerk Cindy Pemberton and Rec Secretary Jennifer Reed.

**3. Pledge of Allegiance**

Councilor Whatley led the Pledge.

**4. Presentation and discussion on current Public Safety Personnel Retirement System (PSPRS) funding status and potential funding options available.**

Town Manager Russ Martin stated this item is an unfunded debt. He introduced Mike Reeder from Stifel Public Finance.

Mr. Reeder introduced Claude Lockhart who is **also** in attendance via zoom from the Chicago office. Mr. Reeder reviewed the background on PSPRS and how this unfunded debt happened. The Town of Camp Verde's unfunded balance is \$2,471,339. He is hoping to be able to sell bonds to bring it down to \$2 million. Mr. Reeder reviewed the unfunded liability costs and how we compare to our peers.

Mr. Reeder stated they have been working to put together a Contingency Reserve Fund Policy. Council will be reviewing this at the next Council Meeting.

Mr. Martin stated the Contingency Reserve is about market risk vs budget. They will have to make a guesstimate as to how much to borrow.

Vice Mayor Butner asked if this is tax free municipal bonds? Mr. Martin stated that no these are taxable.

Council discussed the differences of Tiers 1, 2, & 3 and which tiers are affected.

The Council has three options to consider:

- Do nothing- Continue to pay accelerating payments to PSPRS resulting in possible tax increase in the future, need to cut expenses, or potentially a combination of both.
- Amend current PSPRS policy and budget more dollars towards the unfunded liability.
- Refinance debt to PSPRS accruing at 7.3% with taxable obligations yielding approximately 3.25%- address the legacy trajectory by chopping down the future mountain with fixed debt service payments and consider implementing a contingency reserve fund to help manager future liability.

*Break: 6:25pm*

*Resume: 6:27pm*

**5. Update and discussion on personnel budgets including positions approved in the FY21/22 budget and completion of wage adjustments according to the adopted salary plan.**

Town Manager Russ Martin reviewed past practices. Council was told this would be revisited. The majority of the numbers are associated with Department Heads and there are about 50 employees who will see adjustment moving forward. Mr. Martin stated that Council approved the increases but wanted to make sure they were still on board to move forward.

Finance Director Mike Showers reviewed the expense and revenue sides. He gave example of what being 100% funded, what the numbers would look like. Mr. Showers reviewed a handout (see attached.) Revenues have been going up and everything looks positive. Even the HERF Fund has been growing.

Mayor Jenkins would like to see the expenses. Mr. Showers stated expenses are on track.

Councilor McPhail stated it is not enough to pay a living wage, we also need to give you the tools you need to do your job. Mr. Showers will be bringing ideas to another meeting.

Mr. Martin said the numbers would lower without his salary adjustment. He said if this is approved without him, these increases could go into effect now.

Councilor McPhail would like to make everyone whole.

Mr. Martin stated that everything has already been approved and the money has been budgeted. He is looking for Council to direct staff if they are still comfortable with the previous decision.

Mayor Jenkins stated she would like to go ahead with staff going forward and then discuss Mr. Martin's adjustment during his review.

Mr. Martin moved on to "New Positions." These have also have already been approved and budgeted. The new positions can start when the budget has been funded. Most positions will be ready to go April 1<sup>st</sup>.

Council discussed the new finance position and the new Admin Assistant position.

Councilor Baker asked that after this there will be really good equality? Employees will feel secure and paid well? Mr. Martin stated yes, employee should not move somewhere because of the money. We should be on par in relation to other employers.

Brandy Cabrera commented via zoom to express her appreciation for Jen (the intern). She has met her required hours for her Master's Degree but continues to volunteer her time.

## 6. Adjournment

Mayor Dee Jenkins adjourned the meeting at 7:02 p.m.



Mayor Dee Jenkins



Attest: Town Clerk Cindy Pemberton

### CERTIFICATION

I 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 12, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 22nd day of February, 2022.



Cindy Pemberton, Town Clerk