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**AGENDA
TOWN OF CAMP VERDE
REGULAR SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, MAY 18, 2022 at 6:30 P.M.**

ZOOM MEETING LINK:

<https://us02web.zoom.us/j/84112363791?pwd=c2lhd2lvWFdxWXZWOVJia3lnTkJyZz09>

One Tap Mobile: 1-253-215-8782 or 346-248-7799

Meeting ID: 841 1236 3791

Passcode: 837205

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 Jackie Baker, Cris McPhail, Marie Moore, Jessie Murdock, Robin Whatley, Vice Mayor Joe Butner, and Mayor Dee Jenkins.
3. **Pledge of Allegiance**
4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved 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– April 27, 2022 at 5:30 p.m. Page 5
 - 2) Regular Session– May 4, 2022 at 6:30 p.m. Page 13
 - 3) Work Session– May 6, 2022 at 8:30 a.m. Page 27
 - b) **Set Next Meeting, Date and Time:**
 - 1) Regular Session – Wednesday June 1, 2022 at 6:30 p.m. **Cancelled**
 - 2) Regular Session – Wednesday June 15, 2022 at 6:30 p.m.
 - 3) Regular Session – Wednesday July 6, 2022 at 6:30 p.m.
 - c) **Amend and Approve the annual renewal of Use Permit 20150033 for High View LLC and Zane Grey Investments II for a Mining Conditional Use Permit for parcels 403-15-003U, 003V, 003W, 003X, 403-15-009A, 009B and 009C.** Page 41
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. Special Announcements and Presentations:

- **Presentation of the Town of Camp Verde's FY21 Audit.** Page 45
- **Presentation of the Quarterly Reports for the Board of Adjustment and Planning and Zoning Commission.** Page 191
- **Presentation of the Community Development Department Quarterly Report.** Page 195

7. Discussion, Consideration, and Possible Approval of long-range planning priorities for the Community Development Department as discussed at the Joint Planning and Zoning Commission/Council Meeting of March 10, 2022. Page 209

8. Discussion, Consideration and Possible Direction on the School Area Traffic Study conducted in partnership with the Camp Verde School District. Page 221

9. Discussion, Consideration, and Possible Approval to amend the Public Works Director and Administrative Clerk Job Descriptions and Salary Classification Scale. Page 247

10. Discussion, Consideration, and Possible Direction to advertise for the position of Town Attorney. Page 255

11. Discussion, Consideration, and Possible Approval of up to \$40,000 from the CIP Fund to remodel the 300 Building at 395 S. Main for office space. Page 259

12. 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 A.R.S. §38-431.01(H))

13. Council Informational Reports. These reports are relative to the 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, Phillip England Center for the Performing Arts Foundation. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

14. Legislative Update

15. Manager/Staff Report Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and public of such events and activities. The Council will have no discussion, consideration, or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda.

16. 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 following purposes: (1) Discussion or consideration of personnel matters (A.R.S. §38-431.03(A)(1)); (2) Discussion or consideration of records exempt by law (A.R.S. §38-431.03(A)(2)); (3) Discussion or consultation for legal advice with the attorneys of the public body. (A.R.S. §38-431.03(A)(3)); (4) Discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. § 38-431.03(A)(4)); (5) Discussion or consultation with designated representatives of the public body to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03(A)(5)); (6) Discussion, consultation or consideration for negotiations by the town or its designated representatives with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city (A.R.S. §38-431.03(A)(6)); (7) Discussion or consultation with designated representatives of the town to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03(7)).

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 05-12-2022 at 4:30 p.m. in accordance with the statement filed by the Camp Verde Town Council with the Town Clerk

Cindy Pemberton

Cindy Pemberton, Town Clerk

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. 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.

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DRAFT MINUTES
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY APRIL 27, 2022 5:30PM

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

1. **Call to Order-** The meeting was called to order at **5:30 pm**
2. **Roll Call.** Council Members Jackie Baker, Cris McPhail, Marie Moore, Jessie Murdock, Robin Whatley (absent), Vice Mayor Joe Butner, and Mayor Dee Jenkins.

Others present Troy Odell (zoom), Town Manager Russ Martin, Town Clerk Cindy Pemberton, Finance Director Mike Showers and transcriptionist Dana Donahue.

3. **Pledge of Allegiance-**Councilor Murdock led the Pledge of Allegiance
4. **Discussion on Capital Improvement Projects for Fiscal Year 22-23.**

Town Manager Russ Martin reviewed the Strategic Plan processes, stating that this has not been done since 2019. The result is a CIP (Capital Improvement Project) that is out of date. We have been through several budget cycles without addressing the five-year plan. Mr. Martin stated he needs some critical feedback for decisions being made next week. Cost of Living Increases, salaries, additional staffing, operations reorganization and Capital Improvement Project decisions need to be made. Council needs to decide how much all of this will cost and what direction to go.

Finance Director Mike Showers spoke about the ARPA (American Rescue Plan) monies (\$3.7million) and what needs to be done with it. The money came in two installments; one we have received and the other we will receive. We have identified some projects that might fit into the ARPA plan. The US Treasury department sent a letter stating that if a city received less than 10 million, spending the monies must to be done a certain way. The Treasury has recently sent specific instructions on how to spend the money and document it. Federal guidelines must be met. We have coded spending the monies under General Admin Services. We still have to follow grant guidelines.

Mayor Jenkins asked for clarification. Mr. Showers replied half the money has already arrived, and we are waiting for the second half, which should come the last week of June. It needs to be spent by December of '24. Mayor Jenkins asked if this was the end of the federal money. Mr. Showers replied yes, but there are other monies through grants that we may be able to apply for, such as those that are project based.

Mr. Martin spoke about the various projects the town has on paper, such as broadband.

Some of the monies have been spent, but there is money left over. We had money from the CARES act which has been allocated and spent on certain projects, but we may want to re allocate it. It doesn't mean the project goes away. We can look at this whole project as a "fund". If we put monies into a "fund", we will be able to pay for projects as they come up.

Mr. Martin explained; we would like to fund a five-year plan based on a balance that rolls year to year. This will allow us to treat it like an operational account. We would be able to work within that account as projects come in and out.

Every time we spend money on a project and have money left over, it returns to the General Fund. Mr. Martin would like to see the town stop doing that and instead fund projects with the left-over monies. In the preliminary budget we would like to create a fund that is more of an operational account. There are consequences to operating that way, chief being that left over monies would have to be reallocated and that takes planning, hence the need for a five-year plan. Also, there are some accounting issues that would have to be addressed.

Funding in this manner would allow us to be more proactive in moving our town projects forward.

Mr. Martin asked Council what their thoughts were regarding this proposal.

Vice Mayor Butner asked why this wasn't done in the past. Mr. Martin replied because we have money now, and in the past we did not. All the federal funding has allowed us to plan our CIP projects.

Mr. Martin stated that having a plan is better because it is more consistent and efficient. We will be able to see how much staffing for a particular project we are doing and how long it would take. It flows better.

Mayor Jenkins states she likes the idea of putting left over money into a fund because of the ease and transparency in accounting.

Mr. Showers spoke about the operating transfer budget and some of the issues regarding how that would look. He likes the idea we can save money for specific projects. One of the things that won't change is the money coming from HURF, which is restricted monies. There is some discretion about how much money we could move into the fund. Creating the five-year plan and implementing it is important. When we budget next year, we know we are going to put \$500k into the General fund to use in our CIP projects.

Mayor Jenkins stated this proposal may allow us to do some long-term planning. We wait on some projects because they are big expenditures and we are waiting for money to come in, which delays projects. She asked for clarification about how the money would be found if projects were over budget or came up short.

Mr. Showers explained how we currently address overages on projects. Mayor Jenkins asked for clarification. Mr. Showers replied he was not sure, that is why we need a five-year plan and clear direction from council.

Mr. Martin explained how money is managed through CIP projects. It is important to make it clear to staff how this is done and how it is documented.

Councilor Murdock clarified that a five-year plan would be make planning easier. We have always wanted to get all our projects done and this may be the way to accomplish it.

Councilor McPhail stated that having the money in a fund makes spending it more efficient. She would support handling the money in this manner if procedures were in place.

Mr. Martin reiterated how allocating money, spending it and managing any leftovers or overages is managed. This means that as this moves forward we will be able make the fund available. It helps staff manage projects that are over and under budget. It is better to approve the project and fund it quickly. Delays cost money because prices go up on materials and labor. As you make decisions going forward, we will take those balances and create a CIP fund with a running balance, and you can operate off of that balance.

Mr. Martin moved the discussion toward current CIP projects. He began with the Sports Complex. He referred to a budget worksheet regarding the complex. The complex is a big priority because everyone wants it finished. The contract with Tierra Verde has \$245k remaining. There are change orders, 8 and 9 and 10 (additional costs). It will include additional costs. Trucking is a big issue right now. There will be an increase in trucking costs. Prices are different than when it was bid. There are also additional electrical charges.

Change order 9 refers to the dugouts and the posts that encroach into the playability area. The posts must be reduced for safety. The engineers are paying for that, not us, but it will be processed through us. Change order 9 has already been processed. 8 and 10 are in processes.

Mayor Jenkins asked if the contractor/engineers are going to reimburse us for the engineering mistake with the poles. Mr. Showers replied, yes. We are doing it this way because we want to control the warranty, and we want the contractor to pay for any future warranty work.

Mr. Showers explained how the reimbursement would work, chiefly the town must pay up front, then we are reimbursed, like car insurance. There are a variety of ways we can do it based on what we want to see, and they want to see.

Mayor Jenkins stated she wants documentation that the problem was repaired correctly to protect the town.

Mr. Martin explained that after all the change orders are completed, the fields will be ready to play. Change order 10 we discussed, change order 7 and 8 and 9 are paid for. There are some things that we still need to do, like the trip hazards near the concession stand, a fencing safety line and some decomposed granite needed for walkways.

As of the 19th, we have \$4.3 million dollars, minus the payout to Tierra Verde which gives you \$3.7 million remaining to finish the project. Each item listed is an estimate. We have a \$700k Musco light in change order 10. Conduit costs have gone up and continue to do so. Some of these are internal expenses that we can handle. Everything remaining is \$2.8 million dollars.

Mr. Martin spoke about the remaining project items to complete the complex. These are pretty general categories such as concession stand (out to bid), pickle board and tennis courts. We will have to bid this like the restrooms and concessions. The lights will be up, but no courts, be prepared.

Mayor Jenkins asked if we have anyone that is willing to donate some of the items.

Mr. Martin replied yes, but we still require bids.

Mr. Martin spoke next about the Maintenance building, which really needs to be addressed in the fall. It can wait. It will cost about \$.5 million for a big shell building that we can finish as we go. There are a lot of different options.

Mr. Martin moved onto the pond. We need to do this as much as possible in house. It will require a surveyor, excavation, material allocation, a liner and some imported materials. We hope we have enough material on hand to do it. The liner is expensive and must be professionally installed. The pond will hold about 10 million gallons.

Mayor Jenkins stated she was excited about the pond and felt it would be a great attraction and focal point.

Mr. Martin continued to explain how we need picnic areas, ramadas and a water system for watering the new trees and buildings to protect the equipment. Our budget is \$550k. We might be able to get some grants for specific items. We need to finish the entrance off the 260 which requires drainage etc. We received a grant for the trees from APS which will require irrigation. Again, this is a fall project.

Mayor Jenkins would like to see a list of items published to see if businesses or other entities might want to donate items.

Mr. Martin explained the playground and items that need to be purchased. We might be able to get a grant for some of it, that is why you don't see it here. There is a difference between general fund and donated. We have cleared our \$5 million dollars for this project. If we are over on some of our projects here, we can ask for grants for the overages. There is no guarantee we would get the money, but we can ask.

Mayor Jenkins asked if we had to pay for playground equipment, this remaining balance wouldn't do it? Mr. Martin said we must match it with something. As we move forward and come up short, we can ask for more funding to match what we have if it is under \$1 million dollars. Hopefully, as we come near completion, the numbers will tighten up and we will have a better idea of what we need.

Mr. Martin moved onto the Public Safety Building. Marshall Rowley joined Mr. Martin at the table for the conversation. To build our own facility will cost about \$15 million. What we need from council is a decision about; 1. building our own or, 2. purchasing the building on Quarry drive which is \$6 million. We need to move on this quickly if this is what you want to do. There are some costs for the structural review totaling \$25k. There needs to be an extensive evaluation of the building if we are going to purchase it. A rough cost will be \$4 to \$6 million dollars for the remodel.

Again, there are two opportunities here; stand alone or purchase the Quarry building. You may decide to do nothing, but I need to know. This going to be a continuing issue until we decide.

Marshall Cory Rowley spoke about the possible remodeling of the current Marshalls building. We really want to get town hall off Main Street. What do we do with the MATFORCE building? Which way do you, the council, want to go? This is a large dollar project for the town, and we don't want to be behind. The town and Marshall's office is growing.

Councilor McPhail asked about the revenues coming from retail business such as Tractor Supply. Would Mr. Showers be able to predict what that might be? Mr. Showers replied no, he did not think he could make an accurate assessment.

Councilor Moore asked if the Quarry building is for sale? Are these concrete options?

Mr. Martin replied he wants clear direction on what the council would like to do. Public Safety needs special accommodations, and it isn't easy to do. We need you to look at a larger complex in the downtown area.

Marshall Rowley said he thought the Sheriff's office was going to relocate in this direction.

Councilor Baker thought it was important to listen to the law enforcement agency and what they needed. She feels the public safety building needs to be stand alone because of their special needs. She does not think town hall on main street is a problem. She feels confident that the sheriff's office and other agencies will come along.

Marshall Rowley would like to narrow down the options.

Mayor Jenkins would not support Blakes idea because the location is retail/commercial area. She feels the Griffith building is a poor location and the price tag too high. We are not in position that we need to do something immediately. We could expand the existing Marshalls office. When maintenance moves out to the sports complex, there will be some moving of town offices to other locations. The system is not absolutely broken, and it is difficult to justify spending \$16 million dollars.

Marshall Rowley stated if we keep the existing Public Safety building, we could expand. Parking is a big issue. We need room for parking. Our substation allows us to process arrests right now. He likes his officers to be close to highway 260 so they can patrol it.

He understands \$25k for an evaluation of the building is a big price tag. He is just looking for direction.

Vice Mayor Butner likes the idea of clearing out the center of our town and expand the Marshalls office into that area. We may be able to do some inexpensive buildings for evidence storage. The building out on the 260 works well for the other entities there, but it is a poor location for us. We want our police department right here in the center of our town, with commercial stuff on the outside of town.

Councilor Murdock is in support of the Marshalls current office and remodeling the aera to meet future needs. We need to explore more options. She would like us to keep looking.

Councilor Baker stated she understands the Marshalls need for a better space. Perhaps the property next to the Marshals current building could be purchased?

Councilor Moore asked are there are other properties the town owns that would be adequate? Marshall Rowley replied the property on Oasis is too small. The town owns property near the streets department that might work. We can discuss all options, but we need direction from Council.

Councilor Moore doesn't like the idea of spending \$25k to assess the building and it not work out.

Town Manager Martin said we need to choose some options with time frames. Staff put together a needs study for the amount of square footage they will need in the future. In addition, what departments move and where? Who stays? Council needs to be specific on what they want to do because we want to spend our evaluation money wisely.

Mayor Jenkins would like to see an overview of the entire town, instead of just one department like the Marshalls office. She realizes how much time and effort the staff has put into the research.

Mr. Martin replied that the Marshalls office is the priority. Everything else could be done in a five-year plan.

Vice Mayor Butner agreed with Mayor Jenkins. He spoke about the Blevins property next to the Marshall's office. It might be for sale with the recent death of the elder Blevins. The property is an ideal location for expansion.

Marshall Rowley needs approximately 20k square feet of additional space. WIFAC (West Yavapai Family Advocacy Center) needs 5k square feet.

Mr. Martin spoke next about vehicles and equipment. He stated he will only to be able give you some generic information. On the 6th it will be more detailed. We are not going through the detail tonight. He is asking that council focus on the equipment through these processes. What he would like on the 6th from council is decisions on what to spend and where to spend it. It is up to council to do the research on each purchase. Staff is

available to answer any questions. The towns budget with staffing included, is balanced. We received the state revenue numbers. The amount of the state income tax is nearly 800K more than what we projected last week. So, there is an additional 800K to work with. State sales revenue is higher as well. We are \$1 million over our projected revenues from the state. We have money to make decisions. We have lots of choices.

Mayor Jenkins asked council to share any answers they get from questions asked of the staff.

Mr. Martin reminded council of the decisions needing to be made at the meeting on the 6th. He asked council to be prepared.

5. Adjournment-The meeting was adjourned at 7:08 pm.

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 April 27, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2022.

Cindy Pemberton, Town Clerk

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**DRAFT MINUTES
TOWN OF CAMP VERDE
REGULAR SESSION
MAYOR AND COUNCIL
473 S. MAIN STREET, SUITE 106
WEDNESDAY, MAY 4, 2022 at 6:30 P.M.**

ZOOM MEETING LINK:

<https://us02web.zoom.us/j/89287120079?pwd=aE5JU3ZyWWlkaHE0QjNkelBmL240QT09>

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

1. **Call to Order** Mayor Dee Jenkins called the meeting to order at 6:30 PM.
2. **Roll Call.** Council Members Jackie Baker, Cris McPhail, Marie Moore (absent), Jessie Murdock, Robin Whatley, Vice Mayor Joe Butner, and Mayor Dee Jenkins.
3. **Pledge of Allegiance** Councilor Robin Whatley led the pledge.
4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved 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– April 12, 2022 at 5:30 p.m.
 - 2) Work Session– April 13, 2022 at 5:30 p.m.
 - 3) Regular Session– April 20, 2022 at 6:30 p.m.
 - b) **Set Next Meeting, Date and Time:**
 - 1) Work Session – Friday May 6, 2022 at 8:30 a.m.
 - 2) Work Session – Wednesday May 11, 2022 at 5:30 p.m.
 - 3) Special Session – Wednesday May 18, 2022 at 5:00 p.m.
 - 4) Regular Session – Wednesday May 18, 2022 at 6:30 p.m.
 - c) **Possible Approval of Resolution 2022-1089, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Yavapai County, Arizona, establishing Mayor and Council Salary amount and Superseding Resolution 2013-880.**

Councilor Murdock informed Council that both she and Councilor Moore would be unable to attend the session on Wednesday May 18th as it conflicted with school graduations.

Mayor Jenkins stated that she will confer with the Town Manager but tentatively has plans to switch the date of the special session to the 11th.

Motion by Councilor Jackie Baker approve the consent agenda. Second was made by Councilor Cris McPhail.

Roll Call Vote:

Councilor Jackie Baker: aye
Councilor Cris McPhail: aye
Councilor Jesse Murdock: aye
Councilor Robin Whatley: aye
Vice Mayor Joe Butner: aye
Mayor Dee Jenkins: 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))

Sheri Hauser presented to Council and represented the Chamber of Commerce. She had attended the Verde Lakes Spring Festival and had been invited to represent local business at the Circus. The Chamber website hit 4k a month. The Chamber is considering a tourist kiosk in Camp Verde. The monthly chamber updates have been a hit. The next meet and greet is scheduled at JT's Bistro on the 19th of May at 4 PM. Attendees can bring a bottle of wine for the wine raffle.

McKenzie Rogers presented for APS on Fire Mitigation. There was a prepared slideshow on Wildlife Preparedness and Response. Fire risk reduction measures include preparation, mitigation, and response with reliability and safety being their top priorities. Wildfire is unpredictable and nearly 6000 acres burned last year primarily due to lightning strikes. APS activities that reduce risks include: maintaining and clearing right of ways annually, patrolling and correcting issues in high fire risk areas, inspecting overhead equipment annually, and creating defensible space around power poles. APS is also leveraging technology and have installed 3500 fault indicators which will signal service technicians to go to a location. These are non-communicating devices, so it still important for the public to call and report any issues. They also encourage the public to call if they happen to notice that a fault indicator is lit up. APS has a team of fire mitigation specialists on staff for the area.

APS has several Customer programs available on APS.com. Including the right tree, right place program which details how to safely plant trees to shield the look of power lines. Creating fire defensible space around homes is also available online.

APS will send letters to all customers in the area. The letters include safety and fire wise tips as well as a notice that customers could experience longer than normal outages during fire season. It is important to APS that the public understand that although reliability is a core value safety will be prioritized. The public is invited to download the APS app for an outage map and they may also sign up for text alerts. It is important to understand that APS doesn't automatically know when there is an outage. Please call to report them. APS will also be auto enrolling customers with a valid phone number and email on file in the alert system. Customers can call or go online to update their information. In the event of sustained outage APS will set up ice stations to provide ice for freezers. The public should know that by keeping their fridge closed food will remain fresh up to 8 hours and up to 24 hours in the freezer.

6. Discussion, Consideration and Possible Direction to staff on the selection of a Dump Truck Purchase for the Wastewater Division, not to exceed in the amount of \$175,975.00. Staff Resource: Chet Teague

Russ Martin presented for Chet Teague. He recommended delaying this agenda item until after the meeting scheduled for Friday. This would allow further discussion on what is better for both the department and organization as well discuss with the streets options that the equipment will impact.

7. Discussion, Consideration, and Possible Approval of Awarding Quote # 18-123DP to MUSCO Sports Lighting, LLC in the amount of \$701,503.00. Staff Resource: Russ Martin and Dorie Blair

Mr. Martin stated that this item was put into the session for the opportunity for public feedback. The item had been discussed with Council a few weeks ago.

Mayor Jenkins wanted to understand how the contract services the lights that are not being installed right away including the tennis and pickle ball court lights.

Mr. Martin stated that the contract with Tierra includes the installation on those courts as well. The contract will begin before the courts will be completed.

Motion by Councilor Jessie Murdock to award Quote # 18-123DP to MUSCO Sports Lighting, LLC in the amount of \$701,503.00. Second was made by Councilor Cris McPhail.

Roll Call Vote:

Councilor Jackie Baker: aye
Councilor Cris McPhail: aye
Councilor Jesse Murdock: aye
Councilor Robin Whatley: aye
Vice Mayor Joe Butner: aye
Mayor Dee Jenkins: aye

Motion carried 6-0.

8. **Discussion, Consideration and Possible Approval to order five (5) - 2023 Chevy Silverado Police package units the Second week of May 2022 for the Marshal's Office up to \$70,000 per vehicle not to exceed \$350,000.00.** Staff Resource: Corey Rowley

Lieutenant Dan Jacobs presented. The Department is asking for authorization to order five vehicles in May of this year. The vehicles would not go into production until 2023. The Department is replacing Chevy Tahoe's with over 100k miles.

The window to order the vehicles is limited and last year was about a week. This year it is the second week of May, so the approval is needed right away.

Mayor Jenkins inquired if the cost in the agenda item represented only the base price.

Lieutenant Jacobs stated that the price includes the outfitting. The prices could fluctuate, but if the amount exceeds the \$350,000 requested the Department can look at dropping a vehicle.

Councilor Whatley wanted to know what would be happening to the 2013 Tahoe's currently in use since the Town may be able to make some money by selling them.

Lieutenant Jacobs stated that they would likely keep four as swing units so if a vehicle is out for repair there is a backup available. The department has also removed the markings off an older unit which is in use by investigations. Another is being utilized as a volunteer vehicle and they would like to have a second volunteer unit. Any vehicles that can no longer be used by the Department can be auctioned.

Motion by Councilor Jackie Baker to order five new patrol trucks. Second was made by Councilor Cris McPhail

Roll Call Vote:

Councilor Jackie Baker: aye
Councilor Cris McPhail: aye
Councilor Jesse Murdock: aye
Councilor Robin Whatley: aye
Vice Mayor Joe Butner: aye
Mayor Dee Jenkins: aye

Motion carried 6-0.

9. **Discussion, Consideration and Possible Approval of the annual renewal of Resolution No. 2015-939, for High View, LLC's Mining Conditional Use Permit, which states "A Resolution of the Common Council of the Town of Camp Verde, Arizona, Yavapai County, on Use Permit 20150033, an application**

submitted by Joe Link – agent for the owner Aultman Land & Cattle III & IV, LLC of a portion of Parcel 403-15-002Y, and a portion of 403-15-003C. The Use Permit will allow an operation that will mine, quarry and extract natural resources from the property which will be a total of 195.33 acres. The property is located on State Route 260 at milepost 214.27 on Parcels 403-15-002Y & 403-15-003C”. Staff Resource: John Knight

John Knight presented. The agenda item is in reference to an aggregate mining operation whose permit started in 2015. The operation is in the last phase which is reclamation. The item is asking for a one year extension to finish the clean up and get the area properly compacted. Once a formal notice of reclamation is done the operation has one year to clean it up. The goal is to get the property ready for new development. The reclamation needs to be certified as properly done and the applicant is in attendance with their engineer via Zoom to answer any questions.

Mayor Jenkins asked for an explanation of the reclamation process and details of the verification process.

John Knight stated that the operation included 40 to 50 open pits and the verification requested was primarily that the ground has been properly compacted for future use. They have asked that the applicant submit tests for review that the area has been properly compacted. At the current time Mr. Knight was unsure if all the requested items had been submitted, but assured Council that the Department and the applicant are working on obtaining all verifications.

Councilor Baker thanked Mr. Knight for the letter he had drafted and sent to the applicant which explained the procedure going forward, because the reclamation is so important.

Vice Mayor Butner wanted to understand what steps the Community Development Department was taking to make sure that this project doesn't become a point of concern and asked if the Department was performing inspections.

Mr. Knight explained that the Department has requested engineer tests that confirm the compaction, but has not conducted inspections at this point.

Vice Mayor Butner asked if the Department had plans to start inspecting.

Mr. Knight confirmed the department plans to inspect. They had visited the site which led them to determine that something needed to get done. Mr. Knight felt it was important to consider the Town's liability down the road and wanted to reduce any potential issues that may evolve into a lawsuit. He is asking that Council approve the extension in order for the company to complete the job and reclamation process.

Vice Mayor Butner requested that the applicant explain to Council how the project is to be brought up to speed in order to give Council a level of comfort in approving the request.

Troy O'Dell stated that the projects requirements were for the operation not to go below the level of the highway and that the area be returned to a certified buildable parcel. The density requirement was 95% dry density to the satisfaction of a soils engineer which was registered in state of Arizona. The area is mapped vertically and horizontally to show adequate compaction was done to certify as buildable. Otherwise they would have to record as the area as unbuildable forever. The optimum moisture and density need to show that there will be no future issues with buildable space.

Jeremy Bach stated they are working with Western Technologies and Engineering & Testing Consultants. They also worked with a structural engineer to certify the initial project.

Craig Baker stated that one area did not test at 95% and they are going to rework and retest there. They have been adhering to the requirements for the two agencies they are privately working with. They feel comfortable with how they are going about the reclamation. It is in their best interest to ensure the reclamation is correct and without future issues. When the area is developed with new builders they will also have a requirement to perform an additional environmental test.

Dugan McDonald stated that he had no technical view to add to the previously presented information. He wanted to take an opportunity to thank staff for their presentation and the members of council for the opportunity to be heard.

Troy O'Dell stated that the scope of work for the engineer needed to be revised in order to map the certification. There is some mapping that is incorrect and is being corrected. They are sending the details every two weeks to ensure correct information. They do not want to leave any unbuildable area.

Cheri Wischmeyer said parcels have changed two or three times since the resolution originally passed, but the resolution has not been updated. When she was trying to research this agenda item it took the whole week to down information because of this issue. She commented that Mr. Knight did a good job on the outline, but it doesn't address the historical data. She commented that excavation and reclamation should have been a detailed plan originally filed with the Town in 2015. She has not been able to locate the plan in researching the information. State mining laws indicate that reclamation plans have to be detailed. She would like to know if there is one and why not if there isn't.

Mr. Knight remarked that Ms. Wischmeyer brought forth some good points. The parcel numbers have changed. The reclamation plan was filed in 2016 with the Town, but could not recite the specific details.

Mayor Jenkins asked if a copy of the reclamation plan could be provided and inquired on the proper procedure for the parcel numbers.

Town Manager Martin stated that the parcel would tie to the original through the County. Everything ties back to the original one that is traced and would chain back

to those titles and numbers.

Vice Mayor Butner recommended that the history be put in the record.

BJ Ratlief Community Development Planner stated that they do have the entire history, but it is not a simple chain. It splits and merges. It is part of the Town record and the Department is happy to provide it as part of the record.

Mr. Martin recommended adding it to the motion.

Motion by Councilor Jessie Murdock to approve Resolution No. 2015-939 as presented with the addition of current updates and ties and chains of the title history and parcel number changes to current as of today, for High View, LLC's Mining Conditional Use Permit. Second was made by Councilor Baker.

Roll Call Vote:

Councilor Jackie Baker: aye
Councilor Cris McPhail: aye
Councilor Jesse Murdock: aye
Councilor Robin Whatley: aye
Vice Mayor Joe Butner: aye
Mayor Dee Jenkins: aye

Motion carried 6-0.

10. **Approval of Ordinance 2022-A466 AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, GRANTING GRANTING TO UNS GAS, INC. AN ARIZONA CORPORATION, ITS SUCCESSORS, LESSEES AND ASSIGNS, CERTAIN POWERS, LICENSES, RIGHTS-OF-WAY, PRIVILEGES AND FRANCHISE TO CONSTRUCT, OPERATE AND MAINTAIN IN TOWN OF CAMP VERDE, STATE OF ARIZONA, AS NOW OR HEREAFTER CONSTITUTED, A TRANSMISSION AND DISTRIBUTION SYSTEM OF GAS MAINS, PIPELINES AND RELATED APPURTENANCES FOR THE TRANSPORTING, SALE AND DISTRIBUTION OF GAS INTO, OUT OF, AND THROUGH SAID TOWN, AND FOR THE DISTRIBUTION AND SALE OF SUCH GAS TO SAID TOWN, ITS INHABITANTS AND OTHERS, INCLUDING CUSTOMERS INSIDE, BEYOND, AND OUTSIDE OF THE LIMITS OF SAID TOWN; AND TO USE THE STREETS, AVENUES, EASEMENTS, RIGHTS-OF-WAY, ALLEYS, HIGHWAYS, SIDEWALKS, AND BRIDGES IN SAID TOWN FOR SUCH PURPOSE FOR A PERIOD OF TWENTY-FIVE (25) YEARS; AND PRESCRIBING IN CONNECTION THEREWITH CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS HEREIN MENTIONED; AND PROVIDING FOR THE PAYMENT TO SAID TOWN OF A PERCENTAGE OF CERTAIN REVENUES OF GRANTEE FROM ITS OPERATIONS THEREIN.** Staff Resource: Russ Martin

Mr. Martin remarked that there are two processes for this agenda item one approving the ordinance and the second is to place it in front of the public for approval. It is

being presented now because of the timing with the election schedule. He explained that raising 2% to 3% would allow the Town to take 1% and put it towards lines or something that is a benefit to the utility. There are some changes to the contract the Town Attorney was able to negotiate because of his experience with these contracts. Section 2-2 details that relocation for public benefit expenses would be covered through the company as opposed to the current contract that requires any changes to be made at the sole expense of Camp Verde. The new contract also does not have a courtesy requirement. There are a few people available to answer questions from Unisource.

Vice Mayor Butner remarked that it sounded like the town attorney approved of the contract, but the box that should be marked to show this had no x. He asked for confirmation that the town attorney has reviewed and approved.

Mr. Martin confirmed that both the Town Attorney and the Unisource attorney had approved and noted that the box was missing the check.

Mayor Jenkins inquired on the areas within the town of Camp Verde that are serviced and asked about their plans to expand service.

Duncan Jakes Verde Valley District Manager for Unisource stated that there are high pressure services along Highway 260 and the transfer point is behind the cement plant. Also serviced is the first subdivision off horseshoe bend area and the cut off is behind the Comfort Inn. The town is supplied from that cut off point. There are some other scattered services around the corner part of Camp Verde. The Fire Department on Cherry Creek Road also has service. They would be happy to work with residential and commercial developers on expansion specifically along the 260 corridor.

Councilor Whatley noted that there is service to the Town Library, but not to her home nearby three houses down on Blackridge Road.

Duncan Jakes stated that the company has considered working on plan or idea to get service across the bridge in order to supply the School. Private residents can pay for an extension if they are within a certain distance from line.

Councilor Murdock requested more information on the details in crossing the river for service to the Public Schools and Pool. She inquired if there were particular challenges in crossing the river.

Duncan Jakes didn't have specific plans available but was aware of the site and the bridge curves. The crossing can be complicated and expensive. They would need to route the service either underneath or to side. Underneath river would be quite an expensive pour and require a steel casing and that the service pipe would inside. There were studies in the past on costs. Mr. Jakes is new to the district and this would be on his plate to start looking at. Contracts can be complicated and they determine for the projects individually how costs are absorbed.

Mayor Jenkins remarked that she was unaware of which areas were serviced by natural gas Camp Verde and not did not know anyone personally who was serviced by them until tonight.

Motion by Councilor Jackie Baker to approve Ordinance 2022-A466 as presented. Second was made by Councilor Jessie Murdock.

Roll Call Vote:

Councilor Jackie Baker: aye
Councilor Cris McPhail: aye
Councilor Jesse Murdock: aye
Councilor Robin Whatley: aye
Vice Mayor Joe Butner: aye
Mayor Dee Jenkins: aye

Motion carried 6-0.

11. Discussion, Consideration, and Possible Direction to revise Town Attorney job description and language of a possible advertisement. Staff Resource: Russ Martin.

Mr. Martin is requested that Council provide him with details on the draft they would like to see for the City Attorney. Once enough direction is obtained he will redraw and bring it in for a formal approval. Depending on what is decided code issues may need to be changed and that may delay bringing it back to Council. The current Attorney will continue to work with the Town through the transition. The changes have an expected timeline of approximately July.

Councilor Baker noted that current part time attorney has a salary of roughly 65k for 16 hours for week. The starting salary is now showing approximately 95k and asked if was anticipated to be that much.

Mr. Martin stated this rate was based on current part time rates for that form of service provided. The Town's current rate is lower than average.

Town Clerk Cindy Pemberton has a statement from Council Member Moore who was unable to attend the meeting but wished to speak to item. Her statement read, "I would like to consider some type of verbiage to be included along the lines of expected to attend regular council meetings, special, and executive session meetings in person or remotely to advise Council on any legal question and/or receive assignments to research. I understand the town code would need to reflect this as well, but I think it is important to include the description under the responsibilities or duties if that is the route Council is looking to move forward in. I do feel the town attorney should be present and available at our meetings."

Councilor Whatley felt the Town is going to be paying the town attorney a whole lot more to attend all sessions and recommended considering special and executive sessions. The Town would need to increase the budget for the Town Attorney as

attorneys generally bill by the hour.

Councilor Murdock asked if it was the wish of Council to go from a contracted service to an hourly on site attorney.

Vice Mayor Butner noted that he would like to see a range of money depending on how the attorney is hired. He recommended between 55k-95k depending on qualifications and time spent with an hourly basis option.

Councilor Baker asked on the range for an attorney who was a full time employee and noted that there would likely be a benefits requirement.

Mr. Martin stated that generally above 16 hours requires retirement and benefits. More than 16 hours would also impact overhead. He noted he saw the position as something similar to the judge. Mr. Martin is looking for the particular items Council is looking for in the position. The current Attorney would probably do what Council was requesting in a contract. If Council decides to go with a contracted position they could negotiate with a candidate or an LLC for a pool of attorneys. The advertisement is the key component to it and they need to put out an advertisement to get started. The advertisement gives the concept of the role but doesn't define the specific nature of the contract. The best candidate may or may not be local which means that the specifics of the contract may be determined based on the selected candidate.

Mayor Jenkins has been very thoughtful about an attorney attending meetings. She feels that there are times when an attorney's perspective should be available during meetings.

Councilor Murdock recommended hourly while they're in attendance with a ceiling on payout. She felt it was important that the candidate have experience with a background in municipal city law and provide services that align with the Town's needs.

Mayor Jenkins also felt that someone more accessible was required.

Councilor Baker noted that the Town hasn't spent much this budget year on attorney's fees, but the attorney hasn't been on the phone with Council. She remarked that Council could request that the current attorney attend.

Mr. Martin remarked that in his past experience he worked with a Council that had a contract attorney there every meeting and some of this time felt wasteful. Mr. Martin stated that he believed Council wanted a certain number of hours and to be prepared be in attendance two days a week. He requested clarification on the structure Council wishes to look for.

Mayor Jenkins stated up to 16 hours or something similar.

Town Clerk Cindy Pemberton remarked that emails and calls to the Town Attorney from staff are roughly 3k-5k per month. She wanted to ensure that Council takes into consideration the amount of work being done by this role outside of Council.

Mr. Martin stated he would bring back what he believed he heard with the Town possibly willing to accept a contracted LLC.

Councilor Baker commended Marie Moore's statement and noted that she would want the attorney present for meetings.

Councilor Murdock felt that Mr. Martin should receive more direction from Council. She disagreed with having the attorney attend every meeting and felt some items could be tabled which may need an attorney's presence. There is a range differences between an individual contract and LLC including hours and range.

Councilor McPhail was more inclined to do an hourly rate rather than have hours dictated. She would like to see an option to have attorney available as requested with a preference for billing per job rather than once or twice a week requirement. She is also interested to have the attorneys give a listing of services they would be able to provide.

Vice Mayor Butner noted that the Town should take advantage of current technology and felt there was a benefit to Zoom where expressions can be viewed as opposed to phone call attendance. Vice Mayor Butner believed that it was important to have an attorney attend every meeting via Zoom. He stated that the initial advice on the front rather than clean up on back end was invaluable. The range of time and money would need to be negotiated depending on experience. He noted that a lawyer had recently applied for a judicial position and felt there were hungry young lawyers with their own offices who were not working for an LLC. He desires to obtain applicants and work a deal out to the advantage of the Town. He felt that the Town needs an attorney at meetings.

Mayor Jenkins noted that Council can't predict when an attorney's advice would be needed and noted that there have been meetings when she thought there was no issue and had wished one had been available.

Mr. Martin ended by stating he will focus on the advertisement to bring back to Council and not the job description at this time.

- 12. 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 A.R.S. §38-431.01(H))

No comments from public.

- 13. Council Informational Reports.** These reports are relative to the 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, Phillip England Center for the Performing Arts Foundation. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

Councilor McPhail attended via Zoom the Harbor Day Celebration with the Arizona Department of Forestry and Fire Suspension where one of our citizens was awarded Arizona state forester of the year. When it comes in the mail we will have her come before us and to congratulate her. She also attended the Library Volunteer Dinner, continues participation on the truancy committee, at the Circus she was the MC for two minutes, and attended the Spring Fest at Verde Lakes Ponds. She offered a thank you to Mike Marshall and Lori Webb who were there all day long and brought games and collected feedback on what to do in the future. She ended with a commendation to maintenance whose hard work was evident at the event.

Councilor Baker attended the Library Volunteer Dinner and remarked on how great they were at honoring their volunteers. The event was very lovely and she can't say enough praises for Library and everyone that helps out and works there.

Mayor Dee Jenkins attended the PSPRS meeting, the Friends of the Verde River at Salt Mine Wine, the Spring Fest at Verde Lakes, and the fair which was really nice this year. Sunday, she attended an event for Equine Evacuation of Yavapai county with James Gregory District Supervisor. They currently have a couple of locations on other side and are trying to establish one over here. It is an all volunteers, top notch organization and they could use any financial support that anyone can give. The May 3rd budget and finance meeting was cancelled due to lack of business.

14. Legislative Update

Town Clerk Cindy Pemberton had no updates for Council.

- 15. Manager/Staff Report** Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and public of such events and activities. The Council will have no discussion, consideration, or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda.

Corey Rowley stated that the funding for the vehicles was at a critical time and they needed every dollar in the amount awarded. He also confirmed that if the installation goes higher the Department will find a way to sacrifice a vehicle so they do not go over the amount. Publicly thank Benson and Jim Jacobs whose professionalism and

guidance has been stellar. Truancy program was brought before tribal council and was well received. They had several inquiries on who was going to tribal lands to knock on doors. Ultimately they were open to integrate and satisfied. Lieutenant Jacobs handled the truancy for last school year and they had kids gone for 65 days who came back as a result of the visits. The visits also really helped out summer school. The vision will continue over the summer, but the program will look different as focus will be on developing for the next school year.

Town Manager Russ Martin stated that the Prescott forest service is at stage 1 as of tomorrow morning. Fires are still allowed but caution is imperative. This is early in the year, but there has been insufficient moisture. This affects Copper Canyon Trailhead, Beasley Flats, and Hayfield draw. Julia Kaiser, the new HR representative for the Town, starts Monday. There will be a work session meeting at 8:30 AM Friday morning which should be three hours or less and the public is invited to attend.

Mayor Jenkins remarked that a citizen had requested the Town agendas be posted on social media. She has been in contact with the Economic Development Department and they are very supportive of that request. There is a meeting scheduled to finalize an agenda for posting on Facebook and Instagram. The Town was happy to respond to the request.

Councilor Murdock offered a commendation to Amethyst Lowrey who performed the Heimlich maneuver on a student who was choking on a piece of candy at the Middle School.

Mr. Martin stated that the June 1st meeting was canceled.

16. Adjournment Mayor Dee Jenkins adjourned the meeting at 8:11 PM.

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 Regular Session of the Town Council of Camp Verde, Arizona, held on May 4,, 2022. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2022

Cindy Pemberton, Town Clerk

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**AGENDA
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
FRIDAY, MAY 6, 2022 AT 8:30 A.M.**

ZOOM MEETING LINK:

<https://us02web.zoom.us/j/86137208559?pwd=TDIKa1NWMEhvV2Q3c3NDMkIQZzNwZz09>

One Tap Mobile: 1-346-248-7799 or 1-669-990-9128

Meeting ID: 861 3720 8559

Passcode: 260349

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 8:30 AM.
- 2. Roll Call.** Council Members Jackie Baker, Cris McPhail, Marie Moore, Jessie Murdock (absent), Robin Whatley, Vice Mayor Joe Butner (absent), and Mayor Dee Jenkins
- 3. Pledge of Allegiance** Councilor Marie Moore led the pledge.
- 4. Discussion between Town Council, Town Manager and Finance Director regarding Fiscal year 2022-23 Budget.**

A packet was provided to Council to show which items would be worked through during the work session. Town Manager Russ Martin explained that they would try to use the screen to keep track of decisions as they are made to get a running tally of decisions.

Councilor Murdock and Vice Mayor Butner arrived at 8:33 AM.

Mr. Martin went over the general purpose revenues for Town Sales Tax. The Category 0.65 of the tax rate is tracked separately because of CIP expenditures. The 2021-2022 adjusted budget is \$6,954,000 6.95 and the department requested 2022-2033 is \$7,713,910.

Mike Showers went through what went into the \$7,713,910. The document on page 12 and 13 showed tax detail by category and headers with the estimates at the bottom labeled. Mr. Showers explained that their tax revenue numbers looked at real possibilities instead of being conservative. Most categories were adjusted up anywhere between 3% to 15%. The biggest change was construction with approximately a 60% increase. It only takes one or two big projects for construction to shoot up significantly. After reviewing the upcoming projects he took the number

closer to the previous year. They are not anticipating a major shut down or recession and the numbers presented are not super conservative.

Mayor Jenkins inquired which numbers would be sensitive to a recession.

Mr. Showers stated that COVID had little impact on the tax revenues. Things that affect the world or a true recession would have an impact. Even in the accommodations categories retirees or RV travelers may not necessarily stay home due to a recession. Almost all could be touched by true recession. Construction will either be hit hard or not touched. Companies that haven't started may hit the brakes which would have a big impact. If the project was started it would probably finish.

Mayor Jenkins recommended holding back a couple hundred thousand in case the numbers didn't happen.

Councilor McPhail stated that the Town would expect the 10 million in construction with ability to fund to continue.

Mr. Martin responded that a full stop to construction is not realistic. However, it could be reduced by a certain percentage of what is expected.

Vice Mayor Butner stated that in the last year one quarter was a recession. It is projected there will be another quarter recession. The federal interest was raised by ½ percent which is the highest in 20 years which could be indicative of a recession. He requested an explanation of how the tax revenue numbers should be adjusted assuming that we are going into a recession.

Mr. Showers stated that he reacts to a recession based on what he is seeing in the media. If there seems to be trepidation and issues where people start saving then there would be some adjustments. The main four to follow and keep an eye on would be retail, construction, restaurant, and accommodation. Mr. Showers did not feel that he is currently seeing these markers in the media.

Councilor Murdock remarked that Mr. Showers would bring these trends to Council and they would need to look at the budget and hold back on certain things. Mr. Showers stated that revenue drivers are monitored month to month. If City and State sales tax drop significantly or trend down then the Town may want to go into caution mode. He also pointed out that some decisions are difficult to tail back such as raises. Scaling that back would mean cutting wages or letting someone go. There is still plenty of room to scale a lot of things back.

Mayor Jenkins stressed the importance of timely revenue reports giving the Town plenty of time to react.

Councilor Whatley noted that during recession the Town continued to function and didn't lay off any employees. The Town may have held off on projects, but overall functioned and got through it. This experience gives her confidence that things will be okay.

Mr. Martin informed Council that the wastewater admin fee on page 2 of 13 of the packet also now includes a percentage of water revenue will change to a utility admin fee. In time this number should be reduced.

The three lines of State Tax Revenues are primarily coming from HURF. There was an increase in revenue compared to 21-22. State tax changes and population change is where the money is coming from. The urban revenue sharing is distributed per populace. Projections are nearly on point. There has been an increase in state revenue and population.

Mr. Martin mentioned that new employees were taken out of the General Fund FY22 Summary on page 3 and what was said in manager recommendation. If the town just keeps the current staffing \$10,822,160 would be the council proposed expenses. This represents the minimum budget to move forward and is the starting point labeled Council Proposed. It is not inclusive of employee increases, increased employees and CIP. Mr. Martin suggested working from 2 million and adding expenses into that number.

Mr. Martin pointed out that the HURF/Streets revenue number on page 4 of 13 is actually 1.286 million instead of 1.1.

Mayor Jenkins inquired if the 170k excess could be added to the two million.

Mr. Martin recommended that the 100k taken out of the the HURF/Streets Operations line be added back in and Streets would go up to 90k.

Councilor Whatley noted the significant cut back with HURF.

Mr. Martin stated that they had needed to balance the budget and that's where it came from.

Mayor Jenkins asked where the funds were relocated.

Mr. Martin stated vehicles and gas expense and commented that they would come back to HURF when CIP is discussed. He suggested closing HURF with that recommendation.

Mr. Martin moved on to discuss the wastewater recommendation. The manager had recommended 10k to the good which was a number inclusive of adding a utility director. The Council proposed number is based off no utility director which is why there is a large variance. Adding reuse water could potentially offset the numbers.

In the water category the manager recommended includes additional wages as compared to the council proposed. There is a surplus of almost 400k in the water company as projected if operations are continued as they have been doing them. Budget adjustments will probably happen two to three times over the natural course of learning.

Councilor Murdock requested that the water utility be clearly tracked in order to answer questions from constituents since the Town is newly acquiring the utility.

Mayor Jenkins agreed and mentioned monthly updates.

Councilor Murdock further noted that a service such as water should not be a lucrative revenue source, but should make enough to maintain the service and improve the utility.

Councilor Whatley added that since the Town is not for profit they should be able to keep prices down.

Mayor Jenkins noted that the Town had discussed changing wastewater billing to usage based and wants to understand the impact of that. As well as be provided tracking.

Councilor Moore inquired about how such a billing model would work for citizens that do not utilize both services.

Mr. Shower clarified the commitment was to look at providing a possible alternate billing model and noted that the Town would be able to look at that when it becomes available. A study could be done to determine what the rates would be. Mr. Showers spoke to Councilor Moore's point. He stated that the people on wells would have usage calculated based on everyone else. It wouldn't be units but still be an imputed fee for a lot of people. As the Town moves forward with a fee study satisfaction may vary dependent on how the change impacts individual citizens.

Councilor Baker asked if wells usage and the number of customers for water and sewer was kind of close.

Mr. Martin responded that the difference is in the area as you head out 260 who are on water and not sewer.

Mr. Martin recommended considering a rate structure and also an unmetered rate which would stay similar to the current structure in order to handle those who are unwilling to meter water.

Mayor Jenkins noted that the unmetered per tap rate is the current structure until an alternate comes back to Council to approve changes.

Mr. Martin noted that in regards to water they have not addressed reinvestment or inventories. They had toured some of the rooms to make sure we have room for fittings. The Department wants vital equipment relocated to the downtown facility. There will be an investment to facilitate the improvements.

Mr. Martin moved on to discussing current employee wages and what some other municipalities are doing. He commended the Town and stated that last year they did

a stupendous job in getting everyone 100% of the average wage per role based on the salary survey that was conducted. The money spent has been well appreciated by staff. For the current year Clarkdale is trying to catch up, Jerome saw good revenues is going to try to do increases, and Cottonwood is the best apple to apple is somewhere at 6% plus to reflect inflation while looking at years of service. Sedona is looking at 8-12% due to their revenues which is likely above what Camp Verde could do. He noted that when comparing wages per role across communities it was important to take into consideration years of service which could skew the numbers. Mr. Martin wanted to hear from Council how they would like to address the upcoming year. Mr. Martin recommended a split of 3 and 3, but noted that may not be the way Council would prefer to go. Moving hiring wages up 3% from where the Town currently is now would still be on the lower spectrum, but not losing ground for cost of living. Mr. Martin also noted other structures including splitting at various percentages based on years of service. He felt that giving merit to years of service was important and an opportunity which the Town has been missing.

Councilor Murdock felt the Town should stay competitive and look every year. If the Town wants to have employees it should pay them. 6% is what she has been hearing out in the public.

Councilor Moore noted that when she was an employee insurance and retirement went up which ended up in the raise received not being more than the increased costs.

Mr. Martin stated that the increase to health insurance for families paying was 10% this year. Retirement went down across the board. ASR has also gone down, it was 12.1 and now is 12.

Councilor McPhail noted that a 6% raise would be about a quarter of the two million surplus. Felt they should allocate it that way if it was available.

Mr. Martin noted the chart on page 5 of 13 showing that for 6% 379 is General Funds.

Councilor Baker understood that when the salary survey was done and raises done it had put the Town kind of even with other communities. She noted that in her experience a raise should be earned by performance and sometimes length of employment. Not necessarily an automatic raise.

Mayor Jenkins felt it was important to reward top performers and have something to keep people from going backwards with the economy. She doesn't like flat increases because it doesn't reward the people who do an exceptional job. She commented it may be time to take a step back and rely on honest good performance reviews.

Councilor Moore agreed that Council should give a raise to those who deserve one, but also noted that if the Town doesn't take into consideration the cost of living raise then it may be back in the same situation it was in.

Mayor Jenkins introduced 3% and a percent to reward other folks.

Councilor McPhail asked if Council would be amendable to a 3% for inflation and another 3% that is discretionary based on criteria.

Councilor Murdock recommended that Council ask the town manager to come back with HR.

Vice Mayor Butner noted that some of the last group of raises saw an increase of 20-30k per year. He felt that these positions should not necessarily be in line for a cost in living increase because it would be duplicating what the Town did this past year.

Councilor Moore stated that when increases were done last year the inflation wasn't in place. The proposed increase would be to counteract the inflation the Town is seeing this year.

Vice Mayor Butner does not want to make an assumption and is not sure that's the case as to why they received a 20-30k raise. He suggests looking at those positions to determine if a cost of living increase is needed.

Mr. Showers noted that what Council would like to do and what is needed may not be the same and this item may need a revisit at the end of the discussion. He also noted that he doesn't see a merit raise as positive at all for this year because he felt that staff members did not know what their requirements were for said merit increase. He felt that there needs to be qualifications of what the great job was. He also noted that the employees that had large increases as a result of the surveys had been underpaid many years compared to everyone else.

Vice Mayor Butner clarified that he hasn't made assumptions as to why the 20-30k increases were received. He would like know what those positions are and if a cost of living increase is truly needed at this point. He prefers not to have a precedent setting flat increase where the Town may not have revenue to do on an ongoing basis. The Town is still small enough to look at pay increases on an individual basis.

Mr. Martin noted that this would be an adjust to market.

Mayor Jenkins noted that if payroll is raising faster than revenue she doesn't like cutting pay or positions. The ratio of payroll to revenue is way higher.

Vice Mayor Butner stated that it is a delicate balance and the Town needs to recognize it's a balance. He would like to see well paid staff and especially merit raises. He also disagreed that employees needed to be put on notice with what would be taken into account for a merit increase and felt that their job description was sufficient.

Councilor Moore agreed that their job is the expectation. If someone is doing an exceptional job or doing the work of two then they should be compensated because

they are saving the town. If someone is just showing up that person should not be getting the merit raise.

Vice Mayor Butner mentioned that the HR director should coming back with a report including new hires. The most important part of budget is the employees. That's what makes town a great place to live. The Town needs to take good care of them and focus on it.

Mayor Dee Jenkins called a recess at 9:52 AM until 10 AM.

Mayor Dee Jenkins called the meeting back in session at 10 AM.

Mr. Martin has been working on some reorganizational options for the Town and has received critique by the staff prior to presenting. He presented two organizational structures to Council. The first option 1/phase1 being the short term plan based off of priorities and what the Town can afford currently. Option 2/phase being a more long term three to five year and is not in the budget calculation yet.

Councilor Whatley noted that deputy town manager does not appear to be helping the workload for the town manager out all that much in the proposed options.

Mayor Jenkins commented that the deputy town manager would responsible for the departments which are listed under them. The deputy would report to the manager. She also mentioned that she appreciated that the organizational charts started with the citizens first.

Mr. Martin pointed out that 3-5 positions per month were rolling over approximately 6% of staff wages. The Town is saving that going into almost every month right now. Some of the new positions are more critical than current staff. Mr. Martin does not want to go back to having the same issues the Town has faced in the past.

Mayor Jenkins would like to look at which the positions the Town can't live without in order to move forward and serve the public.

Mr. Martin stated that what is being presented is exactly what is needed with some roles that may not be required until around July 1st. The storm water technician role will not be filled until the utility director is in place. The planner can be outsourced and the Town can work with consultant, but that option will be much more expensive than bringing an on a staff planner.

Mayor Jenkins noted that although the new positions on page 6 of 13 reflect 950k of increased cost the number moving forward is 1.2 million. The Town would need to make sure revenue grows to keep up.

Mr. Martin noted that some positions are rolling over again. If 5 positions aren't filled for 2 months then the wages are a wash to current annual payroll.

Mayor Jenkins explanation stated the Town currently has 110 staff members. With the addition of the 12 positions requested that brings the Town staff to 122 people. Cottonwood has 5 times revenue and maybe double the staff. She felt that there is so many more people compared to the Town revenue.

Mr. Martin explained that he takes what services the Town is requesting to provide to citizens and then plans a staff to match. Staffing is directly correlated to service level decisions. Wastewater reuse as an example will generate additional revenue and therefore the payroll for staff. The plan is based on services and the Town is now headed towards something different and not necessarily where it has been.

Mayor Jenkins would like to see a return to adding twelve people and the money Council authorizes to spend. The Town and citizens expect to see a return. Council needs to be able to explain because the constituents will expect it. She would like to advocate for the deputy manager position to get some workload off the town manager.

Councilor McPhail commented that it was a difficult position because they are being asked to give services a Town of 25k when there is only 13k currently. She stated that one reason the Town is lacking revenue is due to decisions that were made in the past not to have services that Cottonwood provides. She commended the excellent job in giving a view to the future. She asked if Council was going to give what a 25k Town should rightfully have or continue to limp along. She believes the positions are all necessary and believes that what needs to be determined is when and how.

Mr. Martin stated that he is requesting the positions with the exception of the library clerks which he is not suggesting right now.

Vice Mayor Butner remarked that it may be smarter to skip option 1 phase 1 since it is temporary and a short term option. He inquired if it would be better to proceed directly to option 2 phase 2. He noted that the way the deputy town manager is set up they do not have responsibility for the lower section. He felt the town manager should be responsible for overall and general and deputy town manager has primary responsibility. He also felt it was presumptuous to include the structure staff directly under the town marshal. He felt that the town marshal should structure his own department the way he thinks he ought to run. Statutorily the Town is required to have a town clerk, marshal, and engineer with independent responsibilities. He also noted that if the public works director happens to be an engineer than that would satisfy the requirement. He also recommended the IT role be added to current roles to fill and felt that an office was not a requirement as many IT personnel operate out of a mobile space such as a van.

Councilor McPhail noted that Town must have an engineer. She also stated that sometimes the director has started out somewhere else and can direct and understand what others are talking about, but not necessarily be someone with an engineer stamp. The Town does need someone to stamp plans, but the director can be primarily a manager.

Councilor Baker also noted that engineering can be contracted out.

Mr. Martin stated that the positions can be worked through individually and went through the FY23 Position Requests.

Town Clerk Cindy Pemberton wished to speak to the option 2 organization chart and wished to point out that the clerk is appointed and equal to deputy town manager.

Mayor Jenkins felt they should be looking for a deputy town manager from option 2 instead of an administrative services director from option 1.

Councilor McPhail also would like to bring up the economic services director.

Mayor Jenkins asked if Vice Mayor Butner was advocating the IT role be switched over.

Councilor McPhail inquired when the annual IT contract through Sunstate expired.

Mr. Martin confirmed the contract was through 2024. They do have the understanding that at some date their services will be reduced. The Town is currently in the first year of three year contract. The position has not been brought to Council because they are still determining the details of the role.

Councilor McPhail inquired if the engineer is entry level.

Mr. Martin stated the Town needs an engineer for our own services. The position is not for a senior engineer, and is open to a lower level with less expense

It is imperative to get additional help in Wastewater. Dori Blair is currently the storm water technician and that is covered. The workload is too much and there could be implications with ADEQ if they do not fill additional role. Maintenance will probably continue a person or two a year. The department will continue to have various labor needs directed for different purposes.

Mayor Jenkins remarked that with the implementation and phasing some current positions would be reconstructed.

Mr. Martin confirmed.

Councilor McPhail stated that community development brings in quite a bit with fees and permits. Code enforcement also brings in fees. She remarked that the positions could be paid out of development fees and pay for themselves.

Mayor Jenkins and Vice Mayor Joe Butner wanted to clarify that their approval of filling the positions is not about the money. The inspector role is not for additional work, but for support with the current workload.

Vice Mayor Butner commented that smaller communities can hire and get things done with a lesser number of staff if they train properly. Training is an issue for a lot of positions. He likes to see larger training budgets because he believes that this leads to getting more done in an efficient fashion.

Councilor Moore spoke to adhering to small town values with code enforcement. She believes that the Town should reflect a trust of its citizens and not be necessarily be driving around and peeking at properties looking for non-compliance. She does not condone not getting the proper permit but believes there could be community lash back if people are cited for a fence that is too high.

Councilor McPhail noted that Council did not feel an additional code enforcement personnel was appropriate at this time. Council agreed.

Mr. Martin covered with what development brings in. They won't hire until it is known what is needed. It is important to get staff trained with a good understanding of code before they have to go to work. The budgeting is for the opportunity for the positions and not an absolute.

Mayor Jenkins sees the necessity of the inspector position.

Town Clerk Cindy Pemberton wanted to point out that Dori Blair MS 4 with ADEQ is currently under revision with the state. With the new requirements the Department needs additional staff.

Councilor McPhail remarked that a planner can also process permits if there is a need in the office.

Mayor Jenkins noted that she believed the Town had experienced trouble hiring planners.

Mr. Martin stated that the Town doesn't need a trained planner for long ranged and to work on internal projects.

Councilor McPhail agreed the Town could get someone fairly new to the job who would love to do those projects at an entry level.

Marshal Rowley spoke to the two CVMO positions. He stated the quartermaster takes care of fleet, audit, and, equipment. This area had previously been in disarray. He has hired a quartermaster and secretary and put them into patrol positions with hopes to get them into full time positions. Those are the only two positions he is asking for. Council has approved the quartermaster job description.

Councilor Murdock stated that if he needed an opening for patrol Council would not say no.

Marshal Rowley is experiencing attrition when comes to new officers. No patrol openings are needed at this time. He has been working with code enforcement and

would like to move animal control there.

Mr. Martin discussed the roles for wastewater and water which are essentially utility director and operator. The hours spent on reuse could be paid for.

Mr. Showers stated they relabeled the section as utilities.

Mr. Martin moved on to the library manager role. The Vista program person has been working in this role and the Library can utilize the program for a few more months.

Councilor Murdock asked if the library manager in phase 2 option 2 would oversee parks and recreation. Also, if the 82k was for all the library staff requested.

Mr. Martin stated it would be just the library. The 82k is just for the Library Manager position. They would not directly start until July 1st.

Councilor Murdock asked for clarification on who reports to the library manager and what they do.

Mr. Martin stated the manager would be responsible for the staff and filling the role would free up the director's time to work on larger projects for the Town.

Mayor Jenkins inquired that if the person in this position was to do the day to day operations if it was an option to have Kathy Hellman be the community services person and be over the library and parks and recreation. She believes her customer service to the community sets the precedent.

Councilor Moore noted the proposed wage was more than \$27 per hour.

Mr. Martin explained that most candidates for this role would have a master degree.

Councilor Moore stated she doesn't utilize the library and remembers controversy. There were a lot of people who were not okay with the library. She asked if the Town needs someone with a master degree for the position.

Mayor Jenkins offered that the Cottonwood library supervisor position is \$23 per hour and that the person proposed is at \$27.85.

Councilor McPhail explained that the library provides support services to rest of town and performs volunteer services. Kathy Hellman additionally supports the Town with internet and marketing items. It's not just library and is the Town's only point of contact for some of the social services. The program at the library is beyond what a typical library would do and offers the Council an opportunity to serve public in a more human way.

Vice Mayor Butner remarked the Town needed to determine what kind of position the role is. It should determine if the role is a library and social services manager, or

just library manager with lesser duties.

Mr. Martin stated the role would need a high level of previous experience and skillset which would need to be paid at a supervisory rate.

Vice Mayor Butner recommended leaving some of those responsibilities with Kathy Hellman.

Mr. Martin explained that the role would be the same as a deputy manager and they would want the candidate to have the same skillset that Kathy Hellman brings to the table.

Mayor Jenkins noted that the Town does not have a person that does social services yet.

Councilor Whatley pointed out that the Library is more of a community center and listed activities they have scheduled.

Councilor Moore felt that she was hung up on the library manager term and felt that the public may feel that way as well. She felt the position title should give a better reflection of what the person is actually doing. Her suggestion was possibly Community Center Manager.

Mr. Martin spoke to the wage concern and stated that the Town needs to do better at getting qualified individuals. The difference between someone who does and someone who does well is \$7 per hour. The Town needs someone who is qualified to get their investment of dollars and is qualified to do a high level job including protecting liabilities for the Town.

Councilor McPhail stated they may be looking at a deputy library director.

Councilor Baker Joe stated if they go a deputy library director route then it should require things such as a master's degree. The Library is a community center and they do much more than just go check out a book or video.

Mr. Martin would like to consult with Kathy Hellman and bring a recommendation back to Council.

Mayor Dee Jenkins called a ten minute recess at 11:29 AM.

Mayor Dee Jenkins called the session back to order at 11:38 AM.

Mr. Martin clarified for council that budgetary is always budgetary until a position is approved by Council.

Mr. Martin commented that Parks and Rec is to go forward with what was expected. They are slowly going to build and are hoping by next year to have some tournaments rolling. As momentum builds more coordinators will be needed. The

Department will be looking at recruiting events and different things.

Councilor Murdock noted that two fields will not bring in a big tournament.

Mr. Martin stated that willingness to do weekdays and capacity will dictate. They were able to pull off soccer with no field. The Town is just getting started in this area and will need to expand services in the future.

Mayor Jenkins stated that the coordinator would be more than just the sports park.

Mr. Martin replied the role would be good and quality career position in the community.

Mr. Martin stated they will be removing two part time rec leader roles and putting them to full time. There is currently one part time who will go to full time and they will be recruiting for another full time. The coordinator helps do the actual work on the field. The rec leader is the same as sports umpires and rec assistants that are life guards and such. They are the support staff for events. They will work with all the areas to make sure events have supplies needed.

Mr. Martin wished to give Council a little information about CIP presented in order to have a productive Wed. ARPA has an approximately 800k unallocated balance. AZ Cares has roughly 300k available. This year total potential funding is \$1,598,753. Council can choose to the unspent fy22 in the general fund. Current revenues Council may want to put in alongside other revenues. Mr. Martin is proposing that of the 2 million that 1 million go towards new staff, 500k to wage increases, and 500k CIP.

Mayor Dee Jenkins noted that the 2 million with HURF number is going to change.

Mr. Martin will try to get as close as possible. Wednesday will be a continuation and Council can go back to anything was discussed. Mr. Martin provided two handouts with updates to projects. The handout with larger font is completed projects and the smaller font is working projects.

Mayor Jenkins asked for an update on broadband next week. The County has all new numbers and Camp Verde was the best case of anyone.

Mr. Martin recommended adding an agenda item and mentioned that Suddenlink obtained the bid for the area. What that means should also be discussed.

5. Adjournment Mayor Dee Jenkins adjourned the meeting at 11:53 AM.

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 Bhasas on 05-3-2022 at 4:30 p.m.

Cindy Pemberton

Cindy Pemberton, Town Clerk

Note: Pursuant to A.R.S. §38-431.03. (A)(1); (A)(2) and (A)(3), the Council may hold an Executive Session for purposes of consultation for legal advice with the Town Attorney on any matter listed on the agenda, or discussion of records exempt by law from public inspection associated with an agenda item.

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. The Town of Camp Verde Council Chambers is accessible to the handicapped. 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

Draft



Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: Town Council, May 18, 2022

Consent Agenda Decision Agenda Executive Session Requested

Presentation Only Action/Presentation

Requesting Department: Community Development

Staff Resource/Contact Person: John Knight, Community Development Director

Agenda Title: Amend and approve the annual renewal of Use Permit 20150033 for High View LLC and Zane Grey Investments II for a Mining Conditional Use Permit for parcels 403-15-003U, 003V, 003W, 003X, 403-15-009A, 009B and 009C.

Attached Documents:

- A. Updated Parcel Ownership and History

Background: This agenda item was discussed at the previous council meeting on May 4, 2022. There was a technical error in the motion since the motion approved the original resolution (Resolution 2015-939). The motion should have approved the annual renewal of the Use Permit. At the meeting, the Council also requested that the updated parcel numbers and parcel history be included in the record. This updated information is included as Attachment A and will become part of the record. The revised motion below will correct and replace the previous motion from May 4, 2022.

Recommended Action (Motion): Motion to amend and approve the annual renewal of Use Permit 20150033 for High View LLC and Zane Grey Investments II for a Mining Conditional Use Permit for parcels 403-15-003U, 003V, 003W, 003X, 403-15-009A, 009B and 009C.

Attachment A

Parcel Ownership Mining Use Permit (and High View at Boulder Creek PAD)

Original two (2) parcels for High View Mining Use Permit:

403-15-003C and 403-15-002Y (see below for new parcel numbers and parcel history)

Originally owned by Aultman Land & Cattle LOC; transferred to High View LLC via Resolution 2015-943

Current seven (7) parcels which comprise High View Mining Use Permit:

403-15-003U - - Current owner is **Zane Grey Investments**, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

403-15-003V - - Current owner is **Zane Grey Investments**, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

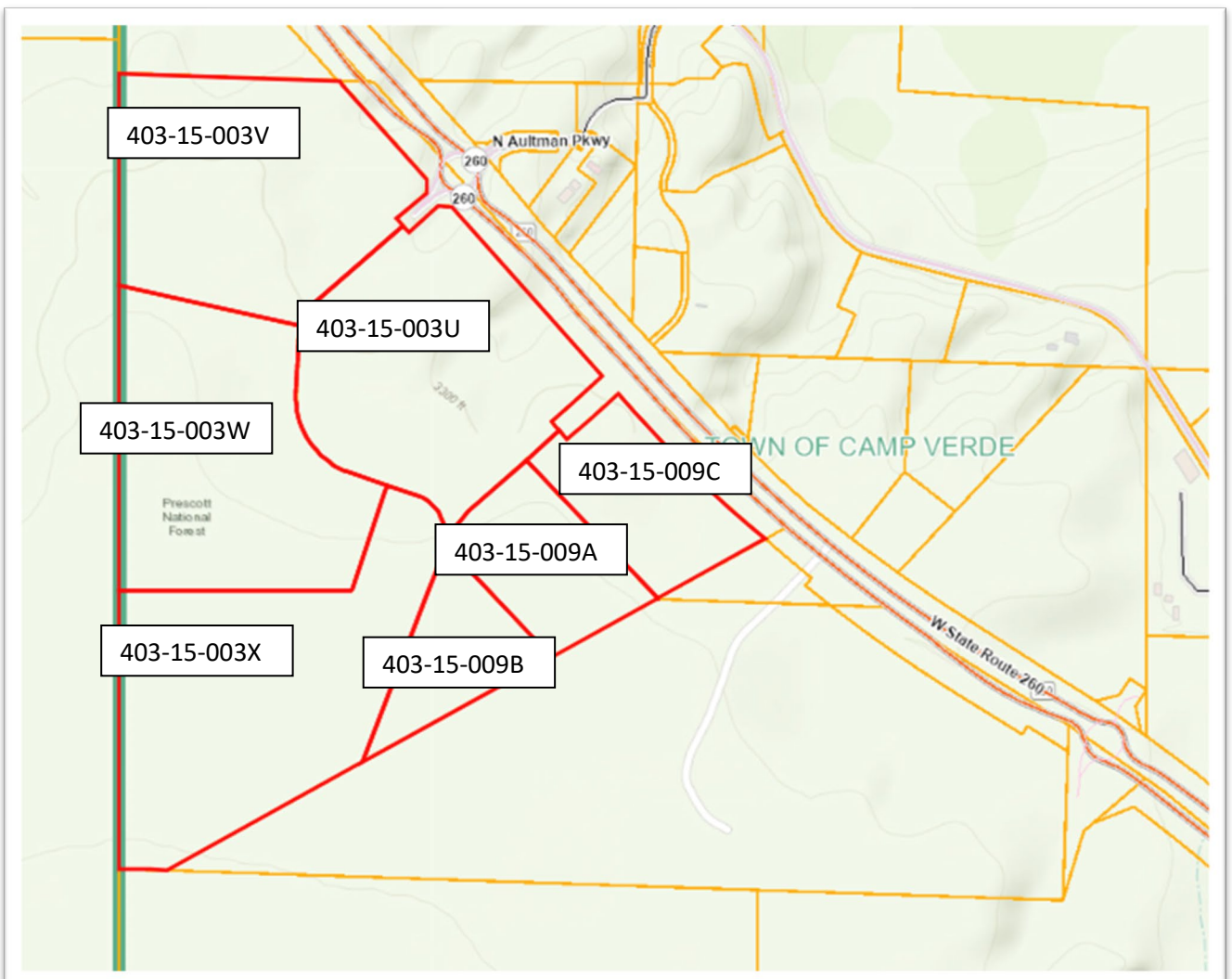
403-15-003W - - Current owner is **High View LLC**; now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

403-15-003X - - Current owner is **High View LLC**; now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

403-15-009A - - Current owner is **Zane Grey Investments**, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

403-15-009B - - Current owner is **Zane Grey Investments**, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

403-15-009C - - Current owner is **Zane Grey Investments**, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development



Parcel History:

403-15-003C – 1 of 2 original Mining Ordinance Parcel #'s

Parcel No. **403-15-003C** was SPLIT, May 2015, into parcels:

- 1) **403-15-003J**
- 2) **403-15-003K**

Parcel No. **403-15-003K** was SPLIT, May 2016, into parcels:

- 1) **403-15-003L** - - exists today and is owned by Aultman Land & Cattle, LLC
- 2) **800-10-045L** - - exists today and is ADOT, now part of SR 260

Parcel No. **403-15-003J** was SPLIT, July 2018, into parcels:

- 1) **403-15-003P**
- 2) **403-15-003Q – 1 of 3 of the original High View PAD, Ordinance 2019-A445 Rezone parcels**

Parcel No. **403-15-003R** was created by **COMBINING** parcels, July 2018:

- 1) **403-15-007A**
- 2) **403-15-003P**

Parcel No. **403-15-003R** was 1 of 3 parcels part of the **original High View PAD, Ordinance 2019-A445**

Parcel number **403-15-003S** was created by **COMBINING** the following parcels, May 2020:

- 1) **403-15-003Q** - - 1 of 3 original High View Pad parcels
- 2) **403-15-003R** - - 2 of 3 original High View PAD parcels
- 3) **403-15-007B** - - 3 of 3 original High View PAD parcels

Parcel No. **403-15-003S** – combined parcel of High View PAD original 3 parcels

Parcel No. **403-15-003S** was SPLIT into parcels, January 2021

- 1) **403-15-003T** – see below, split into 3 parcels, November 2021
- 2) **403-15-003U** - - Currently owner is Zane Grey Investments, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development
- 3) **403-15-003V** - - Currently owner is Zane Grey Investments, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development
- 4) **403-15-003W** - - Currently owned by High View LLC; now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development
- 5) **403-15-003X** - - Currently owned by High View LLC; now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

Parcel No. **403-15-003T** was SPLIT into parcels, November 2021:

- 1) **403-15-009A** - - Currently owner is Zane Grey Investments, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development
- 2) **403-15-009B** - - Currently owner is Zane Grey Investments, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development
- 3) **403-15-009C** - - Currently owner is Zane Grey Investments, (from High View, LLC sometime in 2021); now a part of High View Mine Use permit as well as High View at Boulder Creek PAD-Development

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Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: May 18, 2022

- Consent Agenda Decision Agenda Executive Session Requested
 Presentation Only Action/Presentation Special Session

Requesting Department: Finance **Staff Resource/Contact Person:** Mike Showers

Agenda Title (be exact): Presentation of the Town of Camp Verde's FY21 Audit.

- List Attached Documents:** 1) Town of Camp Verde Annual Comprehensive Financial Report - June 30, 2021
2) Town of Camp Verde Single Audit Reporting Package – June 30, 2021

Estimated Presentation Time: 10 minutes

Estimated Discussion Time: 5 minutes

Reviews Completed by:

- Department Head: Town Attorney Comments:

Finance Review: Budgeted Unbudgeted N/A

Finance Director Comments/Fund:

Fiscal Impact: N/A

Comments: None

Background Information: The annual financial review meets all required components for the Town's annual filing requirements. There are no significant findings in the audit and we have again received an unmodified (or "clean") opinion. Scott Graff from Colby & Powell, our auditing firm, will present the audit to Council.

Recommended Action (Motion): N/A

Instructions to the Clerk: N/A



Annual Comprehensive Financial Report

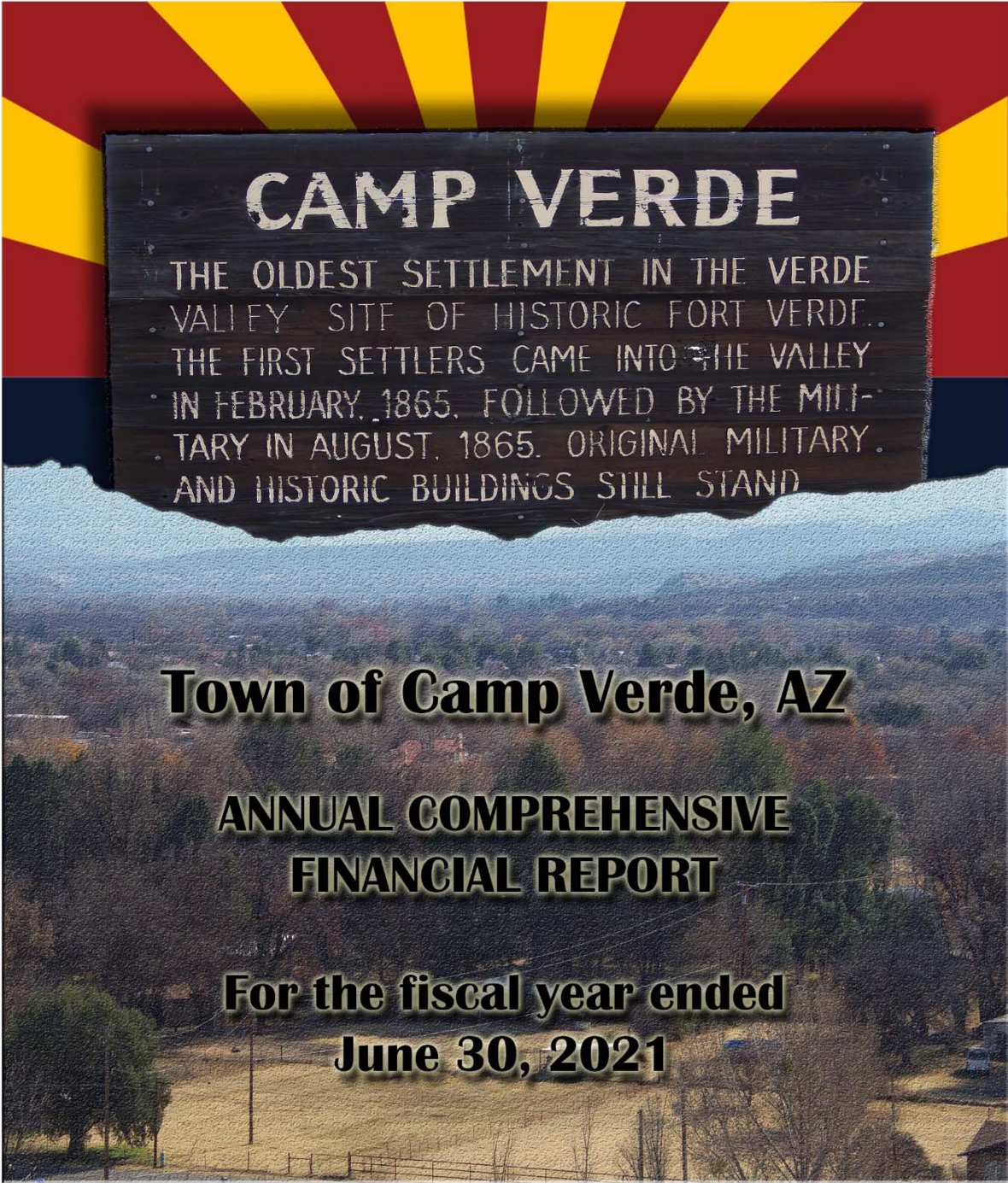
For the Fiscal Year Ended June 30, 2021



Town of Camp Verde, Arizona

473 S Main Street
Camp Verde, AZ 86322
(928) 554-0000
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The Center Of It All



Town of Camp Verde, AZ

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**For the fiscal year ended
June 30, 2021**

Prepared by:
The Finance Department

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Town of Camp Verde

Gateway to the Verde Valley

◆ 473 S. Main Street ◆ Camp Verde, Arizona 86322 ◆

◆ Telephone: 928.554.0000 ◆ Fax: 928.554.0002 ◆

◆ www.campverde.az.gov ◆

March 25, 2022

To the Honorable Mayor, Members of the Town Council and Citizens of the Town of Camp Verde:

We are pleased to submit the Town of Camp Verde Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. The Town of Camp Verde (Town) annually publishes audited financial statements after the close of each fiscal year which includes a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) which are audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards (GAAS).

Town management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, Town management has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is designed to fairly represent the financial position of the operations of the various funds of the Town.

Colby & Powell, PLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Town of Camp Verde's financial statements for the fiscal year ended June 30, 2021. The independent auditors' report is located at the front of the financial section of this report.

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates. Part of this perspective is Management's Discussion and Analysis (MD&A) which can be found immediately following the independent auditor's report, provides a narrative introduction, overview and analysis of the basic financial statements of the Town. The MD&A should be reviewed in conjunction with this letter of transmittal.

PROFILE OF THE GOVERNMENT

The Town of Camp Verde, Arizona, incorporated in 1986, is located in the Verde River Valley of Yavapai County and is recognized as the 2012 Centennial Center of Arizona. The Town's land size is 42.6 square miles and serves an estimated population of just over 12,000 people. Camp Verde is located on I-17, in-between Flagstaff and Phoenix and enjoys a mild climate at an elevation of 3,147 feet.

The Town operates under the council-manager form of government. The Town Council, which has policy-making and legislative authority, consists of a mayor and a six-member council. The Council is responsible for, among other things, passing ordinances and resolutions and adopting the annual budget. The members of the Town Council also appoint the membership of various Town committees and hire the Town Manager, Town Attorney and Magistrate. The Town Manager is responsible for carrying out the policies, ordinances and resolutions of the Council and for overseeing the day-to-day operations of the Town. The Town Council is elected on a nonpartisan “at large” basis. Council members are elected to four-year staggered terms with three council members elected every two years. The Mayor is elected for a two-year term.

The Town provides a full range of services including: police, animal control, magistrate court, planning and zoning, building code enforcement, the construction and maintenance of streets and other infrastructure, wastewater, recreational activities, cultural events and a public library. The Town also operates and maintains a community swimming pool as well as community parks and sports fields. It is important to note that the Camp Verde Fire Department is not a part of the Town nor under the Town’s control but does work closely with the Town.

The annual budget serves as the foundation for the Town’s financial planning and control. All departments construct their programs and services based on the needs of the community and, no less importantly, the priorities of the Town Council. The Town Manger reviews departmental budget requests and may recommend changes to a department’s budget priorities and/or projects. The Town Manger then presents a proposed, balanced budget to the Town Council for review. The proposed budget is presented to the Town Council in June of each year. The proposed budget becomes the focal point of the community conversation with respect to the allocation of financial resources. At the conclusion of the process, the proposed budget, including any additions or deletions thereto, becomes the tentative budget which is presented for adoption by the Town Council in early June. A public hearing is scheduled on the tentative budget generally during the first business meeting in July. Subsequent to the close of that hearing, the Town’s final budget is adopted by the Council.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

In its early years, the Town’s economy was based primarily upon agriculture and tourism. In later years, the Town experienced an increase in manufacturing activities as well as retail trade. Currently, the majority of the Town’s revenue base is comprised of tax revenues generated both from local sales taxes and State shared tax revenues which include allocations of state income tax, sales tax, fuel tax and motor vehicle-in-lieu tax. Camp Verde is located at the center of Arizona and within 1 hour of 4 dramatically different climates and cities, Phoenix to the South, Flagstaff to the North, Prescott to the West and Payson to East. This puts our Town in a great location to take advantage of travel and tourism within our area.

Local sales tax revenues represent 56% of total general fund revenues and have grown 68% in the 5-year period since FY16; an average annual growth rate of 10.9% per year. In reality though, a large part of that increase comes directly from FY21 which actually saw a 41% increase in local sales tax revenues from FY20. The Retail segment is still the frontrunner of the various sales tax categories at just under \$3.1M, which is 3-times greater than the next highest category, Restaurants sitting at \$1 million in FY21. The Town continues to maintain a very positive economic position

with an unassigned general fund balance of \$4,686,184. That is 111% higher than FY20's \$2,216,094.

Our 3 main general fund tax revenues from the State (state income, sales tax and vehicle license tax) have been generally growing between 2% and 4% each year since FY16. However, in FY21 these three combined for a 13.4% increase from FY20. Currently, these 3 revenue lines make up 33% of the Town's total annual revenues in the General Fund.

Population

The expectation for population in our area (Yavapai County) over the next several years is still a moderate growth scenario. However, with strong economic growth and large housing projects currently underway, we expect to see a significant jump in local population over the next several years.

Long-Term Financial Planning

The Town's long-term planning outcomes from the strategic planning retreat are as follows:

1. *Create marketing program focused on business development, tourism and support, healthcare expansion and Main St. area.*

2. *Providing access to the Verde River.*

The Town is currently working to complete a new trailhead on the Verde river.

3. *Fully develop the Camp Verde Sports Complex.*

The Town is committed to completing all ballfields originally planned in the Sports Park. To that end, the Town is projecting to obtain a \$2.5 million matching grant to add to debt funding already provided.

4. *Become the water provider in Town through acquisition of a local water company.*

Council sees the acquisition of a local water company as having a significant impact on the Town's ability to effectuate economic growth in our community.

5. *Expand wastewater services Northward along Hwy 260.*

The town has procured a \$1.2 million loan through WIFA for engineering costs to extend wastewater services along Highway 260. Once these engineering is complete, the Town expects to obtain a construction loan from WIFA to build out the extension line.

6. *Stimulate the growth of quality affordable housing.*

Currently, over 400 new modular homes are being built

7. *Encourage development that retains our rural and historical, western character while following the layout of the General Plan.*

8. *Retain current employee's while attracting and developing leaders of respect within their fields.*

Council has recently had a new wage study completed and updated the Town's wage schedule from the results of the study. Raises were given to all staff based conceptually on where they would be on the new schedule considering length of service and level of position. Council does not want wages to be a deterrent to employment with the Town.

Camp Verde is dedicated to enhancing the quality of life for its citizens and providing municipal services in a fiscally responsible manner. To this end, the Town has strived to remain financially strong and has maintained its Unassigned General Fund balance above \$2.0 million for the last 9 years.

Major Initiatives for FY22

- 1) Completion of the new Camp Verde Sports Complex.
- 2) Complete engineering design for wastewater service expansion Northward along Highway 260.
- 3) Completion of major wastewater capital improvements.
- 4) Major wage scale overhaul including \$800,000 for increased wages and ERE.

AWARDS & ACKNOWLEDGEMENTS

Awards

Camp Verde has received the Government Finance Officers Association (GFOA) award for excellence in financial reporting for the last eight years and the GFOA award for distinguish budget presentation for the last five years.

Acknowledgements

The preparation of this report would not have been possible without the dedicated support and cooperation of the Town Manager and Town employees from all departments. Credit must also be given to the Mayor and members of the Town Council for their desire and determination to maintain the highest standards of professionalism in the management of the Town of Camp Verde’s finances. Finally, a special thank you to the auditors of Colby & Powell for their insight, professionalism and efficiency.

Respectfully submitted,



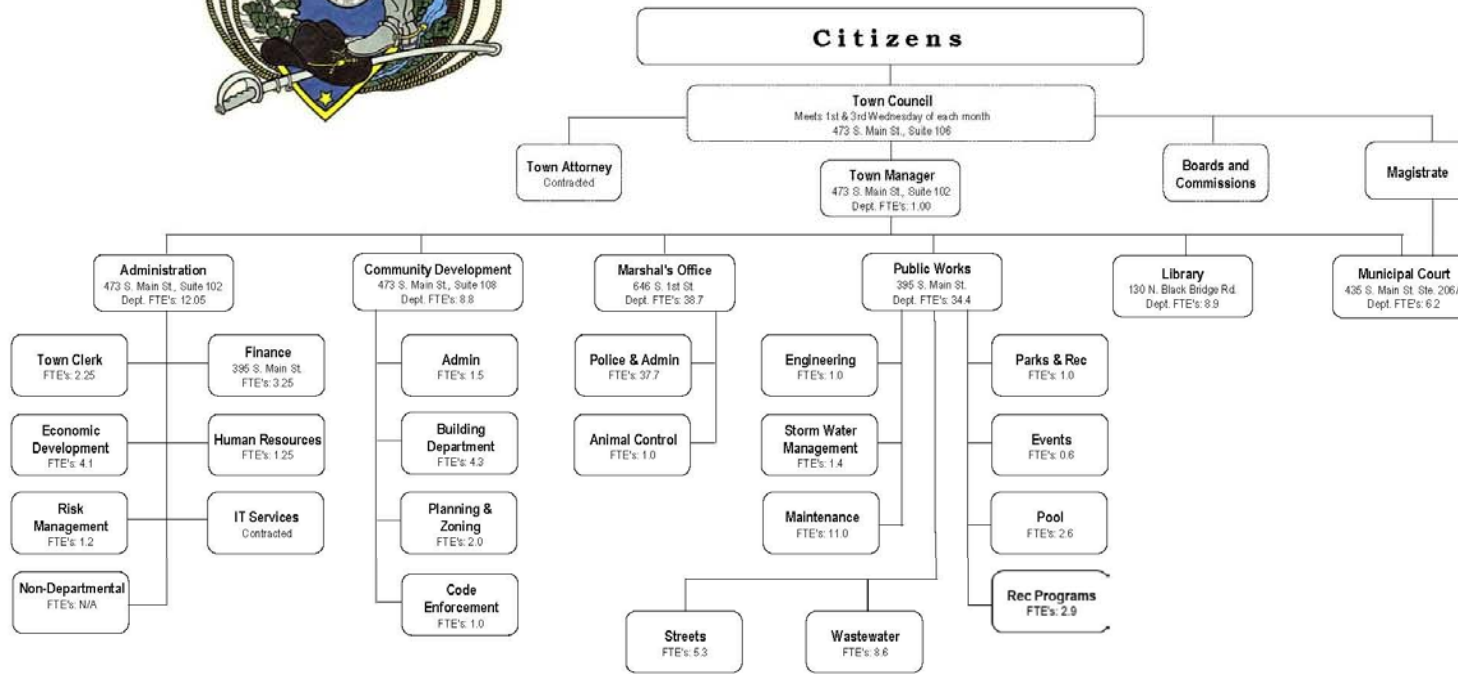
Russell A. Martin
Town Manager



Michael E. Showers
Finance Director



Town of Camp Verde, Arizona Town Organization Chart





Town of Camp Verde

Key Officials and Staff

Mayor and Council Members

Mayor Dee Jenkins, Vice-Mayor Joe Butner.
Councilor Bill LeBeau, Councilor Robin Whatley, Councilor Cris McPhail, Councilor Jessie Murdock, Councilor Jakie Baker.



Department Heads

Russ Martin, *Town Manager*
Cindy Pemberton, *Town Clerk*
Mike Showers, *Finance Director*
Corey Rowley, *Marshal*
Kathy Hellman, *Library Director*
Gary Horton, *Presiding Magistrate*

John Knight, *Community Development Director*
Ronald Long, *Engineer/Public Works Director*
Steve Ayers, *Economic Development Director*
Veronica Pineda, *Court Supervisor*
Heather Vinson, *Risk Management*
Brandy Cabrera, *Human Resources*



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Camp Verde
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Camp Verde, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camp Verde, Arizona, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camp Verde, Arizona, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 - 17, Budgetary Comparison Schedule on page 64, Schedule of the Town's Proportionate Share of the Net Pension/OPEB Liability – Cost-Sharing Pension Plans on page 66, Schedule of Changes in the Town's Net Pension/OPEB Liability (Asset) and Related Ratios – Agent Pension Plans on page 67 and Schedule of Town Pension/OPEB Contributions on page 69 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Camp Verde, Arizona's basic financial statements. The Introductory Section, the Other Financial Statements, Budgetary Comparison Schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Other Financial Statements and Budgetary Comparison Schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the Other Financial Statements and Budgetary Comparison Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Compliance Over the Use of Highway User Revenue Fund and Other Dedicated State Transportation Revenue Monies.

In connection with our audit, nothing came to our attention that caused us to believe that the Town failed to use highway user revenue fund monies received by the Town pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2 and any other dedicated state transportation revenues received by the Town solely for the authorized transportation purposes, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Town's noncompliance with the use of highway user revenue fund monies and other dedicated state transportation revenues, insofar as they relate to accounting matters.

The communication related to compliance over the use of highway user revenue fund and other dedicated transportation revenue monies in the preceding paragraphs is intended solely for the information and use of the members of the Arizona State Legislature, the Town Council, management, and other responsible parties within the Town and is not intended to be and should not be used by anyone other than these specified parties.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2022, on our consideration of the Town of Camp Verde, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Camp Verde, Arizona's internal control over financial reporting and compliance.



March 25, 2022

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**



As management of the Town of Camp Verde, Arizona (Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2021 (FY21). Please read it in conjunction with the Town's basic financial statements, which begin on page 18.

FINANCIAL HIGHLIGHTS

- Construction continued on the Camp Verde Sports Complex which comprises a significant investment by the Town. Through June 30, 2021, the Town has spent \$6.89 million developing the 110-acre park including \$2.2 million spent in FY21. Construction will continue throughout FY22, with most fields (soccer, baseball, football) being fully installed. The Town is also waiting to see if it will be awarded a federal grant (originally expected in February of 2021) which could add \$2.5 million of matching funds to the Sports Park.
- Wastewater plant improvements continued with the use of funds from a FY20 \$3.5 million Water Infrastructure Authority (WIFA) loan. The \$3.5 million loan package included a \$1 million debt forgiveness grant bringing the total amount due on the note to just below \$2.5 million. In FY21, the Town spent another \$350 thousand on these improvements bringing the total amount drawn down to just over \$2.5 million.
- The Town leased 6 new police vehicles in FY21 for a total purchase cost of just under \$360 thousand. All vehicles are leased through Enterprise Fleet management for a period of 5 years. Total lease payments in FY21 for these new vehicles was \$33,733.
- Homestead parkway, a new road off of Highway 260, was completed in FY21 allowing both housing and commercial projects to begin in that area. The total cost of the new road was \$395 thousand with \$364 thousand expensed in FY21. The future economic impact of that corridor is expected to be significant for future town tax revenues.
- Local TPT revenues (sales tax) climbed up significantly in FY21. Revenues grew 41% from FY20 bringing in \$1.9 million more in local TPT revenues. That increase alone, was 16% of the Town's total general Fund revenues in FY21. Local TPT revenues in total for FY21 were 56% of the Town's total General Fund revenue.
- Among major governmental funds:
 - The General Fund had \$11.7 million in revenues, which primarily consisted of taxes, licenses and permits, charges for services, fines and forfeitures, and intergovernmental revenues. Total expenditures in the General Fund were just under \$8.8 million with net transfers out of \$476 thousand taking the General Fund unassigned fund balance up nearly \$2.5 million in FY21 to nearly \$4.7 million.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements.

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences).

In the government-wide financial statements, the Town's activities are presented in the following categories:

Governmental activities – The Town's basic services are included here, such as general government, public safety, public works and streets, health and welfare, culture and recreation, and economic and community development. Sales taxes, intergovernmental, licenses and permits, charges for services, and fines and forfeits revenue finance most of these activities.

Business-type activities – The Town's only business-type activity is the wastewater enterprise fund. The Town took over the Camp Verde Sanitary District wastewater operations on July 1, 2013. Those operations are included here and include fee-for-service billing of residential and commercial accounts as well as all expenses for operating and maintaining the sewer system.

Fund financial statements.

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Governmental funds – Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains twelve (12) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances starting on page 20 for the General, Parks, & Debt Service Funds, all of which are considered major funds. Data from the other nine (9) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the combining and individual fund financial statements and schedules which can be found on pages 76-94.

Proprietary funds – The Town maintains one type of proprietary fund; an enterprise fund for wastewater activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 24-27 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the Town. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The Town maintains two custodial fiduciary funds. The fiduciary fund financial statements can be found on pages 28-29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements on pages 30-61.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's budget process. The Town adopts an annual budget for all governmental funds. A budgetary comparison schedule has been provided for the General Fund as required supplementary information, which can be found on page 64.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgets.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, total assets exceeded total liabilities by just over \$30.3 million as of June 30, 2021, which is an increase of nearly 2 million as compared to the previous year. The following table presents a summary of the Town's net position for the fiscal years ended June 30, 2021 and 2020:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current assets	\$ 11,410,892	\$ 6,840,544	\$ 359,961	\$ 65,146	\$ 11,770,853	\$ 6,905,690
Capital assets, net	27,214,289	24,577,168	18,668,979	18,964,191	45,883,268	43,541,359
Other non-current assets	-	49,123	-	-	-	49,123
Total assets	<u>38,625,181</u>	<u>31,466,835</u>	<u>19,028,940</u>	<u>19,029,337</u>	<u>57,654,121</u>	<u>50,496,172</u>
Liabilities						
Current and other liabilities	4,025,331	2,413,685	420,495	341,341	4,445,826	2,755,026
Long-term liabilities	20,912,454	17,684,685	1,952,989	1,620,072	22,865,443	19,304,757
Total liabilities	<u>24,937,785</u>	<u>20,098,370</u>	<u>2,373,484</u>	<u>1,961,413</u>	<u>27,311,269</u>	<u>22,059,783</u>
Deferred Inflows/(Outflows) of Resources						
Def'd outflows related to pensions	(2,287,095)	(1,689,271)	(127,376)	(77,393)	(2,414,471)	(1,766,664)
Def'd inflows related to pensions	171,801	386,341	16,277	43,490	188,078	429,831
Net deferred inflows/(outflows) of resources	<u>\$ (2,115,294)</u>	<u>\$ (1,302,930)</u>	<u>\$ (111,099)</u>	<u>\$ (33,903)</u>	<u>\$ (2,226,393)</u>	<u>\$ (1,336,833)</u>
Net Position						
Net investment in capital assets	19,542,531	17,026,024	17,235,904	17,659,687	36,778,435	34,685,711
Restricted	3,754,595	976,341	-	-	3,754,595	976,341
Unrestricted	(7,494,436)	(5,330,970)	(469,349)	(557,860)	(7,963,785)	(5,888,830)
Total net position	<u>\$ 15,802,690</u>	<u>\$ 12,671,395</u>	<u>\$ 16,766,555</u>	<u>\$ 17,101,827</u>	<u>\$ 32,569,245</u>	<u>\$ 29,773,222</u>

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**



GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental Activities. The Town's net position from governmental activities grew 25% in FY21 or \$3.1 million to \$15.8 million. There are a few significant factors behind the \$3.1 million increase and larger changes in assets and liabilities in the Statement of Net Position. Most notably the \$1.87 million of ARPA funds received at the very end of June, creating an unearned revenue liability of \$1.87 million and increasing cash by the same amount. The Town also took out a second loan (\$2.87 million) in FY21 for further Sports Park development. This increased the long-term liabilities as well as combining with previous loan funds expended to create more capital asset expenditures. Sports Park infrastructure expenses alone account for \$2.2 million of the increase in capital assets. Lastly, the creation of Homestead Parkway (\$364 thousand in FY21), the purchase of the 6 marshal's office vehicles mentioned above (\$360 thousand) and a CDBG sidewalk project (\$351 thousand in FY21) all increased capital assets significantly.

Business-Type Activities. The Town's wastewater fund net position fell only 2%. The decrease is seen completely in the increase in long-term liabilities, due to the continued draw down of debt funds for wastewater plant upgrades.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Statement of Activities

The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and 2020:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	\$ 857,560	\$ 812,503	\$ 1,940,715	\$ 1,964,175	\$ 2,798,275	\$ 2,776,678
Operating grants and contributions	2,641,493	1,526,156			2,641,493	1,526,156
Capital grants and contributions	595,216	108,449	-	177,757	595,216	286,206
General revenues:					-	-
Town sales taxes	6,557,976	4,640,417			6,557,976	4,640,417
Franchise taxes	297,149	274,961			297,149	274,961
State shared revenue	3,874,792	3,411,861			3,874,792	3,411,861
Investment earnings	5,106	30,368	261	1,095	5,367	31,463
Miscellaneous	21,515	34,540			21,515	34,540
Total revenues	14,850,807	10,839,255	1,940,976	2,143,027	16,791,783	12,982,282
Expenses						
General government	3,674,054	3,334,238			3,674,054	3,334,238
Public safety	3,903,672	3,554,285			3,903,672	3,554,285
Public works	1,533,711	1,504,521			1,533,711	1,504,521
Health and welfare	145,965	134,008			145,965	134,008
Culture and recreation	1,505,036	1,392,080			1,505,036	1,392,080
Community development	571,455	536,787			571,455	536,787
Interest on long-term debt	419,220	386,287			419,220	386,287
Wastewater			2,242,647	2,131,644	2,242,647	2,131,644
Total expenses	11,753,113	10,842,206	2,242,647	2,131,644	13,995,760	12,973,850
Excess (deficiency) before net transfers	3,097,694	(2,951)	(301,671)	11,383	2,796,023	8,432
Net Transfers In/(Out)	33,601	70,348	(33,601)	(70,348)	-	-
Excess (deficiency) in net position	3,131,295	67,397	(335,272)	(58,965)	2,796,023	8,432
Net position beginning	12,671,395	12,603,998	17,101,827	17,160,792	29,773,222	29,764,790
Net position, ending	\$ 15,802,690	\$ 12,671,395	\$ 16,766,555	\$ 17,101,827	\$ 32,569,245	\$ 29,773,222

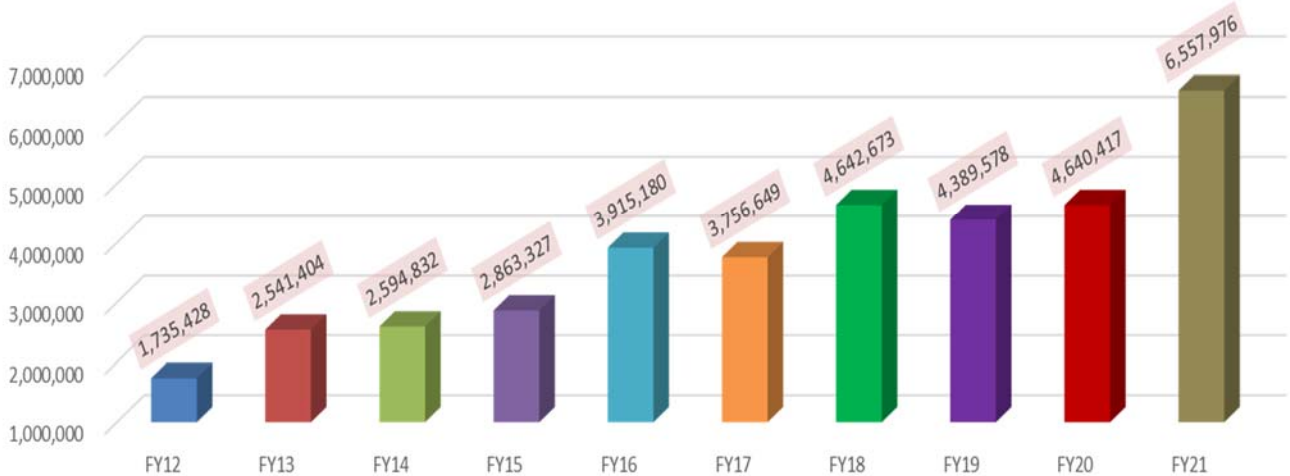
Governmental Activities. Total revenues from governmental activities increased by \$4.0 million (37%) from last year to just nearly \$14.9 million. The most significant factors for this increase come from increased local sales tax revenues (\$1.9 million) and grants and contributions (\$1.6 million).

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Local sales taxes are the largest source of revenue for the Town at nearly \$6.6 million in FY21 with state shared revenues a somewhat distant second place at just under \$3.9 million. The two components together make up 70% of the governmental activities revenues. As can be seen in the graph below, Local TPT revenues over the last 10 years have grown steadily at an average annual growth rate of 15.9%; a 278% increase in total. Tax rates have been increased twice during that period, 1% in late 2012 (from 2% to 3%) and .65% in March of 2015 (3.0% to 3.65%). Eliminating those tax change years, the average annual growth rate since FY16 has been a respectable 10.9%. Still, it is the 41% growth in FY21 that drives those numbers as FY17 and FY19 both saw drops in annual revenues and FY20 was a very modest 5.7%.

Annual Local Tax Revenues



State shared revenues are comprised of three main sources in FY21: 1) State sales taxes - \$1.32 million, 2) State income taxes - \$1.6 million and 3) Vehicle license taxes - \$949 thousand. All 3 sources have grown at a slow but steady average annual growth rate of 5.8% since FY12. However, in FY21, State shared revenues increased 13.4%.

Both the increases in State shared revenues and Local TPT revenues is believed to be both from pent up desires to get out after Covid-19 restrictions and tremendous commercial growth here in the Camp Verde area.

Expenses, meanwhile increased just under \$900 thousand in FY21 (8.4%) with the majority of the increases coming from within the Public safety segment (\$350 thousand). These increases were spread pretty evenly between wages and operating expenditures through normal budgeted increases.

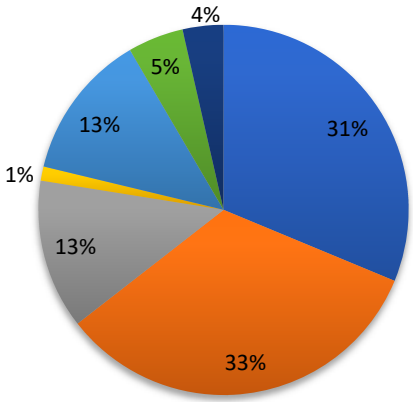
**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**



GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

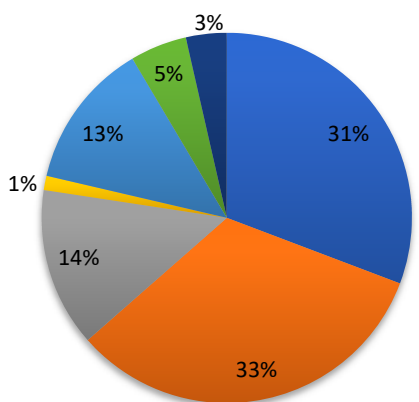
The table below shows how expenses are distributed within the Town governmental funds with changes from fiscal year 2020 and fiscal year 2021.

**Governmental
Fiscal Year 2021 Expenses**



- General government
- Public safety
- Public works and streets
- Health and welfare
- Culture and recreation
- Community development
- Interest on long-term debt

**Governmental
Fiscal Year 2020 Expenses**



Business-Type Activities. In FY21, wastewater charges for services actually dropped slightly due to only a slight increase in the monthly user fee accounts and no change in the wastewater rates along-side a \$40 thousand drop in connection fees. Expenses showed a normal growth of 5% with nothing significant to note.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Functional Net Governmental Activities

The following table presents the cost of the major Town functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State's and Town's taxpayers by each of these functions.

	Year Ended June 30, 2021		Year Ended June 30, 2020	
	Total Expenses	Net Exp / (Rev)	Total Expenses	Net (Exp) / Rev
Governmental activities				
General government	\$ 3,674,054	\$ 3,639,109	\$ 3,334,238	\$ 3,190,706
Public safety	3,903,672	2,136,110	3,554,285	3,038,145
Public works and streets	1,533,711	158,761	1,504,521	308,438
Health and welfare	145,965	145,965	134,008	134,008
Culture and recreation	1,505,036	1,222,614	1,392,080	1,106,696
Community development	571,455	(62,935)	536,787	230,818
Interest on long-term debt	419,220	419,220	386,287	386,287
Net	\$ 11,753,113	\$ 7,658,844	\$ 10,842,206	\$ 8,395,098
Business-Type Activities				
Wastewater	2,242,647	301,932	2,131,644	(10,288)
Net	\$ 2,242,647	\$ 301,932	\$ 2,131,644	\$ (10,288)
Total	\$ 13,995,760	\$ 7,960,776	\$ 12,973,850	\$ 8,384,810

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the Town's fiscal year, its governmental funds reported combined ending fund balances of just over \$8.8 million, a \$2.94 million increase from the previous year. *Unassigned fund balance* constitutes 53% of the ending governmental activities fund balance, a 15 percentage-point increase from FY20. Unassigned fund balance is the amount available for spending at the government's discretion. The remainder of FY21 total fund balance is reserved, committed or assigned to indicate that it is not available for new spending because it has already been assigned, committed or restricted as follows: Park fund expenses (\$2.7 million), HURF fund expenses (\$665 thousand) Capital improvements fund expenses (\$201 thousand) and various other grants and special programs (\$575 thousand).

The General Fund is the principal operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was just under \$4.7 million, which is roughly a \$2.5 million increase (114%) from the previous year. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to fund expenditures. For FY21, fund balance in the General Fund is 54% of total General Fund expenditures.

The fund balance in the Parks Fund shows the remaining funds currently available for development of the Camp Verde Sports Complex at \$2.7 million.

Proprietary funds. The proprietary fund financial statements are prepared on the same accounting basis and measurement as the government-wide financial statements, but provide additional detail of the Town's enterprise fund.

The Wastewater fund balance dropped \$335 thousand during FY21 completely due to the non-cash depreciation expense of \$946 thousand.

BUDGETARY HIGHLIGHTS

A schedule comparing budget to actual financial activity for the General Fund is provided in this report as required supplementary information. Revenues of \$11.7 million for the year were over budget by 22% (\$2.1 million), while expenses were under budget by 5% (\$423 thousand). Budgetary highlights for the General Fund are as follows:

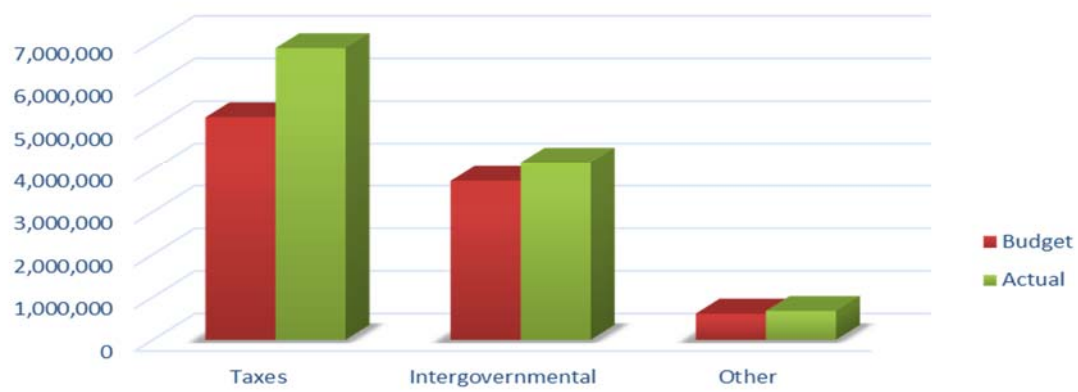
**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

BUDGETARY HIGHLIGHTS (CONTINUED)

Revenues

- Local tax revenues were more than \$1.6 million over budget with the most significant segments being Retail (\$1 million over), Construction (\$329 thousand over), Restaurants (\$164 thousand over) and Accommodation (\$156 thousand over).
- Intergovernmental revenues were also over budget for the year by \$443 thousand with state sales tax revenues being the most significant factor at \$167 thousand over budget.
- Other revenue

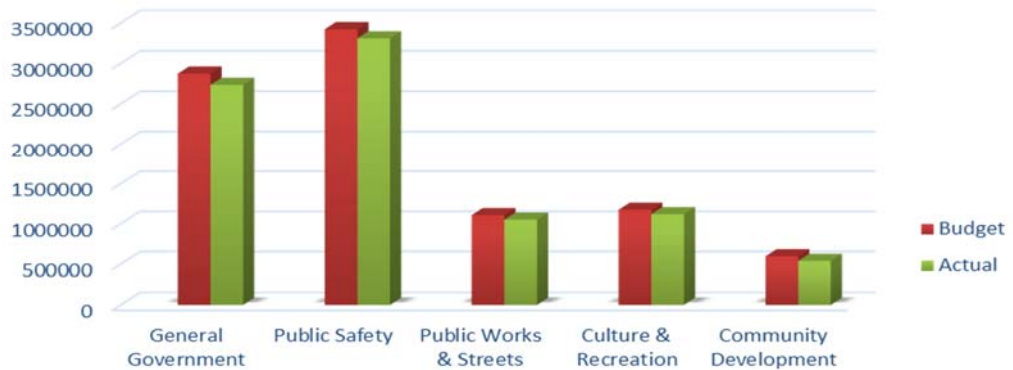
General Fund Revenues: Budget to Actual



Expenses

- The Magistrate (part of General Admin) and Marshal's departments contributed the most budgetary savings at \$114 thousand and \$113 thousand under budget respectively. Both departments saw significant savings within their wages and related expense lines mostly due to being short-staffed for a portion of the year while also keeping operational expenses below budget as well.
- The remaining departments contributed budget savings from \$58 thousand down to break-even amounts

General Fund Expenses: Budget to Actual



**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

CAPITAL ASSETS

As of June 30, 2021, the Town had invested \$36.5 million in governmental capital assets and \$29.1 million in business-type assets (both before depreciation) including land, buildings, facilities, vehicles, computers, equipment, and infrastructure assets. In FY21, the Town invested \$5.0 million into capital assets. Total depreciation expense for the year in governmental and business-type activities was \$1.1 million and \$946 thousand respectively. More information on capital assets can be found in the Notes to the Financial Statements under Note 5 – Capital Assets.

The following schedule presents capital asset balances and accumulated depreciation for the fiscal years ended June 30, 2021 and 2020:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2019
Land	\$ 5,974,797	\$ 5,974,797	\$ 1,275,828	\$ 1,275,828	\$ 7,250,625	\$ 7,250,625
Construction in progress	7,002,130	5,242,965	1,999,630	1,937,467	9,001,760	7,180,432
Buildings and improvements	9,209,465	9,121,321	920,575	895,854	10,130,040	10,017,175
Infrastructure	7,070,544	6,086,939	23,418,406	22,934,814	30,488,950	29,021,753
Machinery and equipment	5,584,929	5,166,957	1,448,296	1,368,224	7,033,225	6,535,181
Improvements other than buildings	1,631,565	1,226,163	-	-	1,631,565	1,226,163
Accumulated depreciation	(9,259,141)	(8,241,974)	(10,393,756)	(9,447,996)	(19,652,897)	(17,689,970)
Total	\$ 27,214,289	\$ 24,577,168	\$ 18,668,979	\$ 18,964,191	\$ 45,883,268	\$ 43,541,359

Governmental funds.

Key factors for Capital assets during the current fiscal year include the following:

- Expenses at the Camp Verde Sports Park increased Construction in progress \$2.2 million.
- The \$1.0 million increase in Infrastructure is due to completed Construction in progress items that were placed in service including Homestead parkway construction (\$395 thousand) and the 7th Street sidewalk CDBG project (\$410 thousand).
- The Town added seven new vehicles (6 for police, 1 for maintenance) through lease purchases increasing Machinery and equipment \$394 thousand.
- Land Improvement increases were mainly for Arena costs placed in service (\$313 thousand) and new bleachers at the arena (\$60 thousand).

Proprietary funds.

Key factors for Capital assets during the current fiscal year include the following:

- Continued work on plant upgrades including chlorine contact chambers (\$267 thousand) and manhole cover replacements (\$99 thousand) were the significant factors in the \$483 thousand increase in Infrastructure.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

LONG-TERM LIABILITIES

As of June 30, 2021, the Town had just under \$24.4 million in long-term debt and long-term liabilities; \$22.2 million for governmental activities and \$2.1 million for business-type activities. These amounts are up nearly \$3.7million from FY20.

The following table presents a summary of the Town's outstanding long-term debt and compensated absences for the fiscal years ended June 30, 2021 and 2020. More information on debt and long-term liabilities can be found in the Notes to the Financial Statements under Note 6 – Long-Term Liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
2020 Revenue bonds	\$ 2,897,000	\$ -	\$ -	\$ -	\$ 2,897,000	\$ -
2017 Revenue bonds	6,355,000	6,520,000	-	-	6,355,000	6,520,000
2017 Revenue bonds unamortized premium	174,905	182,193	-	-	174,905	182,193
2014 Revenue bonds	3,119,000	3,479,000			3,119,000	3,479,000
2011 Revenue bonds	-	388,918			-	388,918
Capital leases	806,769	779,432	56,125	167,084	862,894	946,516
Notes Payable	-	-	1,376,950	840,002	1,376,950	840,002
Net pension liability	8,336,918	7,178,176	658,669	565,090	8,995,587	7,743,266
Compensated absences	553,677	563,472	53,859	47,896	607,536	611,368
Total	\$ 22,243,269	\$ 19,091,191	\$ 2,145,603	\$ 1,620,072	\$ 24,388,872	\$ 20,711,263

Governmental funds.

Key factors for Long-term liabilities during the current fiscal year include the following:

- The most significant portion of the \$22.2 million governmental liabilities once again is the net pension liability of \$8.34 million which is up \$1.16 million from FY20.
- The Town incurred new debt in the amount of \$2.9 million. This loan was used to retire the 2011 revenue bonds early and provide another \$2.5 million for Sports Park development. It is believed that we will receive a \$2.5 million federal grant that can be used to match these funds on Sports Park expenditures.

Proprietary funds.

Key factors for Long-term liabilities during the current fiscal year include the following:

- The wastewater fund continued to draw down loan funds for capital expenditures on plant upgrades.

**TOWN OF CAMP VERDE, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FISCAL YEAR ENDED JUNE 30, 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Town of Camp Verde's revenue base is funded primarily by town sales tax and shared revenues from the State of Arizona. These revenue sources typically to comprise approximately 75% on average of the Town's revenues though in FY21 that dropped to 70% due to federal grant funding related to Covid-19. FY21 revenues were extremely strong but after a dramatically unexpected year of 41% growth, the Town budgeted somewhat conservatively at 6% continued growth for local tax revenues in FY22.

More importantly though is the fact that the Town expects this dramatic increase of revenues to “be the new norm” and has budgeted accordingly for services in FY22 as we look to the future.

FY21 saw last year's new projects take hold successfully in both residential and commercial areas. New affordable homes continue to go in and the new RV park, along with all others, is continually filled. Businesses are expanding, new ventures are moving forward and homes are being filled. The Town's designation as an Opportunity Zone for investors continues to be a motivating force for investment funds within our Town. Many departments have started to feel the squeeze of a higher demand for services and have taken on necessary employees to maintain service levels. In FY22, nine new full-time positions were budgeted for.

For FY22, the Town is looking to accomplish several new and expanded projects. The Town expects to close on a WIFA loan for engineering costs of \$1.2 million towards the expansion of wastewater services Northward along Highway 260. Ultimately this project is expected to cost around \$8 million with a soon-to-be established special district to take on the repayment of the loan. The Town is still moving forward with discussions to purchase a local water utility which would give the Town control over both wastewater and water services. New federal Covid relief funds have given the Town a huge boost in numerous capital maintenance and expansion projects especially in wastewater services. Lastly, the Town expects to paydown it's entire PSPRS retirement liability with a new loan of around \$3.0 million which would allow for the direct offset of retirement expenses from wages.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Town Finance Department at:

Town of Camp Verde
Finance Department
395 South Main Street
Camp Verde, Arizona 86322.

TOWN OF CAMP VERDE, ARIZONA
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 5,055,817	\$ 133,353	\$ 5,189,170
Cash held by trustee	5,680,916	-	5,680,916
Accounts receivable - net	177,566	222,778	400,344
Due from other governments	452,036	1,088	453,124
Net other postemployment benefits asset	44,557	2,742	47,299
Capital assets, not being depreciated	12,976,927	3,275,458	16,252,385
Capital assets, being depreciated, net	14,237,362	15,393,521	29,630,883
Total assets	38,625,181	19,028,940	57,654,121
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions and other postemployment benefits	2,287,095	127,376	2,414,471
LIABILITIES			
Accounts payable	520,327	207,036	727,363
Accrued expenses	97,802	5,816	103,618
Interest payable	187,744	15,029	202,773
Unearned revenue	1,874,127	-	1,874,127
Court bonds payable	14,516	-	14,516
Noncurrent liabilities			
Due within 1 year	1,330,815	192,614	1,523,429
Due in more than 1 year	20,912,454	1,952,989	22,865,443
Total liabilities	24,937,785	2,373,484	27,311,269
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions and other postemployment benefits	171,801	16,277	188,078
NET POSITION			
Net investment in capital assets	19,542,531	17,235,904	36,778,435
Restricted for:			
Park improvements	2,696,881	-	2,696,881
Highways and streets	665,530	-	665,530
Housing redevelopment	123,451	-	123,451
Special programs	268,733	-	268,733
Unrestricted (deficit)	(7,494,436)	(469,349)	(7,963,785)
Total net position	\$ 15,802,690	\$ 16,766,555	\$ 32,569,245

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Activities
Year Ended June 30, 2021

Functions / Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities							
General government	\$ 3,674,054	\$ 34,945	\$ -	\$ -	\$ (3,639,109)	\$ -	\$ (3,639,109)
Public safety	3,903,672	373,591	1,383,404	10,567	(2,136,110)	-	(2,136,110)
Public works	1,533,711	25,944	1,075,900	273,106	(158,761)	-	(158,761)
Health and welfare	145,965	-	-	-	(145,965)	-	(145,965)
Culture and recreation	1,505,036	48,145	147,189	87,088	(1,222,614)	-	(1,222,614)
Community development	571,455	374,935	35,000	224,455	62,935	-	62,935
Interest on long-term debt	419,220	-	-	-	(419,220)	-	(419,220)
Total governmental activities	<u>11,753,113</u>	<u>857,560</u>	<u>2,641,493</u>	<u>595,216</u>	<u>(7,658,844)</u>	<u>-</u>	<u>(7,658,844)</u>
Business-type activities							
Wastewater	2,242,647	1,940,715	-	-	-	(301,932)	(301,932)
Total business-type activities	<u>2,242,647</u>	<u>1,940,715</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(301,932)</u>	<u>(301,932)</u>
Total primary government	<u>\$ 13,995,760</u>	<u>\$ 2,798,275</u>	<u>\$ 2,641,493</u>	<u>\$ 595,216</u>	<u>\$ (7,658,844)</u>	<u>\$ (301,932)</u>	<u>\$ (7,960,776)</u>
General revenue:							
Taxes:							
Sales Taxes					6,557,976	-	6,557,976
Franchise tax					297,149	-	297,149
State shared revenue					3,874,792	-	3,874,792
Investment income					5,106	261	5,367
Miscellaneous					21,515	-	21,515
Transfers in (out):					<u>33,601</u>	<u>(33,601)</u>	<u>-</u>
Total general revenues and transfers					<u>10,790,139</u>	<u>(33,340)</u>	<u>10,756,799</u>
Change in net position					<u>3,131,295</u>	<u>(335,272)</u>	<u>2,796,023</u>
Net position July 1, 2020					<u>12,671,395</u>	<u>17,101,827</u>	<u>29,773,222</u>
Net position, June 30, 2021					<u>\$ 15,802,690</u>	<u>\$ 16,766,555</u>	<u>\$ 32,569,245</u>

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Balance Sheet
Governmental Funds
June 30, 2021

	General Fund	Parks Fund	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 3,657,781	\$ -	\$ -	\$ 1,398,036	\$ 5,055,817
Cash held by trustee	2,933,171	2,747,745	-	-	5,680,916
Accounts receivable, net	177,566	-	-	-	177,566
Due from other governments	311,409	-	-	140,627	452,036
Due from other funds	13,096	-	-	-	13,096
Total assets	7,093,023	2,747,745	-	1,538,663	11,379,431
LIABILITIES					
Accounts payable	394,863	50,864	-	74,600	520,327
Accrued liabilities	94,342	-	-	3,460	97,802
Court bonds payable	14,516	-	-	-	14,516
Unearned revenue	-	-	-	6,009	6,009
Due to other funds	-	-	-	13,096	13,096
Total liabilities	503,721	50,864	-	97,165	651,750
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,903,118	-	-	-	1,903,118
FUND BALANCES					
Restricted	-	2,696,881	-	1,057,714	3,754,595
Committed	-	-	-	182,325	182,325
Assigned	-	-	-	201,459	201,459
Unassigned	4,686,184	-	-	-	4,686,184
Total fund balances	4,686,184	2,696,881	-	1,441,498	8,824,563
Total liabilities, deferred inflows of resources, and fund balances	\$ 7,093,023	\$ 2,747,745	\$ -	\$ 1,538,663	\$ 11,379,431

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
June 30, 2021

Fund balances--total governmental funds		\$ 8,824,563
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources. Therefore, they were not reported in Governmental Funds Balance Sheet.</p>		
Capital assets	36,473,430	
Less accumulated depreciation	<u>(9,259,141)</u>	27,214,289
<p>Some receivables are not available to pay for current period expenditures and, therefore, are unavailable in the funds.</p>		
Accounts receivable		35,000
<p>Net pension assets held in trust for future benefits are not available for operations and, therefore, are not reported in the funds.</p>		
		44,557
<p>Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future reporting periods and, therefore, are not reported in the funds.</p>		
Pension related deferred outflows	2,287,095	
Pension related deferred inflows	<u>(171,801)</u>	2,115,294
<p>Some liabilities, including bonds payable and net pension liabilities are not due and payable in the current period and therefore, are not reported in the funds.</p>		
Compensated absences	(553,677)	
Net pension liability/OPEB	(8,336,918)	
Revenue bonds payable	(12,545,905)	
Capital leases	(806,769)	
Interest payable	<u>(187,744)</u>	<u>(22,431,013)</u>
Net position of governmental activities		<u>\$ 15,802,690</u>

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Revenue, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	General Fund	Parks Fund	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Fund
Revenue					
Taxes	\$ 6,855,126	\$ -	\$ -	\$ -	\$ 6,855,126
Intergovernmental	4,169,073	-	-	3,051,901	7,220,974
Licenses and permits	315,361	-	-	-	315,361
Fines and forfeitures	150,616	-	-	18,785	169,401
Other revenue	34,960	-	-	56,920	91,880
Charges for services	173,612	-	-	-	173,612
Contributions	-	-	-	99,712	99,712
Investment income	2,361	745	-	2,000	5,106
Total revenue	<u>11,701,109</u>	<u>745</u>	<u>-</u>	<u>3,229,318</u>	<u>14,931,172</u>
Expenditures					
Current					
General government	3,503,717	-	-	41,600	3,545,317
Public safety	3,302,694	-	-	79,070	3,381,764
Public works and streets	238,219	-	-	765,687	1,003,906
Health and welfare	27,500	-	118,465	-	145,965
Culture and recreation	1,120,097	-	-	32,787	1,152,884
Community development	537,808	-	-	11,589	549,397
Capital outlay	20,887	2,195,460	-	1,557,634	3,773,981
Debt service					
Principal	2,822	-	1,170,919	-	1,173,741
Interest	1,132	-	427,609	-	428,741
Issuance cost	-	80,902	-	-	80,902
Total expenditures	<u>8,754,876</u>	<u>2,276,362</u>	<u>1,716,993</u>	<u>2,488,367</u>	<u>15,236,598</u>
Excess (deficiency) of revenue over (under) expenditures	<u>2,946,233</u>	<u>(2,275,617)</u>	<u>(1,716,993)</u>	<u>740,951</u>	<u>(305,426)</u>
Other financing sources					
Debt issuance	-	2,598,822	298,178	-	2,897,000
Capital lease acquisition	-	-	-	310,757	310,757
Transfers in (out)	(476,143)	-	1,418,815	(909,071)	33,601
Total other financing sources	<u>(476,143)</u>	<u>2,598,822</u>	<u>1,716,993</u>	<u>(598,314)</u>	<u>3,241,358</u>
Net change in fund balances	2,470,090	323,205	-	142,637	2,935,932
Fund balances, July 1, 2020	2,216,094	2,373,676	-	1,298,861	5,888,631
Fund balances, June 30, 2021	<u>\$ 4,686,184</u>	<u>\$ 2,696,881</u>	<u>\$ -</u>	<u>\$ 1,441,498</u>	<u>\$ 8,824,563</u>

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Reconciliation of the Statement of Revenue, Expenditures,
and Changes in Fund Balances to the Statement of Activities
Governmental Funds
Year Ended June 30, 2021

Net change in fund balances--total governmental funds \$ 2,935,932

Governmental activities in the Statement of Activities were reported differently because:

Governmental funds report capital outlays as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Position, the cost of those assets are allocated over their estimated useful lives as depreciation expense.

Capital outlay	3,769,666	
Depreciation expense	<u>(1,111,303)</u>	2,658,363

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas these amounts are amortized in the statement of activities.

Lease acquisition	(310,757)	
Debt proceeds	(2,897,000)	
Principal payments on debt	<u>1,204,627</u>	(2,003,130)

Accrued interest payable related to long-term debt is recognized as an expense in the Statement of Activities, however is not recognized in the governmental funds because it is not payable from current financial resources. (21,365)

Some expense reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds. These items include:

Compensated absences	9,795	
Pension/OPEB related items	<u>(367,935)</u>	(358,140)

Certain revenues in governmental funds that provide current financial resources are not included in the Statement of Activities because they were recognized in a prior period. However, the other revenues that are unavailable in the governmental funds because they do not provide current financial resources due to unavailability are recognized in the Statement of Activities. (80,365)

Change in net position of governmental activities \$ 3,131,295

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Net Position
Proprietary Fund
June 30, 2021

	Wastewater Fund
ASSETS	
Current assets	
Cash and cash equivalents	\$ 133,353
Accounts receivable - net	222,778
Due from other governments	1,088
Total current assets	357,219
Noncurrent assets	
Net other postemployment benefits asset	2,742
Capital assets, not being depreciated	3,275,458
Capital assets, being depreciated, net	15,393,521
Total noncurrent assets	18,671,721
Total assets	19,028,940
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions and other postemployment benefits	127,376
LIABILITIES	
Current liabilities	
Accounts payable	207,036
Accrued expenses	5,816
Accrued interest	15,029
Compensated absences, current	53,013
Capital leases payable, current	56,125
Notes payable, current	83,476
Total current liabilities	420,495
Noncurrent liabilities	
Compensated absences	846
Notes payable	1,293,474
Net pension and other postemployment liability	658,669
Total noncurrent liabilities	1,952,989
Total liabilities	2,373,484
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions and other postemployment benefits	16,277
NET POSITION	
Net investment in capital assets	17,235,904
Unrestricted (deficit)	(469,349)
Total net position	\$ 16,766,555

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Revenue, Expenses, and Changes in Fund Net Position
Proprietary Fund
Year Ended June 30, 2021

	Wastewater Fund
Operating revenues	
Sewer charges (net of bad debts of \$0)	\$ 1,937,593
Miscellaneous	3,122
Total operating revenues	1,940,715
Operating expenses	
Depreciation	945,760
Personnel	617,420
Repairs and maintenance	282,574
Other	66,787
Materials and supplies	119,070
Utilities	113,043
Professional services	32,745
Insurance	31,000
Total operating expenses	2,208,399
Operating income (loss)	(267,684)
Nonoperating revenues (expenses)	
Interest income	261
Interest expense	(34,248)
Total nonoperating revenue (expenses)	(33,987)
Income (loss) before contributions	(301,671)
Transfers	(33,601)
Increase (decrease) in net position	(335,272)
Total net position, beginning of year,	17,101,827
Total net position, end of year	\$ 16,766,555

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2021

	Wastewater Fund
Cash flows from operating activities:	
Receipts from customers	\$ 2,051,467
Payments to suppliers and providers of goods and services	(597,549)
Payments to employees	(627,058)
Net cash provided (used) by operating activities	826,860
 Cash flows from noncapital financing activities:	
Transfers to other funds	(33,601)
Interfund borrowing	(270,717)
Net cash provided (used) by noncapital financing activities	(304,318)
 Cash flows from capital and related financing activities:	
Proceeds from note payable	618,641
Principal payments on notes payable	(81,693)
Purchase of capital assets	(796,370)
Principal payments on capital leases payable	(110,959)
Interest paid	(19,219)
Net cash provided (used) by capital and related financing activities	(389,600)
 Cash flows from investing activities:	
Interest received	261
Net increase (decrease) in cash and cash equivalents	133,203
 Cash and cash equivalents, beginning of year	150
 Cash and cash equivalents, end of year	\$ 133,353

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2021
(Continued)

	Wastewater Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (267,684)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	945,760
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Accounts receivable	110,897
Due from other governments	(145)
Net other postemployment benefits asset	(1,647)
Deferred outflows of resources related to pensions and other postemployment benefits	(49,983)
Accounts payable	32,934
Accrued expenses	(15,601)
Compensated absences	5,963
Net pension and other postemployment benefits and liabilities	93,579
Deferred inflows of resources related to pensions and other postemployment benefits	(27,213)
	826,860
Net cash provided (used) by operating activities	\$ 826,860

Noncash capital financing activities

At June 30, 2021 the Town had financed \$16,449 of capital assets on account. In addition, during the fiscal year, the Town paid \$162,271 of accounts payable used to finance capital assets from 2020.

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Custodial Other
ASSETS	
Cash and cash equivalents	\$ 450,792
Property tax receivable	49,029
Total assets	\$ 499,821
 LIABILITIES	
	\$ -
 NET POSITION	
Restricted for:	
Individual, organizations, and other governments	499,821
Total net position	\$ 499,821

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
June 30, 2021

	Custodial
	Other
<u>Additions:</u>	
Property tax collections from other governments	\$ 828,069
Contributions from other governments	118,466
Contributions from employees	4,534
Interest income	2,667
Total additions	\$ 953,736
<u>Deductions:</u>	
Distributions for employee assistance	500
Distributions for district debt service	904,081
Total deductions	904,581
Change in net position	49,155
Net position, July 1, 2020	450,666
Net position, June 30, 2021	\$ 499,821

The accompanying notes are an integral part of these financial statements

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Camp Verde, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

For the year ended June 30, 2021, the Town implemented the provisions of GASB Statement No. 84, Fiduciary Activities, which establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes. As a result, the Town’s fiduciary fund financial statements have been modified to reflect the implementation of this new guidance, including reclassifying activities previously reported in agency funds to custodial or governmental funds, as applicable.

A. Reporting Entity

The Town is a municipal entity governed by an elected Mayor and six-member council. The accompanying financial statements present the activities of the Town (the primary government). The Town is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Blended component units, although legally separate entities, are, in substance, part of the Town’s operations. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the Town. The Town has no component units.

B. Basis of Presentation

The basic financial statements include both government-wide statements and fund financial statements. The government-wide statements focus on the Town as a whole, while the fund financial statements focus on major funds. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-wide statements—provide information about the primary government (the Town). The statements include a statement of net position and a statement of activities. These statements report the financial activities of the overall government, except for fiduciary activities. They also distinguish between the governmental and business-type activities of the Town. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties.

A statement of activities presents a comparison between direct expenses and program revenues for each function of the Town’s governmental activities and each segment of its business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Town does not allocate indirect expenses to programs or functions. Program revenues include charges to customers for goods or services, operating grants, capital grants and contributions. Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double counting of internal activities. Charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fund financial statements—provide information about the Town’s funds. Separate statements are presented for the governmental and proprietary fund categories. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from transactions associated with the fund’s principal activity in which each party receives and gives up essentially equal values. Nonoperating revenues, such as investment earnings, results from transactions in which the parties do not exchange equal values. Revenues generated by ancillary activities are also reported as nonoperating revenues. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense are considered to be nonoperating expenses.

The Town reports the following major governmental funds:

General Fund – This fund accounts for all financial resources of the Town, except those required to be accounted for in other funds.

Parks Fund – This fund accounts for the capital spending of resources via debt proceeds for the construction of the Town’s parks.

Debt Service Fund – This fund accounts for the payment of principal and interest due on certain debts of the Town.

The Town reports the following major enterprise fund:

Wastewater Fund – This fund is used to account for the provision of wastewater services to residents of the Town. All activities necessary to provide such service are accounted for in this fund.

Additionally, the Town reports the following fund types:

Fiduciary Funds – These funds are used to account for assets held by the Town in a custodial capacity for the following purposes:

- Employee assistance.
- Camp Verde Sanitary District property tax collection and debt service remittance.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

C. Basis of Accounting

The government-wide and proprietary fund financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. The Town's major revenue sources that are susceptible to accrual are intergovernmental, charges for services, and investment earnings. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, compensated absences, which are recognized as expenditures to the extent they are due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Investments

The Town considers cash on hand, demand deposits, cash and investments held by the State Treasurer, and highly liquid investments with maturities of three months from the date of acquisition to be cash equivalents.

Cash and investments are generally pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona or any of its counties, cities, towns, school districts, and special districts as specified by statute. The State Board of Deposit provides oversight for the State Treasurer's pool, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts receivable are estimated by the Town. The amount recorded at June 30, 2021 for uncollectible Wastewater receivables is \$65,000.

F. Capital Assets

Capital assets are reported at actual cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life (years)
Land	\$5,000	N/A	-
Construction in progress	5,000	N/A	-
Buildings	5,000	Straight-line	25 - 30
Improvements	5,000	Straight-line	18 - 75
Infrastructure	5,000	Straight-line	20 - 30
Furniture, machinery, and equipment	5,000	Straight-line	5 - 10
Vehicles	5,000	Straight-line	5 - 10

G. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

H. Deferred Outflows/Inflows of Resources

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as a revenue in future periods.

I. Compensated Absences

Compensated absences consist of vacation leave, compensatory time, and a calculated amount of sick leave earned by employees based on services already rendered.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Employees may accumulate up to 320 hours of vacation depending on years of service, but any vacation hours in excess of the maximum amount that are unused each January 1 are forfeited. Upon termination of employment, all unused and unforfeited vacation benefits are paid to employees.

Employees may accumulate up to 480 hours of sick leave hours. Any sick leave hours in excess of the maximum must be converted at a rate of 50% to vacation time or cash value each December 15. Upon termination of employment, unused sick leave benefits are paid to employees at rates of 10 to 50 percent depending upon years of service.

The current and long-term liabilities for accrued vacation leave, compensatory time, and sick leave are reported in the government-wide financial statements. A liability for these amounts is reported in the governmental funds' financial statements only if they have matured, for example, as a result of employee resignations and retirements by fiscal year end. Resources from the General Fund are generally used to liquidate the governmental funds liabilities for compensated absences.

J. Fund Balance Reporting

The governmental funds' fund balances are reported separately within classifications based on a hierarchy of the constraints placed on those resources' use. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, or are legally or contractually required to be maintained intact. Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations.

The unrestricted fund balance category is composed of committed, assigned, and unassigned resources. Committed fund balances are self-imposed limitations that the Town Council has approved, which is the highest level of decision-making authority within the Town. Only the Town Council can remove or change the constraints placed on committed fund balances.

Assigned fund balances are resources constrained by the Town's intent to be used for specific purposes, but that are neither restricted nor committed. The Town Council has authorized the Town Manager to assign resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Town’s policy for committed fund balances is through formal Town resolutions passed through the elected town council. The process of rescinding a committed fund balance requires the same process.

The Town’s policy for assigned fund balances is through motions passed by the elected town council. Assigned fund balances do not require a formal resolution.

When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, it is the Town’s policy to use (the Town will use) restricted fund balance first. It is the Town’s policy to use (the Town will use) committed amounts first when disbursing unrestricted fund balances, followed by assigned amounts, and lastly unassigned amounts.

K. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

L. Deferred Outflows/Inflows of Resources

The statement of net position and balance sheet include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as a revenue in future period.

M. Postemployment Benefits

For purposes of measuring the net pension and other postemployment benefits (OPEB) assets and liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the pension plans’ fiduciary net position and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Budgets

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year end. The Town is subject to the State of Arizona’s Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the carry-over unrestricted cash balance from the

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

prior fiscal year. The limitation is applied to the total of the combined funds. The Town complied with this law during the year.

Expenditures may not legally exceed budgeted appropriations at the department level. The individual Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual reports as listed in the table of contents present all departments which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2021, if any.

NOTE 2 – DEPOSITS AND INVESTMENTS

Arizona Revised Statutes (A.R.S.) authorize the Town to invest public monies in the State Treasurer’s investment pool; obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities; specified state and local government bonds, notes, and other evidences of indebtedness; interest-earning investments such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; specified commercial paper issued by corporations organized and doing business in the United States; specified bonds, debentures, notes, and other evidences of indebtedness that are denominated in United States dollars; and certain open-end and closed-end mutual funds, including exchange traded funds. In addition, the Town Treasurer may invest trust funds in certain fixed income securities of corporations doing business in the United States or District of Columbia.

Credit Risk - The Town’s investment policy allows for investments in obligations guaranteed by the full faith and credit of the United States of America, government sponsored enterprises, government bonds with minimum credit ratings of Aa or AA, commercial paper with a minimum short-term rating of P1 or A1, negotiable certificates of deposit, corporate bonds carrying a minimum credit rating of A, and the Local Government Investment Pool. The Towns investment in U.S. Agencies and Money Market Funds were rated no lower than AAA by Standard & Poor’s.

Custodial credit risk - The Town’s policy requires collateral for deposits at 102 percent of all deposits federal depository insurance does not cover.

Concentration of Credit Risk - The Town’s investment policy does not allow for an investment in any one issuer that is in excess of five percent of the Town’s total investments. Securities issued by the United States of America or its agencies are exempt from this provision.

Interest Rate Risk - In accordance with its investment policy, the Town manages its exposure to declines in fair values by limiting the maturities of its investment portfolio according to the needs of the Town. Investments are structured so that they mature concurrent with anticipated cash requirements for ongoing operations of the Town.

Foreign currency risk - Statutes do not allow foreign investments unless the investment is denominated in United States dollars.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 2 – DEPOSITS AND INVESTMENTS – Continued

Investments in the State Treasurer’s investment pools are valued at the pool’s share price multiplied by the number of shares the Town held. The fair value of the participant’s position in the pools approximates the value of that participant’s pool shares. The State Board of Investment provides oversight for the State Treasurer’s investment pools.

Fair Value Measurements. The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. Investments categorized as Level 2 are valued using other significant observable inputs.

Investment Valuation Techniques. U.S. treasuries, agencies, money market, and equity securities in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical securities. Governmental bonds, corporate bonds, and other fixed income instruments, classified in Level 2 of the fair value hierarchy are valued based on significant other observable inputs, which may include, but are not limited to, quoted prices for similar or identical assets or liabilities in markets that are active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.

Deposits — At June 30, 2021, the carrying amount of the Town’s total cash in bank was \$4,220,108, and the bank balance was \$4,639,368. Of the bank balance, \$1,175,800 was covered by federal depository insurance and the remaining balance was covered by collateral held by the pledging financial institution in the Town’s name.

Investments — At June 30, 2021, the investments consisted of the following:

Investment	Rating Organization	Credit Rating	Reported Amount	Fair Value
Arizona LGIP Pool 5	S&P	AAA	\$ 3,714,746	\$ 3,714,746

Deposits and investments at June 30, 2021 consist of the following:

	Governmental Activities	Business-type Activities	Total
Deposits			
Cash on hand	\$ 1,911	\$ 150	\$ 2,061
Cash held by trustee	5,680,916	-	5,680,916
Amount of deposits	1,341,572	130,791	1,472,363
Investments			
State treasurer's investment pool 5	3,714,746	-	3,714,746
Total	\$ 10,739,145	\$ 130,941	\$ 10,870,086

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 3 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2021 consisted of the following:

	General Fund	Non-Major Governmental Funds	Wastewater Fund
State of Arizona			
State and city sales tax revenues	\$ 269,549	\$ -	\$ -
Highway user revenues	-	95,972	-
AZ Dept of Public Safety	-	1,976	-
USDA grant revenues	-	35,000	-
AZ Dept of Forestry and Fire Management	-	5,217	-
Yavapai County			
Vehicle licensing tax revenues	41,860	-	-
Miscellaneous	-	2,462	1,088
	<u>\$ 311,409</u>	<u>\$ 140,627</u>	<u>\$ 1,088</u>

NOTE 4 – ACCOUNTS RECEIVABLE

In connection with receivables, governmental funds reported unavailable revenue for amounts not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of June 30, 2021, the Town’s receivables for individual major governmental funds and non-major governmental funds in the aggregate, consisted of \$94,123 in various miscellaneous receivables. The Town considers these accounts to be 100% collectible.

As of June 30, 2021, the Town’s receivables for individual major proprietary funds consisted of wastewater fees billed to customers totaling \$287,778. In anticipation of uncollectible amounts, the Town has an allowance for doubtful accounts of \$65,000.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance <u>July 1, 2020</u>	Increase	Decreases	Balance <u>June 30, 2021</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,974,797	\$ -	\$ -	\$ 5,974,797
Construction in progress	<u>5,242,965</u>	<u>3,001,639</u>	<u>(1,242,474)</u>	<u>7,002,130</u>
Total capital assets not being depreciated	<u>11,217,762</u>	<u>3,001,639</u>	<u>(1,242,474)</u>	<u>12,976,927</u>
Capital assets being depreciated:				
Buildings and improvements	9,121,321	88,144	-	9,209,465
Infrastructure	6,086,939	983,605	-	7,070,544
Machinery and equipment	5,166,957	533,350	(115,378)	5,584,929
Improvements other than buildings	<u>1,226,163</u>	<u>405,402</u>	<u>-</u>	<u>1,631,565</u>
Total	<u>21,601,380</u>	<u>2,010,501</u>	<u>(115,378)</u>	<u>23,496,503</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,930,184)	(280,294)	-	(2,210,478)
Infrastructure	(2,240,407)	(322,212)	-	(2,562,619)
Machinery and equipment	(3,488,529)	(471,707)	94,136	(3,866,100)
Improvements other than buildings	<u>(582,854)</u>	<u>(37,090)</u>	<u>-</u>	<u>(619,944)</u>
Total	<u>(8,241,974)</u>	<u>(1,111,303)</u>	<u>94,136</u>	<u>(9,259,141)</u>
Total capital assets being depreciated, net	<u>13,359,406</u>	<u>899,198</u>	<u>(21,242)</u>	<u>14,237,362</u>
Governmental activities capital assets, net	<u>\$ 24,577,168</u>	<u>\$ 3,900,837</u>	<u>\$ (1,263,716)</u>	<u>\$ 27,214,289</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 5 – CAPITAL ASSETS – Continued

	Balance <u>July 1, 2020</u>	Increase	Decreases	Balance <u>June 30, 2021</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,275,828	\$ -	\$ -	\$ 1,275,828
Construction in progress	<u>1,937,467</u>	<u>397,340</u>	<u>(335,177)</u>	<u>1,999,630</u>
Total capital assets not being depreciated	<u>3,213,295</u>	<u>397,340</u>	<u>(335,177)</u>	<u>3,275,458</u>
Capital assets being depreciated:				
Buildings and improvements	895,854	24,721	-	920,575
Infrastructure systems	22,934,814	483,592	-	23,418,406
Vehicles and equipment	<u>1,368,224</u>	<u>80,072</u>	<u>-</u>	<u>1,448,296</u>
Total	<u>25,198,892</u>	<u>588,385</u>	<u>-</u>	<u>25,787,277</u>
Less accumulated depreciation for:				
Buildings and improvements	(195,664)	(32,813)	-	(228,477)
Infrastructure	(8,592,994)	(760,152)	-	(9,353,146)
Vehicles and equipment	<u>(659,338)</u>	<u>(152,795)</u>	<u>-</u>	<u>(812,133)</u>
Total	<u>(9,447,996)</u>	<u>(945,760)</u>	<u>-</u>	<u>(10,393,756)</u>
Total capital assets being depreciated, net	<u>15,750,896</u>	<u>(357,375)</u>	<u>-</u>	<u>15,393,521</u>
Business-type activities capital assets, net	<u>\$ 18,964,191</u>	<u>\$ 39,965</u>	<u>\$ (335,177)</u>	<u>\$ 18,668,979</u>

Depreciation expense was charged to each function as follows:

Governmental activities:	
Public works and streets	\$ 517,626
Public safety	253,962
Culture and recreation	253,585
General government	76,119
Community development	<u>10,011</u>
Total governmental activities depreciation expense	<u>\$ 1,111,303</u>
Business-type activities:	
Wastewater fund	<u>\$ 945,760</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 6 – LONG-TERM LIABILITIES

The following schedule details the Town’s long-term liability and obligation activity for the year ended June 30, 2021.

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Due within 1 year
Governmental activities:					
Compensated absences	\$ 563,472	\$ 500,143	\$ 509,938	\$ 553,677	\$ 544,984
Capital leases payable	779,432	310,757	283,420	806,769	223,543
Net pension and other postemployment benefits liability	7,178,176	1,158,742	-	8,336,918	-
Bonds payable:					
Revenue bonds	10,387,918	2,897,000	913,919	12,371,000	555,000
Unamortized premium	182,193	-	7,288	174,905	7,288
Governmental activities long-term liabilities	\$ 19,091,191	\$ 4,866,642	\$ 1,714,565	\$ 22,243,269	\$ 1,330,815
Business-type activities:					
Compensated absences	\$ 47,896	\$ 44,156	\$ 38,193	\$ 53,859	\$ 53,013
Capital leases payable	167,084	-	110,959	56,125	56,125
Notes payable from direct borrowings and direct placements	840,002	618,641	81,693	1,376,950	83,476
Net pension and other postemployment benefits liability	565,090	93,579	-	658,669	-
Business-type activities long-term liabilities	\$ 1,620,072	\$ 756,376	\$ 230,845	\$ 2,145,603	\$ 192,614

Bonds Payable:

In October 2014, the Town issued bonds totaling \$4,904,000 to provide for an advance refunding of the 2005 revenue bond debt service payments for \$1,372,950 with the remaining funds for the building of a new library. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

In December 2017, the Town issued bonds totaling \$6,835,000 to finance capital improvements within the Town. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

In July 2020, the Town issued bonds totaling \$2,897,000 to provide for an advance refunding of the 2011 revenue bond debt. The bond proceeds were used to defease \$298,178 of the 2011 revenue bond with the remainder of the bond proceeds to be used to finance the building of a park. The principal and interest on the bonds are payable from excise tax revenue and state shared revenues. The Town has pledged future state shared revenues and excise tax revenues to repay the bond.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 6 – LONG-TERM LIABILITIES – Continued

Description	Original Amount	Maturity Ranges	Interest Rates	Outstanding Principal June 30, 2021
Revenue Refunding Bonds, Series 2014	4,904,000	2016-2031	2.84%	3,119,000
Revenue Bonds, Series 2017	6,835,000	2018-2044	2.00% - 4.00%	6,355,000
Revenue Refunding Bonds, Series 2020	<u>2,897,000</u>	2021-2035	2.96%	<u>2,897,000</u>
Totals	<u>\$14,636,000</u>			<u>\$12,371,000</u>

The following schedule details debt service requirements to maturity for the Town’s bonds payable at June 30, 2021.

Year Ending June 30	Governmental Activities					
	2014 Bond Payable		2017 Bond Payable		2020 Bond Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 370,000	\$ 83,326	\$ 170,000	\$ 212,900	\$ 15,000	\$ 85,529
2023	378,000	72,704	175,000	207,725	20,000	85,011
2024	392,000	61,770	180,000	201,500	20,000	84,419
2025	400,000	50,524	190,000	194,100	20,000	83,827
2026	245,000	41,365	195,000	186,400	191,000	80,704
2027-2031	1,334,000	96,844	1,105,000	805,600	1,033,000	314,722
2032-2036	-	-	1,340,000	573,200	1,598,000	121,804
2037-2041	-	-	1,560,000	348,775	-	-
2042-2045	-	-	1,440,000	91,563	-	-
Total	<u>\$3,119,000</u>	<u>\$ 406,533</u>	<u>\$6,355,000</u>	<u>\$2,821,763</u>	<u>\$2,897,000</u>	<u>\$ 856,017</u>

Notes Payable from direct borrowings and direct placements:

On April 20, 2018, the Town entered into a note agreement with the Water Infrastructure Finance Authority of Arizona (WIFA) for the construction of wastewater facility improvements. The original note term was for \$3,487,210 with \$1,000,000 forgivable principal and a \$2,487,210 repayment amount. As of June 30, 2021, the Town had drawn \$2,538,590 and has met the forgivable principal requirement. As of June 30, 2021, the Town has \$948,620 available to draw on the note. The notes first payment was due and paid on July 1, 2019 with interest due semi-annually at 2.183% and principal due annually for 25 years. The note matures July 1, 2042.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 6 – LONG-TERM LIABILITIES – Continued

The following schedule details debt service requirements to maturity for the Town’s loan payable from direct borrowings and direct placements at June 30, 2021.

Year Ending June 30	Business-type Activities	
	Loan Payable from Direct Borrowings and Direct Placements	
	Principal	Interest
2022	\$ 83,476	\$ 29,148
2023	85,298	27,306
2024	87,161	25,423
2025	89,063	23,500
2026	91,008	21,533
2027-2031	485,719	76,654
2032-2036	455,225	21,308
Total	\$ 1,376,950	\$ 224,871

Capital Leases Payable:

The Town has entered into lease agreements as lessee for financing the acquisition of machinery and equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The Town’s general revenues are used to pay the capital lease obligations for the governmental activities and the Town’s wastewater revenues are used to pay the capital lease obligations for the business-type activities. The assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Vehicles and equipment	\$ 1,560,581	\$ 542,451
Less: accumulated depreciation	(911,070)	(360,335)
Carrying value	\$ 649,511	\$ 182,116

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 6 – LONG-TERM LIABILITIES – Continued

The following schedule details debt service requirements to maturity for the Town’s capital leases payable at June 30, 2021.

Year Ending June 30	Governmental Activities	Business-type Activities
2022	\$ 272,946	\$ 56,560
2023	272,896	-
2024	243,537	-
2025	70,205	-
2026	34,169	-
Total minimum lease payments	893,753	56,560
Less amount representing interest	(86,984)	(435)
Present value of net minimum lease payments	<u>\$ 806,769</u>	<u>\$ 56,125</u>

NOTE 7 – PLEDGED REVENUES

As described in Note 6, the Town has pledged future state-shared revenues and excise tax revenues to repay revenue bonds.

The Town has pledged, as security for a lease-purchase agreement entered into by the Camp Verde Sanitary District, a portion of the Town’s sales tax. The lease-purchase agreement, executed by the Sanitary District in FY 2007, was amended during FY 2010. Per the amendment, the agreement is in the amount of \$2.04 million to provide financing for construction of a new wastewater treatment plant, outfall, and collector sewer lines, and is payable through 2032. The Town has committed to appropriate up to \$135,000 each year from sales tax revenues and state-shared revenues, to cover the principal and interest requirements on the Sanitary District’s debt.

The Camp Verde Sanitary District has pledged, as the sole security for the lease-purchase agreement, the annual appropriations from the Town. Total principal remaining on the District’s debt is \$1.09 million. For the current year, principal and interest paid by the Sanitary District totaled \$118,466. Total sales tax and state-shared revenues recognized by the Town totaled \$11 million.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 8 – INTERFUND BALANCES AND ACTIVITY

Interfund transfers – During the year ended June 30, 2021, the Town transferred funds to cover shared expenses and interfund borrowings. Transfers made between funds during the year are as follows:

Transfers to	Transfers from					Total
	General Fund	HURF Fund (non-major)	Federal Grants Fund (non-major)	Non-Federal Grants Fund (non-major)	Wastewater Fund (Enterprise)	
General Fund	\$ -	\$ -	\$ 901,159	\$ 275	\$ 70,601	\$ 972,035
Debt Service Fund	1,171,903	246,912	-	-	-	1,418,815
Capital Improvement Fund (non-major)	276,275	-	473,862	-	-	750,137
CBDG Fund (non-major)	-	-	80,273	-	-	80,273
Donations Fund (non-major)	-	-	1,178	-	-	1,178
Wastewater fund	-	-	37,000	-	-	37,000
Total	\$ 1,448,178	\$ 246,912	\$ 1,493,472	\$ 275	\$ 70,601	\$ 3,259,438

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 9 – GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS

The Town’s restrictions on net position in the government-wide statement of net position are as follows:

	Governmental Activities
Restricted Net Position:	
Parks	\$ 2,696,881
Highway User Revenues	665,530
Housing redevelopment	123,451
Court Special Revenue:	
Court Enhancement	77,604
Fill the Gap	21,263
Local JCEF	22,787
Nonfederal grants	
Anti-racketeering	15,128
AZ Supreme Court Grants	4,549
Spay/Neuter	18
The Nature Conservancy	17,000
Federal grants	
UCF	63
Rain Grant	14,667
9-1-1	1,361
Donations:	
Camp Verde Marshal's Office	2,914
Library	23,418
Parks and Recreation	4,403
Safety fund	19,677
Economic development	16,667
K-9	21,311
Volunteers in Police Services	5,903
Total Restricted Net Position	\$ 3,754,595

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 9 – GOVERNMENTAL FUND BALANCE/NET POSITION COMPONENTS –
Continued

The components of governmental fund balances are as follows:

	General Fund	Parks Fund	Non-Major Gov't'l Funds	Total Gov't'l Funds
Ending Fund balances, June 30, 2021				
Restricted for:				
Park improvements	\$ -	\$ 2,696,881	\$ -	\$ 2,696,881
Highways and streets	-	-	665,530	665,530
Housing redevelopment	-	-	123,451	123,451
Court special revenue				
Court enhancement	-	-	77,604	77,604
Fill the gap	-	-	21,263	21,263
Local JCEF	-	-	22,787	22,787
Nonfederal grants				
Anti-racketeering	-	-	15,128	15,128
AZ Supreme Court Grants	-	-	4,549	4,549
Spay/Neuter	-	-	18	18
The Nature Conservancy	-	-	17,000	17,000
Federal grants				
UCF	-	-	63	63
Rain Grant	-	-	14,667	14,667
9-1-1	-	-	1,361	1,361
Donations				
Camp Verde Marshal's office	-	-	2,914	2,914
Library	-	-	23,418	23,418
Parks and recreation	-	-	4,403	4,403
Safety fund	-	-	19,677	19,677
Economic development	-	-	16,667	16,667
K-9	-	-	21,311	21,311
Volunteers in police service	-	-	5,903	5,903
Total restricted	<u>-</u>	<u>2,696,881</u>	<u>1,057,714</u>	<u>3,754,595</u>
Committed for:				
Legal defense	<u>-</u>	<u>-</u>	<u>182,325</u>	<u>182,325</u>
Assigned for:				
Capital improvements	<u>-</u>	<u>-</u>	<u>201,459</u>	<u>201,459</u>
Unassigned:	<u>4,686,184</u>	<u>-</u>	<u>-</u>	<u>4,686,184</u>
Ending Fund Balances	<u>\$ 4,686,184</u>	<u>\$ 2,696,881</u>	<u>\$ 1,441,498</u>	<u>\$ 8,824,563</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 10 – CONTINGENT LIABILITIES

Federal and State grants and loans – The Town has received a number of grants from both the Federal and State governments. Amounts received or receivable from grantor agencies are subject to audit and adjustment; however, the Town expects no material disallowance of expenditures.

Lawsuits – At times the Town is a defendant in various lawsuits, although the outcome of these lawsuits is not always determinable, in the opinion of the Town’s legal counsel, any resolution of these matters will not have a material adverse effect on the financial condition of the Town.

NOTE 11 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries commercial insurance for all such risks of loss, including workers’ compensation and employees’ health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The Town contributes to the pension plans described below. The plans are component units of the State of Arizona.

At June 30, 2021, the Town reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

	Statement of Net Position and Statement of Activities		
	Governmental	Business-Type	Total
	Activities	Activities	
Net OPEB assets	\$ 44,557	\$ 2,742	\$ 47,299
Net pension and OPEB liabilities	8,336,918	658,669	8,995,587
Deferred outflows of resources related to pension and OPEB	2,287,095	127,376	2,414,471
Deferred inflows of resources related to pension and OPEB	171,801	16,277	188,078
Pension expense and OPEB	1,158,411	67,636	1,226,047

The Town reported \$829,408 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

A. Arizona State Retirement System

Plan Description – Town employees not covered by the other pension plans described below participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

Benefits Provided – The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Initial Membership Date:	
	Before July 1, 2011	On or after July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80	30 years, age 55
	10 years, age 62	25 years, age 60
	5 years, age 50*	10 years, age 62
	Any years, age 65	5 years age, 50*
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member’s death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member’s account balance that includes the member’s contributions and employer’s contributions, plus interest earned.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

Contributions – In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2021, statute required active ASRS members to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members’ annual covered payroll, and the Town was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members’ annual covered payroll. In addition, the Town was required by statute to contribute at the actuarially determined rate of 10.21 percent (10.14 percent for retirement, 0.07 percent for health insurance premium benefit, and 0.07 percent for long-term disability) of annual covered payroll of retired members who worked for the Town in positions that an employee who contributes to the ASRS would typically fill. The Town’s contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2021, were \$410,151, \$13,730, and \$6,337, respectively.

During fiscal year 2021, the Town paid for ASRS pension and OPEB contributions as follows: 75.7 percent from the General Fund, 7.2 percent from the HURF Fund (nonmajor) and 17.1 percent from the Wastewater Fund.

Liability – At June 30, 2021, the Town reported the following asset and liabilities for its proportionate share of the ASRS’ net pension/OPEB asset or liability.

	Pension/OPEB (Asset)
	Liability
Pension	\$ 5,331,370
Health insurance premium benefit	(22,295)
Long-term disability	23,661

The net asset and net liabilities were measured as of June 30, 2020. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2019, to the measurement date of June 30, 2020.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The Town’s proportion of the net asset or net liability was based on the Town’s actual contributions to the plan relative to the total of all participating employers’ contributions for the year ended June 30, 2020. The Town’s proportions measured as of June 30, 2020, and the change from its proportions measured as of June 30, 2019, were:

	Proportion June 30, 2020	Increase (decrease) from June 30, 2019
Pension	0.03077%	-0.00066%
Health insurance premium benefit	0.03149%	-0.00072%
Long-term disability	0.03119%	-0.00073%

Expense – For the year ended June 30, 2021, the Town recognized the following pension and OPEB expense.

	Pension/OPEB Expense
Pension	535,298
Health insurance premium benefit	7,077
Long-term disability	7,515

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Deferred Outflows/Inflows of Resources—At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 48,231	\$ -	\$ -	\$ 43,930
Changes of assumptions or other inputs	-	-	12,360	-
Net difference between projected and actual earnings on pension plan investments	514,217	-	22,812	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	87,430	97	11
Town contributions subsequent to the measurement date	410,151	-	13,730	-
Total	\$ 972,599	\$ 87,430	\$ 48,999	\$ 43,941

	Long-Term Disability	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,059	\$ 609
Changes of assumptions or other inputs	2,549	-
Net difference between projected and actual earnings on pension plan investments	2,605	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	427	352
Town contributions subsequent to the measurement date	6,337	-
Total	\$ 13,977	\$ 961

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from Town contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ended June 30,	Pension	Health Insurance Premium Benefit	Long-Term Disability
2022	\$ 3,590	\$ (4,710)	\$ 1,114
2023	126,385	118	1,538
2024	185,998	1,157	1,615
2025	159,045	(1,206)	1,454
2026	-	(4,031)	779
Thereafter	-	-	179

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Actuarial Assumptions – The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Actuarial valuation date	June 30, 2019
Actuarial roll forward date	June 30, 2020
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Projected salary increases	2.7 - 7.2% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent benefit increase	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pension and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2019 valuations were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

The long-term expected rate of return on ASRS plan investments was determined to be 7.5 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Rate of Return</u>
Equity	50%	6.39%
Fixed income - credit	20%	5.44%
Fixed income - interest rate sensi	10%	0.22%
Real estate	20%	5.85%
Total	<u>100%</u>	

Discount Rate – The discount rate used to measure the ASRS total pension/OPEB liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Sensitivity of the Town’s Proportionate Share of the ASRS Net Pension/OPEB (Asset) Liability to Changes in the Discount Rate – The following table presents the Town’s proportionate share of the net pension/OPEB liability calculated using the discount rate of 7.5 percent, as well as what the Town’s proportionate share of the net pension/OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Town's Proportionate share of the			
Net pension liability	\$ 7,290,576	\$ 5,331,370	\$ 3,693,574
Net insurance premium benefit liability (asset)	29,253	(22,295)	(66,164)
Net long-term disability liability	25,834	23,661	21,552

Plan Fiduciary Net Position – Detailed information about the plans’ fiduciary net position is available in the separately issued ASRS financial report.

B. Public Safety Personnel Retirement System

Plan Descriptions – Town police employees participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool) which are not further disclosed because of their relative insignificance to the Town’s financial statements.

The PSPRS issues publicly available financial report that includes financial statements and required supplementary information. The report is available on the PSPRS website at www.psprs.com.

Benefits Provided – The PSPRS provide retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefits terms.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Initial Membership Date:	
	Before January 1, 2012	On or after January 1, 2012 and before July 1, 2017
Retirement and Disability		
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 36 consecutive months of last 20 years
Benefit percentage		
Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited services over 20 years, not to exceed 80%	1.5% to 2.5% per year of credited service, not to exceed 80%
Accidental disability retirement	50% or normal retirement, whichever is greater	
Catastrophic disability retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	
Survivor Benefit:		
Retired Members	80% to 100% of retired member's pension benefit	
Active Members	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was result of injuries received on the job	

Retirement and survivor benefits are subject to automatic cost-of-living adjustments. The adjustments are based on inflation. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents.

Employees Covered by Benefit Terms – At June 30, 2021, the following employees were covered by the agent plans’ benefit terms:

	PSPRS Police	
	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	9	9
Inactive employees entitled to but not yet receiving benefits	4	0
Active employees	13	13
Total	26	22

Contributions – State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2021, are indicated below. Rates are a percentage of active members’ annual covered payroll.

	Active Member- Pension	Town-Pension	Town-Health Insurance Premium Benefit
PSPRS Police	7.65% - 11.65%	34.38%	0.16%
PSPRS Tier 3 Risk Pool	9.94%	32.12%	0.21%

The Town’s contributions to the plans for the year ended June 30, 2021, were:

	Pension	Health Insurance Premium Benefit
PSPRS Police	\$ 335,005	\$ 1,208
PSPRS Tier 3 Risk Pool	\$ 136,109	\$ 890

During fiscal year 2021, the Town paid for 100 percent of PSPRS pension and OPEB contributions from the General Fund.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Liability – At June 30, 2021, the Town reported the following asset and liability:

	Net Pension (Asset) Liability	Net OPEB (Asset) Liability
PSPRS Police	\$ 3,640,556	\$ (25,004)

The net assets and net liabilities were measured as of June 30, 2020, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Actuarial valuation date	June 30, 2020
Actuarial cost method	Entry age normal
Investment rate of return	7.30%
Wage inflation	3.5% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.75% for pensions/not applicable for OPEB
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2017.

The long-term expected rate of return on PSPRS plan investments was determined to be 7.3 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
U.S. public equity	23%	4.93%
International public equity	15%	6.09%
Global private equity	18%	8.42%
Other assets (capital appreciation)	7%	5.61%
Core bonds	2%	0.22%
Private credit	22%	5.31%
Diversifying strategies	12%	3.22%
Cash - Mellon	1%	-0.60%
Total	<u>100%</u>	

Discount Rates – At June 30, 2020, the discount rate used to measure the PSPRS total pension/OPEB liabilities was 7.3 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Changes in the Net Pension/OPEB Liability (Asset)

	Pension		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2020	\$ 7,474,104	\$ 4,325,063	\$ 3,149,041
Adjustment to Beginning of Year	-	(27,067)	27,067
Changes for the year			
Service Cost	146,644	-	146,644
Interest on the total pension liability	542,684	-	542,684
Differences between expected and actual experience in the measurement of the pension liability	288,889	-	288,889
Changes of assumptions or other inputs	-	-	-
Contributions-employer	-	387,583	(387,583)
Contributions-employee	-	75,575	(75,575)
Net investment income	-	55,105	(55,105)
Benefit payments, including refunds of employee contributions	(373,429)	(373,429)	-
Administrative expense	-	(4,494)	4,494
Net changes	604,788	140,340	464,448
Balances at June 30, 2021	<u>\$ 8,078,892</u>	<u>\$ 4,438,336</u>	<u>\$ 3,640,556</u>
	Health Insurance Premium Benefit		
	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2020	\$ 142,293	\$ 200,601	\$ (58,308)
Changes for the year			
Service Cost	4,616	-	4,616
Interest on the total pension liability	10,465	-	10,465
Differences between expected and actual experience in the measurement of the OPEB liability	21,798	-	21,798
Contributions-employer	-	1,306	(1,306)
Net investment income	-	2,470	(2,470)
Benefit payments, including refunds of employee contributions	(10,988)	(10,988)	-
Administrative expense	-	(201)	201
Net changes	25,891	(7,413)	33,304
Balances at June 30, 2021	<u>\$ 168,184</u>	<u>\$ 193,188</u>	<u>\$ (25,004)</u>

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

Sensitivity of the Town’s Net Pension/OPEB Liability to Changes in the Discount Rate – The following table presents the Town’s net pension/OPEB (assets) liabilities calculated using the discount rate of 7.3 percent, as well as what the Town’s net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.3 percent) or 1 percentage point higher (8.3 percent) than the current rate:

	1% Decrease (6.3%)	Current Discount Rate (7.3%)	1% Increase (8.3%)
PSPRS Police			
Net pension (asset) liability	\$ 4,801,330	\$ 3,640,556	\$ 2,697,631
Net OPEB (asset) liability	(5,455)	(25,004)	(41,386)

Plan Fiduciary Net Position – Detailed information about the plans’ fiduciary net position is available in the separately issued PSPRS financial reports.

Expense – For the year ended June 30, 2021, the Town recognized the following pension and OPEB expense:

	Pension Expense	OPEB Expense (Income)
PSPRS Police	\$ 682,010	\$ (5,853)

Deferred Outflows/Inflows of Resources – At June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health Insurance Premium Benefit	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 422,420	\$ 12,879	\$ 18,165	\$ 40,065
Changes of assumptions or other inputs	216,568	-	1,612	2,802
Net difference between projected and actual earnings on pension plan investments	236,361	-	10,558	-
Contributions subsequent to the measurement date	471,114	-	2,098	-
Total	\$ 1,346,463	\$ 12,879	\$ 32,433	\$ 42,867

TOWN OF CAMP VERDE, ARIZONA
Notes to Financial Statements
June 30, 2021

NOTE 12 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS – Continued

The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from Town contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year ended June 30,	PSPRS Police	
	Pension	Health
2022	\$ 281,122	\$ (6,852)
2023	261,486	(5,409)
2024	209,732	(4,709)
2025	110,130	805
2026	-	3,633
Thereafter	-	-



REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – General Fund
Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenue				
Taxes	\$ 5,234,800	\$ 5,234,800	\$ 6,855,126	\$ 1,620,326
Intergovernmental	3,726,145	3,726,145	4,169,073	442,928
Fines and forfeitures	171,500	171,500	150,616	(20,884)
Licenses and permits	222,500	222,500	315,361	92,861
Charges for services	140,550	140,550	173,612	33,062
Investment income	16,000	16,000	2,361	(13,639)
Other revenue	64,810	64,810	34,960	(29,850)
Total revenue	9,576,305	9,576,305	11,701,109	2,124,804
Expenditures				
Marshal	3,347,200	3,423,137	3,309,914	113,223
Magistrate	468,350	479,785	365,512	114,273
Community development	556,465	597,374	539,322	58,052
Library	602,475	637,980	637,890	90
Risk management	370,269	373,329	360,890	12,439
Information technology	217,000	222,300	251,792	(29,492)
Parks and recreation	529,815	536,872	482,207	54,665
Town clerk	225,360	242,211	238,541	3,670
Town manager	177,040	182,285	179,752	2,533
Finance	338,860	345,475	351,324	(5,849)
Economic development	268,755	274,660	268,197	6,463
Non-departmental	340,690	445,790	418,160	27,630
Public works	1,087,000	1,108,719	1,051,111	57,608
Mayor and council	49,269	49,269	39,689	9,580
Human resources	445,550	258,523	260,575	(2,052)
Total expenditures	9,024,098	9,177,709	8,754,876	422,833
Excess (deficiency) of revenue over (under) expenditures	552,207	398,596	2,946,233	2,547,637
Other financing sources				
Transfers in (out)	(1,314,255)	(1,328,403)	(476,143)	852,260
Net change in fund balances	(762,048)	(929,807)	2,470,090	3,399,897
Fund balances, July 1, 2020	2,216,094	2,216,094	2,216,094	-
Fund balances, June 30, 2021	\$ 1,454,046	\$ 1,286,287	\$ 4,686,184	\$ 3,399,897

See accompanying notes to budgetary comparison schedule.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Notes to Budgetary Comparison Schedules
June 30, 2021

NOTE 1 – BUDGETING AND BUDGETARY CONTROL

Arizona Revised Statutes (A.R.S.) require the Town to prepare and adopt a balanced budget annually for each governmental fund. The Town Council must approve such operating budgets on or before the third Monday in July to allow sufficient time for the legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted.

Expenditures may not legally exceed appropriations in individual funds. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the Town Councils' approval. However, the Town Manager may approve budget reallocations within functional departments without the Town Councils' approval.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

The Town's budget is prepared on a basis consistent with generally accepted accounting principles.

NOTE 3 – EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the year ended June 30, 2021, expenditures exceeded final budget amounts at the department level (the legal level of budgetary control) in the Risk Management, Information Technology, Finance, and Human Resources departments.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of the Town's Proportionate
Share of the Net Pension/OPEB Liability
Cost-Sharing Plans
June 30, 2021

ASRS - Pension
Reporting Fiscal Year
(Measurement Date)

	2021	2020	2019	2018	2017	2016	2015	2014	2014
	(2020)	(2019)	(2018)	(2017)	(2016)	(2015)	(2014)	(2014)	Through
									2012
Town's proportion of the net pension liability	0.030770%	0.031430%	0.031890%	0.030200%	0.029430%	0.029330%	0.027452%		Information
Town's proportionate share of the net pension liability	\$ 5,331,370	\$ 4,573,431	\$ 4,447,533	\$ 4,704,571	\$ 4,750,298	\$ 4,568,105	\$ 4,061,925		not available
Town's covered payroll	\$ 3,364,321	\$ 3,314,991	\$ 3,061,440	\$ 2,945,686	\$ 2,702,700	\$ 2,675,211	\$ 2,474,579		
Town's proportionate share of the net pension liability as a percentage of its covered payroll	158.47%	137.96%	145.28%	159.71%	175.76%	170.76%	164.15%		
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%		

ASRS-Health Insurance Premium Benefit
Reporting Fiscal Year
(Measurement Date)

ASRS-Long-Term Disability
Reporting Fiscal Year
(Measurement Date)

	2021	2020	2019	2018	2017 through	2021	2020	2019	2018	2017 through
	(2020)	(2019)	(2018)	(2017)	2012	(2020)	(2019)	(2018)	(2017)	2012
Town's proportion of the net OPEB (asset)	0.031490%	0.032210%	0.032500%	0.030640%	Information	0.031190%	0.031920%	0.031970%	0.030320%	Information
Town's proportionate share of the net OPEB (asset)	\$ (22,295)	\$ (8,901)	\$ (11,703)	\$ (16,680)	not available	\$ 23,661	\$ 20,794	\$ 16,704	\$ 10,990	not available
Town's covered payroll	\$ 3,364,321	\$ 3,314,991	\$ 3,061,440	\$ 2,945,686		\$ 3,364,321	\$ 3,314,991	\$ 3,061,440	\$ 2,945,686	
Town's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	-0.66%	-0.27%	-0.38%	-0.57%		0.70%	0.63%	0.55%	0.37%	
Plan fiduciary net position as a percentage of the total OPEB liability	104.33%	101.62%	102.20%	103.57%		68.01%	72.85%	77.83%	84.44%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Town's
Net Pension/OPEB Liability (Asset) and Related Ratios
Agent Pension Plans
June 30, 2021

PSPRS - Pension

	Reporting Fiscal Year (Measurement Date)							2014 through 2012
	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability								Information not available
Service cost	\$ 146,644	\$ 166,836	\$ 150,833	\$ 203,294	\$ 160,518	\$ 164,394	\$ 135,654	
Interest on the total pension liability	542,684	501,568	467,939	430,229	398,485	377,049	317,555	
Changes of benefit terms	-	-	-	53,055	253,675	-	69,633	
Differences between expected and actual experience in the measurement of the pension liability	288,889	192,074	88,460	99,752	(51,869)	39,167	41,958	
Changes of assumptions or other inputs	-	174,465	-	160,550	212,804	-	443,060	
Benefit payments, including refunds of employee contributions	(373,429)	(343,890)	(344,531)	(322,536)	(347,173)	(264,036)	(264,648)	
Net change in total pension liability	604,788	691,053	362,701	624,344	626,440	316,574	743,212	
Total pension liability - beginning	7,474,104	6,783,051	6,420,350	5,796,006	5,169,566	4,852,992	4,109,780	
Total pension liability - ending (a)	<u>\$ 8,078,892</u>	<u>\$ 7,474,104</u>	<u>\$ 6,783,051</u>	<u>\$ 6,420,350</u>	<u>\$ 5,796,006</u>	<u>\$ 5,169,566</u>	<u>\$ 4,852,992</u>	
Plan fiduciary net position								
Contributions - employer	\$ 387,583	\$ 336,486	\$ 440,207	\$ 251,099	\$ 267,840	\$ 225,914	\$ 170,919	
Contributions - employee	75,575	70,712	76,338	98,238	248,471	96,283	79,176	
Net investment income	55,105	219,811	262,053	392,528	18,359	110,474	357,316	
Benefit payments, including refunds of employee contributions	(373,429)	(343,890)	(344,531)	(322,536)	(347,173)	(264,036)	(264,648)	
Hall/Parker Settlement	-	-	(107,502)	-	-	-	-	
Administrative expense	(4,494)	(4,813)	(4,688)	(3,873)	(3,042)	(3,075)	-	
Other changes	-	-	47	1,007	(17,573)	(2,569)	(88,819)	
Net change in plan fiduciary net position	140,340	278,306	321,924	416,463	166,882	162,991	253,944	
Plan fiduciary net position - beginning	4,325,063	4,049,518	3,727,594	3,311,131	3,144,249	2,981,258	2,727,314	
Adjustment to Beginning of Year	(27,067)	(2,761)	-	-	-	-	-	
Plan fiduciary net position - ending (b)	<u>\$ 4,438,336</u>	<u>\$ 4,325,063</u>	<u>\$ 4,049,518</u>	<u>\$ 3,727,594</u>	<u>\$ 3,311,131</u>	<u>\$ 3,144,249</u>	<u>\$ 2,981,258</u>	
Town's net pension liability (asset) - ending (a) - (b)	<u>\$ 3,640,556</u>	<u>\$ 3,149,041</u>	<u>\$ 2,733,533</u>	<u>\$ 2,692,756</u>	<u>\$ 2,484,875</u>	<u>\$ 2,025,317</u>	<u>\$ 1,871,734</u>	
Plan fiduciary net position as a % of the total pension liability	54.94%	57.87%	59.70%	58.06%	57.13%	60.82%	61.43%	
Covered payroll	\$ 801,280	\$ 746,654	\$ 768,379	\$ 898,338	\$ 845,274	\$ 919,242	\$ 873,953	
Town's net pension liability as a % of covered-employee payroll	454.34%	421.75%	355.75%	299.75%	293.97%	220.32%	214.17%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of Changes in the Town's
Net Pension/OPEB Liability (Asset) and Related Ratios
Agent Pension Plans
June 30, 2021

PSPRS - Health Insurance Premium Benefit

	Reporting Fiscal Year (Measurement Date)				2017 through 2012
	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	
Total OPEB liability					
Service cost	\$ 4,616	\$ 3,688	\$ 3,842	\$ 4,851	Information not available
Interest on the total OPEB liability	10,465	11,648	12,826	13,808	
Changes of benefit terms	-	-	-	5,646	
Differences between expected and actual experience in the measurement of the OPEB liability	21,798	(25,518)	(27,735)	(20,723)	
Changes of assumptions or other inputs	-	2,418	-	(6,818)	
Benefit payments	(10,988)	(7,330)	(5,892)	(8,205)	
Net change in total OPEB liability	25,891	(15,094)	(16,959)	(11,441)	
Total OPEB liability - beginning	142,293	157,387	174,346	185,787	
Total OPEB liability - ending (a)	<u>\$ 168,184</u>	<u>\$ 142,293</u>	<u>\$ 157,387</u>	<u>\$ 174,346</u>	
Plan fiduciary net position					
Contributions - employer	\$ 1,306	\$ 3,703	\$ 2,175	\$ 3,796	
Net investment income	2,470	10,275	12,614	19,613	
Benefit payments	(10,988)	(7,330)	(5,892)	(8,205)	
Administrative expense	(201)	(177)	(192)	(175)	
Other changes	-	2,761	-	-	
Net change in plan fiduciary net position	(7,413)	9,232	8,705	15,029	
Plan fiduciary net position - beginning	200,601	191,369	182,664	167,635	
Plan fiduciary net position - ending (b)	<u>\$ 193,188</u>	<u>\$ 200,601</u>	<u>\$ 191,369</u>	<u>\$ 182,664</u>	
Town's net OPEB (asset) liability - ending (a) - (b)	<u>\$ (25,004)</u>	<u>\$ (58,308)</u>	<u>\$ (33,982)</u>	<u>\$ (8,318)</u>	
Plan fiduciary net position as a percentage of the total OPEB liability	114.87%	140.98%	121.59%	104.77%	
Covered payroll	\$ 801,280	\$ 746,654	\$ 768,379	\$ 898,338	
Town's net OPEB (asset) liability as a percentage of covered payroll	-3.12%	-7.81%	-4.42%	-0.93%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of Town Pension/OPEB Contributions
June 30, 2021

ASRS - Pension
Reporting Fiscal Year

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013 through 2012</u>
Statutorily required contribution	\$ 410,151	\$ 385,113	\$ 370,616	\$ 333,697	\$ 317,545	\$ 293,243	\$ 291,063	\$ 264,780	Information not available
Town's contributions in relation to the statutorily required contribution	<u>(410,151)</u>	<u>(385,113)</u>	<u>(370,616)</u>	<u>(333,697)</u>	<u>(317,545)</u>	<u>(293,243)</u>	<u>(291,063)</u>	<u>(264,780)</u>	
Town's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Town's covered payroll	<u>\$ 3,520,608</u>	<u>\$ 3,364,321</u>	<u>\$ 3,314,991</u>	<u>\$ 3,061,440</u>	<u>\$ 2,945,686</u>	<u>\$ 2,702,700</u>	<u>\$ 2,675,211</u>	<u>\$ 2,474,579</u>	
Town's contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%	10.78%	10.85%	10.89%	10.70%	

ASRS-Health Insurance Premium Benefit
Reporting Fiscal Year

ASRS-Long-Term Disability
Reporting Fiscal Year

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016 through 2012</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016 through 2012</u>
Statutorily required contribution	\$ 13,730	\$ 16,462	\$ 15,249	\$ 13,470	\$ 16,496	Information not available	\$ 6,337	\$ 5,717	\$ 5,304	\$ 4,898	\$ 4,123	Information not available
Town's contributions in relation to the statutorily required contribution	<u>(13,730)</u>	<u>(16,462)</u>	<u>(15,249)</u>	<u>(13,470)</u>	<u>(16,496)</u>		<u>(6,337)</u>	<u>(5,717)</u>	<u>(5,304)</u>	<u>(4,898)</u>	<u>(4,123)</u>	
Town's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Town's covered payroll	<u>\$ 3,520,608</u>	<u>\$ 3,364,321</u>	<u>\$ 3,314,991</u>	<u>\$ 3,061,440</u>	<u>\$ 2,945,686</u>		<u>\$ 3,520,608</u>	<u>\$ 3,364,321</u>	<u>\$ 3,314,991</u>	<u>\$ 3,061,440</u>	<u>\$ 2,945,686</u>	
Town's contributions as a percentage of covered payroll	0.39%	0.49%	0.46%	0.44%	0.56%		0.18%	0.17%	0.16%	0.16%	0.14%	

See accompanying notes to pension/OPEB plan schedules.

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Schedule of Town Pension/OPEB Contributions
June 30, 2021

	PSPRS - Pension								
	Reporting Fiscal Year								
	2021	2020	2019	2018	2017	2016	2015	2014	2013 through 2012
Actuarially determined contribution	\$ 421,114	\$ 419,768	\$ 336,486	\$ 440,207	\$ 251,099	\$ 267,840	\$ 225,914	\$ 170,919	Information not available
Town's contributions in relation to the actuarially determined contribution	<u>(421,114)</u>	<u>(419,768)</u>	<u>(336,486)</u>	<u>(440,207)</u>	<u>(251,099)</u>	<u>(267,840)</u>	<u>(225,914)</u>	<u>(170,919)</u>	
Town's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Town's covered payroll	<u>\$ 868,637</u>	<u>\$ 801,280</u>	<u>\$ 746,654</u>	<u>\$ 768,379</u>	<u>\$ 898,338</u>	<u>\$ 845,274</u>	<u>\$ 919,242</u>	<u>\$ 873,953</u>	
Town's contributions as a percentage of covered payroll	48.48%	52.39%	45.07%	57.29%	27.95%	31.69%	24.58%	19.56%	

	PSPRS-Health Insurance Premium Benefit						
	Reporting Fiscal Year						
	2021	2020	2019	2018	2017	2016 through 2012	
Actuarially determined contribution	\$ 2,098	\$ 1,981	\$ 3,703	\$ 2,175	\$ 3,796	Information not available	
Town's contributions in relation to the actuarially determined contribution	<u>(2,098)</u>	<u>(1,981)</u>	<u>(3,703)</u>	<u>(2,175)</u>	<u>(3,796)</u>		
Town's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
Town's covered payroll	<u>\$ 868,637</u>	<u>\$ 801,280</u>	<u>\$ 746,654</u>	<u>\$ 768,379</u>	<u>\$ 898,338</u>		
Town's contributions as a percentage of covered payroll	0.24%	0.25%	0.50%	0.28%	0.42%		

See accompanying notes to pension/OPEB plan schedules.

**TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedules
June 30, 2021**

NOTE 1 – ACTUARIALLY DETERMINED CONTRIBUTION RATES

Actuarial determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent-of-pay, closed
Remaining amortization period as of the 2019 actuarial valuation	19 years
Asset valuation method	7-year smoothed market value; 80%/120% market corridor

Actuarial assumptions:

Investment rate of return	In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In 2017 actuarial valuation, projected salary increases were decreased from 4.5% - 8.5% to 4.0% - 8.0%. In 2013 actuarial valuation, projected salary increases were decreased from 5.0% - 9.0% to 4.5% - 8.5%.
Wage growth	In 2017 actuarial valuation, wage growth was decreased from 4.0% to 3.5%. In 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth decreased from 5.0% to 4.5%.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females)

NOTE 2 – FACTORS THAT AFFECT TRENDS

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law’s effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members’ employee contribution rates. These changes are reflected in the plans’ pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the

TOWN OF CAMP VERDE, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedules
June 30, 2021

NOTE 2 – FACTORS THAT AFFECT TRENDS – Continued

law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS-required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes will increase the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the Town refunded excess employee contributions to PSPRS members. PSPRS allowed the Town to reduce its actual employer contributions for the refund amounts. As a result, the Town's pension contributions were less than the actuarially or statutorily determined contributions for 2018 and 2019.

OTHER FINANCIAL STATEMENTS

TOWN OF CAMP VERDE, ARIZONA
Combining Balance Sheet – All Non-Major Governmental Funds
By Fund Type
June 30, 2021

	Special Revenue Funds	Capital Improvement Fund	Total Non-major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 1,160,284	\$ 237,752	\$ 1,398,036
Due from other governments	140,627	-	140,627
Total assets	<u>\$ 1,300,911</u>	<u>\$ 237,752</u>	<u>\$ 1,538,663</u>
LIABILITIES			
Accounts payable	\$ 38,307	\$ 36,293	\$ 74,600
Accrued liabilities	3,460	-	3,460
Unearned revenue	6,009	-	6,009
Due to other funds	13,096	-	13,096
Total liabilities	<u>60,872</u>	<u>36,293</u>	<u>97,165</u>
FUND BALANCES			
Restricted	1,057,714	-	1,057,714
Committed	182,325	-	182,325
Assigned	-	201,459	201,459
Total fund balances	<u>1,240,039</u>	<u>201,459</u>	<u>1,441,498</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,300,911</u>	<u>\$ 237,752</u>	<u>\$ 1,538,663</u>

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –
All Non-Major Governmental Funds
By Fund Type
June 30, 2021

	Special Revenue Funds	Capital Improvement Fund	Total Non-Major Governmental Funds
Revenue			
Intergovernmental	\$ 3,051,901	\$ -	\$ 3,051,901
Fines and forfeitures	18,785	-	18,785
Contributions	39,712	60,000	99,712
Investment income	2,000	-	2,000
Other revenue	8,725	-	8,725
Total revenue	<u>3,121,123</u>	<u>60,000</u>	<u>3,181,123</u>
Expenditures			
Current			
General government	41,600	-	41,600
Public safety	79,070	-	79,070
Public works and streets	765,687	-	765,687
Culture and recreation	32,787	-	32,787
Economic and community development	11,589	-	11,589
Capital outlay	453,772	1,103,862	1,557,634
Total expenditures	<u>1,384,505</u>	<u>1,103,862</u>	<u>2,488,367</u>
Excess (deficiency) of revenue over (under) expenditures	<u>1,736,618</u>	<u>(1,043,862)</u>	<u>692,756</u>
Other financing sources			
Sale of assets	48,195	-	48,195
Capital lease acquisition	-	310,757	310,757
Transfers (out)	(1,659,208)	750,137	(909,071)
Total other financing sources	<u>(1,611,013)</u>	<u>1,060,894</u>	<u>(550,119)</u>
Net change in fund balances	125,605	17,032	142,637
Fund balances, July 1, 2020	<u>1,114,434</u>	<u>184,427</u>	<u>1,298,861</u>
Fund balances, June 30, 2021	<u>\$ 1,240,039</u>	<u>\$ 201,459</u>	<u>\$ 1,441,498</u>



NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes (other than major capital projects). The funds are usually required by statute, ordinance, or federal grant regulation to finance specified activities of the Town. The Town maintains the following non-major Special Revenue funds.

Housing Fund – accounts for revolving loan funds as well as the revenues and expenditures related to the HOME Grant.

HURF Fund – This fund accounts for specific revenue received from the State of Arizona Highway User Revenue Fund, which is legally restricted to expenditures for authorized transportation purposes.

Court Special Revenue Fund- accounts for Local JCEF, Fill the Gap and Court Enhancement revenues.

Non-Federal Grants Fund- accounts for all nonfederal grants received by the Town.

Federal Grants Fund- accounts for the activity related to the Town's Federal grants.

CDBG Grants Fund- accounts for the activity related to the Town's Community Development Block grants.

9-1-1 Fund- accounts for 9-1-1 distributions.

Donations Fund- accounts for gifts, donations, bequests and private grants made to the Town.

TOWN OF CAMP VERDE, ARIZONA
Combining Balance Sheet Non-Major Special Revenue Funds
June 30, 2021

	Housing Fund	HURF Fund	Court Special Revenue Fund	Nonfederal Grants Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ASSETS				
Cash and cash equivalents	\$ 123,451	\$ 600,496	\$ 121,654	\$ 34,233
Due from other governments	-	95,972	-	2,462
Total assets	<u>\$ 123,451</u>	<u>\$ 696,468</u>	<u>\$ 121,654</u>	<u>\$ 36,695</u>
LIABILITIES				
Accounts payable	\$ -	\$ 27,478	\$ -	\$ -
Accrued liabilities	-	3,460	-	-
Unearned revenue	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>30,938</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	123,451	665,530	121,654	36,695
Committed	-	-	-	-
Total fund balances	<u>123,451</u>	<u>665,530</u>	<u>121,654</u>	<u>36,695</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 123,451</u>	<u>\$ 696,468</u>	<u>\$ 121,654</u>	<u>\$ 36,695</u>

Federal Grants Fund	CDBG Grants Fund	9-1-1 Fund	Donations Fund	Total Non-Major Special Revenue Funds
\$ -	\$ -	\$ 1,361	\$ 279,089	\$ 1,160,284
42,193	-	-	-	140,627
<u>\$ 42,193</u>	<u>\$ -</u>	<u>\$ 1,361</u>	<u>\$ 279,089</u>	<u>\$ 1,300,911</u>
\$ 8,358	\$ -	\$ -	\$ 2,471	\$ 38,307
-	-	-	-	3,460
6,009	-	-	-	6,009
13,096	-	-	-	13,096
<u>27,463</u>	<u>-</u>	<u>-</u>	<u>2,471</u>	<u>60,872</u>
14,730	-	1,361	94,293	1,057,714
-	-	-	182,325	182,325
<u>14,730</u>	<u>-</u>	<u>1,361</u>	<u>276,618</u>	<u>1,240,039</u>
<u>\$ 42,193</u>	<u>\$ -</u>	<u>\$ 1,361</u>	<u>\$ 279,089</u>	<u>\$ 1,300,911</u>

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
June 30, 2021

	Housing Fund	HURF Fund	Court Special Revenue Fund	Nonfederal Grants Fund
Revenue				
Intergovernmental	\$ -	\$ 1,075,900	\$ -	\$ 119,945
Fines and forfeitures	-	-	18,774	-
Contributions	-	-	-	-
Investment income	1,891	-	-	-
Other revenue	48,195	6,725	-	-
Total revenue	<u>50,086</u>	<u>1,082,625</u>	<u>18,774</u>	<u>119,945</u>
Expenditures				
Current				
General government	-	-	3,422	-
Public safety	-	-	-	63,411
Public works and streets	-	763,224	-	2,463
Culture and recreation	-	-	-	7,512
Economic and community development	-	-	-	-
Capital outlay	-	71,661	-	14,378
Total expenditures	<u>-</u>	<u>834,885</u>	<u>3,422</u>	<u>87,764</u>
Excess (deficiency) of revenue over (under) expenditures	<u>50,086</u>	<u>247,740</u>	<u>15,352</u>	<u>32,181</u>
Other financing sources				
Transfers (out)	<u>-</u>	<u>(246,912)</u>	<u>-</u>	<u>(275)</u>
Net change in fund balances	50,086	828	15,352	31,906
Fund balances, July 1, 2020	<u>73,365</u>	<u>664,702</u>	<u>106,302</u>	<u>4,789</u>
Fund balances, June 30, 2021	<u>\$ 123,451</u>	<u>\$ 665,530</u>	<u>\$ 121,654</u>	<u>\$ 36,695</u>

Federal Grants Fund	CDBG Grants Fund	9-1-1 Fund	Donations Fund	Total Non-Major Special Revenue Funds
\$ 1,585,413	\$ 270,643	\$ -	\$ -	\$ 3,051,901
-	-	-	11	18,785
-	-	-	39,712	39,712
-	-	-	109	2,000
-	-	-	2,000	56,920
<u>1,585,413</u>	<u>270,643</u>	<u>-</u>	<u>41,832</u>	<u>3,169,318</u>
38,178	-	-	-	41,600
9,082	-	-	6,577	79,070
-	-	-	-	765,687
2,250	-	-	23,025	32,787
11,589	-	-	-	11,589
16,817	350,916	-	-	453,772
<u>77,916</u>	<u>350,916</u>	<u>-</u>	<u>29,602</u>	<u>1,384,505</u>
<u>1,507,497</u>	<u>(80,273)</u>	<u>-</u>	<u>12,230</u>	<u>1,784,813</u>
<u>(1,493,472)</u>	<u>80,273</u>	<u>-</u>	<u>1,178</u>	<u>(1,659,208)</u>
14,025	-	-	13,408	125,605
705	-	1,361	263,210	1,114,434
<u>\$ 14,730</u>	<u>\$ -</u>	<u>\$ 1,361</u>	<u>\$ 276,618</u>	<u>\$ 1,240,039</u>

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Special Revenue Funds
Year Ended June 30, 2021

	Housing Fund			HURF Fund		
	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
Revenue						
Intergovernmental	\$ -	\$ -	\$ -	\$ 991,445	\$ 1,075,900	\$ 84,455
Fines and forfeitures	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Investment income	20	1,891	1,871	10,000	-	(10,000)
Other revenue	50,550	48,195	(2,355)	-	6,725	6,725
Total revenue	<u>50,570</u>	<u>50,086</u>	<u>(484)</u>	<u>1,001,445</u>	<u>1,082,625</u>	<u>81,180</u>
Expenditures						
Current						
General government	48,900	-	48,900	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	767,430	763,224	4,206
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	67,500	71,661	(4,161)
Total expenditures	<u>48,900</u>	<u>-</u>	<u>48,900</u>	<u>834,930</u>	<u>834,885</u>	<u>45</u>
Excess (deficiency) of revenue over (under) expenditures	<u>1,670</u>	<u>50,086</u>	<u>48,416</u>	<u>166,515</u>	<u>247,740</u>	<u>81,225</u>
Other financing sources						
Transfers in (out)	-	-	-	(443,912)	(246,912)	(197,000)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>(443,912)</u>	<u>(246,912)</u>	<u>(197,000)</u>
Net change in fund balances	<u>1,670</u>	<u>50,086</u>	<u>48,416</u>	<u>(277,397)</u>	<u>828</u>	<u>(115,775)</u>
Fund balances, July 1, 2020	73,365	73,365	-	664,702	664,702	-
Fund balances, June 30, 2021	<u>\$ 75,035</u>	<u>\$ 123,451</u>	<u>\$ 48,416</u>	<u>\$ 387,305</u>	<u>\$ 665,530</u>	<u>\$ (115,775)</u>

Court Special Revenue Fund			Nonfederal Grants Fund			Federal Grants Fund		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ -	\$ -	\$ -	\$ 1,019,000	\$ 119,945	\$ (899,055)	\$ 5,631,791	\$ 1,585,413	\$(4,046,378)
31,000	18,774	(12,226)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
31,000	18,774	(12,226)	1,019,000	119,945	(899,055)	5,631,791	1,585,413	(4,046,378)
128,700	3,422	125,278	5,050	-	5,050	10,000	38,178	(28,178)
-	-	-	89,000	63,411	25,589	12,000	9,082	2,918
-	-	-	385,000	2,463	382,537	-	-	-
-	-	-	-	7,512	(7,512)	12,000	2,250	9,750
-	-	-	-	-	-	-	11,589	(11,589)
-	-	-	-	14,378	(14,378)	92,000	16,817	75,183
128,700	3,422	125,278	479,050	87,764	391,286	126,000	77,916	48,084
(97,700)	15,352	113,052	539,950	32,181	(507,769)	5,505,791	1,507,497	(3,998,294)
-	-	-	(275)	(275)	-	(5,559,791)	(1,493,472)	(4,066,319)
-	-	-	(275)	(275)	-	(5,559,791)	(1,493,472)	(4,066,319)
(97,700)	15,352	113,052	539,675	31,906	(507,769)	(54,000)	14,025	(8,064,613)
106,302	106,302	-	4,789	4,789	-	705	705	-
\$ 8,602	\$ 121,654	\$ 113,052	\$ 544,464	\$ 36,695	\$ (507,769)	\$ (53,295)	\$ 14,730	\$(8,064,613)

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Non-Major Special Revenue Funds
Year Ended June 30, 2021
(Continued)

	CDBG Grants Fund			9-1-1 Fund		
	Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
Revenue						
Intergovernmental	\$ 308,450	\$ 270,643	\$ (37,807)	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenue	<u>308,450</u>	<u>270,643</u>	<u>(37,807)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	1,361	-	1,361
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	433,450	350,916	82,534	-	-	-
Total expenditures	<u>433,450</u>	<u>350,916</u>	<u>82,534</u>	<u>1,361</u>	<u>-</u>	<u>1,361</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(125,000)</u>	<u>(80,273)</u>	<u>44,727</u>	<u>(1,361)</u>	<u>-</u>	<u>1,361</u>
Other financing sources						
Transfers in (out)	125,000	80,273	44,727	-	-	-
Total other financing sources	<u>125,000</u>	<u>80,273</u>	<u>44,727</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>89,454</u>	<u>(1,361)</u>	<u>-</u>	<u>1,361</u>
Fund balances, July 1, 2020	-	-	-	1,361	1,361	-
Fund balances, June 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,454</u>	<u>\$ -</u>	<u>\$ 1,361</u>	<u>\$ 1,361</u>

Donations Fund			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ -	\$ -	\$ -	\$ 6,650,791	\$ 1,976,001	\$(4,674,790)
500	11	(489)	31,500	18,785	(12,715)
105,600	39,712	(65,888)	105,600	39,712	(65,888)
40,000	109	(39,891)	40,020	2,000	(38,020)
-	2,000	2,000	50,550	50,195	(355)
<u>146,100</u>	<u>41,832</u>	<u>(104,268)</u>	<u>6,878,461</u>	<u>2,086,693</u>	<u>(4,791,768)</u>
-	-	-	192,650	41,600	151,050
272,715	6,577	266,138	375,076	79,070	296,006
-	-	-	385,000	2,463	382,537
116,010	23,025	92,985	128,010	32,787	95,223
-	-	-	-	11,589	(11,589)
-	-	-	92,000	382,111	(290,111)
<u>388,725</u>	<u>29,602</u>	<u>359,123</u>	<u>1,172,736</u>	<u>549,620</u>	<u>623,116</u>
(242,625)	12,230	254,855	5,705,725	1,537,073	(5,414,884)
5,000	1,178	3,822	(5,555,066)	(1,492,569)	4,062,497
5,000	1,178	3,822	(5,555,066)	(1,492,569)	4,062,497
(237,625)	13,408	258,677	150,659	44,504	(1,352,387)
263,210	263,210	-	449,732	449,732	-
<u>\$ 25,585</u>	<u>\$ 276,618</u>	<u>\$ 258,677</u>	<u>\$ 600,391</u>	<u>\$ 494,236</u>	<u>\$(1,352,387)</u>



CAPITAL PROJECTS FUNDS

Parks Fund- (Major fund)-accounts for the capital spending of resources via debt proceeds for the construction of the Town's parks.

Capital Improvement Fund- (Non-major fund)-accounts for all financial resources of the Town related to purchasing assets that meet the appropriate threshold for capitalization and take more than one year to make ready for use by the Town.

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual –Capital Projects Funds
Year Ended June 30, 2021

	Parks Fund (Major)		
	Budget	Actual	Variance - Positive (Negative)
Revenue			
Contributions	\$ -	\$ -	\$ -
Other revenue	-	745	745
Total revenue	-	745	745
Expenditures			
Capital outlay	9,327,620	2,276,362	7,051,258
Excess (deficiency) of revenue over (under) expenditures	(9,327,620)	(2,275,617)	(7,050,513)
Other financing sources			
Bond proceeds	2,500,000	2,598,822	98,822
Capital lease acquisition	-	-	-
Transfers in(out)	4,000,000	-	(4,000,000)
Total other financing sources	6,500,000	2,598,822	(3,901,178)
Net change in fund balances	(2,827,620)	323,205	3,150,825
Fund balances, July 1, 2020	2,373,676	2,373,676	-
Fund balances, June 30, 2021	\$ (453,944)	\$ 2,696,881	\$ 3,150,825

Capital Improvement Fund (Non-Major)			Total		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ -	\$ 60,000	\$ 60,000	\$ -	\$ 60,000	\$ 60,000
-	-	-	-	745	745
-	60,000	60,000	-	60,745	60,745
2,203,394	1,103,862	1,099,532	11,531,014	3,380,224	8,150,790
(2,203,394)	(1,043,862)	(1,039,532)	(11,531,014)	(3,319,479)	(8,090,045)
-	-	-	2,500,000	2,598,822	98,822
255,000	310,757	55,757	255,000	310,757	55,757
1,811,566	750,137	(1,061,429)	5,811,566	750,137	(5,061,429)
2,066,566	1,060,894	(1,005,672)	8,566,566	3,659,716	(4,906,850)
(136,828)	17,032	153,860	(2,964,448)	340,237	3,304,685
184,427	184,427	-	2,558,103	2,558,103	-
\$ 47,599	\$ 201,459	\$ 153,860	\$ (406,345)	\$ 2,898,340	\$ 3,304,685

DEBT SERVICE FUND

Debt Service Fund- (Major fund)- accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

TOWN OF CAMP VERDE, ARIZONA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual – Debt Service Fund
Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance - Positive (Negative)
Expenditures			
Current			
Health and welfare	\$ 118,470	\$ 118,465	\$ 5
Debt service			
Principal	1,230,760	1,170,919	59,841
Interest	385,065	427,609	(42,544)
Total expenditures	<u>1,734,295</u>	<u>1,716,993</u>	<u>17,302</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(1,734,295)</u>	<u>(1,716,993)</u>	<u>17,302</u>
Other financing sources			
Debt issuance	-	298,178	298,178
Transfers in	1,418,815	1,418,815	-
Total other financing sources	<u>1,418,815</u>	<u>1,716,993</u>	<u>298,178</u>
Net change in fund balances	(315,480)	-	315,480
Fund balances, July 1, 2020	-	-	-
Fund balances, June 30, 2021	<u>\$ (315,480)</u>	<u>\$ -</u>	<u>\$ 315,480</u>

ENTERPRISE FUNDS

Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services.

Wastewater Fund - accounts for the costs to operate, construct, and finance the Town's wastewater treatment system.

TOWN OF CAMP VERDE, ARIZONA
Schedule of Revenues, Expenses, and Changes in Net Position
Budget and Actual – Wastewater Fund
Year Ended June 30, 2021

	<u>Budget</u>	<u>Actual</u>	Variance- Positive (Negative)
Operating revenues			
Sewer charges	\$ 2,061,600	\$ 1,937,592	\$ (124,008)
Miscellaneous	-	3,122	3,122
Total operating revenues	<u>2,061,600</u>	<u>1,940,714</u>	<u>(120,886)</u>
Operating expenses			
Depreciation	1,000,000	945,760	54,240
Personnel	655,869	617,420	38,449
Repairs and maintenance	121,500	282,574	(161,074)
Other	120,100	66,787	53,313
Materials and supplies	179,500	119,070	60,430
Utilities	133,000	113,043	19,957
Professional services	34,700	32,745	1,955
Insurance	31,000	31,000	-
Total operating expenses	<u>2,275,669</u>	<u>2,208,399</u>	<u>67,270</u>
Operating income (loss)	<u>(214,069)</u>	<u>(267,685)</u>	<u>(53,616)</u>
Nonoperating revenues (expenses)			
Interest income	1,200	261	(939)
Interest expense	(20,165)	(34,248)	(14,083)
Total nonoperating revenues (expenses)	<u>(18,965)</u>	<u>(33,987)</u>	<u>(15,022)</u>
Income (loss) before contributions	(233,034)	(301,672)	(68,638)
Capital contributions	2,850,000	-	(2,850,000)
Transfers	(28,000)	(33,601)	(5,601)
Increase (decrease) in net position	2,588,966	(335,273)	(2,924,239)
Total net position, beginning of year	<u>17,101,827</u>	<u>17,101,827</u>	<u>-</u>
Total net position, end of year	<u>\$ 19,690,793</u>	<u>\$ 16,766,554</u>	<u>\$ (2,924,239)</u>

FIDUCIARY FUNDS

Custodial Funds – to account for assets held by the Town in a fiduciary capacity.

Employee Assistance Fund – accounts for monies received from employees for providing other employees monetary assistance when in special need exists.

Camp Verde Sanitary District Fund- accounts for monies received from Sanitary District property tax revenues for the purpose of meeting the District's debt service requirements.

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2021

	Other		Total Other
	Employee Assistance Fund	Camp Verde Sewer District Fund	
ASSETS			
Cash and cash equivalents	\$ 29,658	\$ 421,134	\$ 450,792
Property tax receivable	-	49,029	49,029
Total assets	\$ 29,658	\$ 470,163	\$ 499,821
LIABILITIES			
	\$ -	\$ -	\$ -
NET POSITION			
Restricted for:			
Individual, organizations, and other governments	29,658	470,163	499,821
Total net position	\$ 29,658	470,163	499,821

TOWN OF CAMP VERDE, ARIZONA
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2021

	Other		Total Other
	Employee Assistance Fund	Camp Verde Sewer District Fund	
<u>Additions:</u>			
Property tax collections from other governments	\$ -	\$ 828,069	\$ 828,069
Contributions from other governments	-	118,466	118,466
Contributions from employees	4,534	-	4,534
Interest income	1	2,666	2,667
Total additions	\$ 4,535	\$ 949,201	\$ 953,736
<u>Deductions:</u>			
Distributions for employee assistance	500	-	500
Distributions for district debt service	-	904,081	904,081
Total deductions	500	904,081	904,581
Change in net position	4,035	45,120	49,155
Net position, July 1, 2020	25,623	425,043	450,666
Net position, June 30, 2021	\$ 29,658	\$ 470,163	\$ 499,821

STATISTICAL SECTION

STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the Town's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the Town's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the Town's current levels of outstanding debt as well as assess the Town's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the Town's financial activities take place and to help make comparisons with other municipalities.

Operating Information

These schedules contain information about the Town's operations and various resources to help the reader draw conclusions as to how the Town's financial information relates to the services provided by the Town.

TOWN OF CAMP VERDE, ARIZONA
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities:										
Net investment in capital assets	\$ 19,542,531	\$ 17,026,024	\$ 16,203,561	\$ 15,032,500	\$ 13,845,131	\$ 12,264,826	\$ 11,390,529	\$ 10,488,341	\$ 10,132,430	\$ 9,300,597
Restricted	3,754,595	976,341	760,508	1,219,663	1,304,975	2,947,478	5,567,076	2,270,348	2,460,792	2,719,944
Unrestricted	(7,494,436)	(5,330,970)	(4,360,071)	(4,245,869)	(3,096,115)	(2,973,565)	(5,937,276)	2,411,149	2,263,284	1,946,642
Total governmental activities net position	<u>\$ 15,802,690</u>	<u>\$ 12,671,395</u>	<u>\$ 12,603,998</u>	<u>\$ 12,006,294</u>	<u>\$ 12,053,991</u>	<u>\$ 12,238,739</u>	<u>\$ 11,020,329</u>	<u>\$ 15,169,838</u>	<u>\$ 14,856,506</u>	<u>\$ 13,967,183</u>
Business-type activities:										
Net investment in capital assets	\$ 17,235,904	\$ 17,957,105	\$ 17,657,237	\$ 16,848,035	\$ 17,001,697	\$ 17,609,349	\$ 18,069,267	\$ 18,613,499	N/A	N/A
Restricted	-	-	-	-	-	-	-	-		
Unrestricted	(469,349)	(855,278)	(496,445)	45,271	332,351	529,976	360,957	834,434		
Total business-type activities net position	<u>\$ 16,766,555</u>	<u>\$ 17,101,827</u>	<u>\$ 17,160,792</u>	<u>\$ 16,893,306</u>	<u>\$ 17,334,048</u>	<u>\$ 18,139,325</u>	<u>\$ 18,430,224</u>	<u>\$ 19,447,933</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government										
Net investment in capital assets	\$ 36,778,435	\$ 34,983,129	\$ 33,860,798	\$ 31,880,535	\$ 30,846,828	\$ 29,874,175	\$ 29,459,796	\$ 29,101,840	\$ 10,132,430	\$ 9,300,597
Restricted	3,754,595	976,341	760,508	1,219,663	1,304,975	2,947,478	5,567,076	2,270,348	2,460,792	2,719,944
Unrestricted	(7,963,785)	(6,186,248)	(4,856,516)	(4,200,598)	(2,763,764)	(2,443,589)	(5,576,319)	3,245,583	2,263,284	1,946,642
Total net position	<u>\$ 32,569,245</u>	<u>\$ 29,773,222</u>	<u>\$ 29,764,790</u>	<u>\$ 28,899,600</u>	<u>\$ 29,388,039</u>	<u>\$ 30,378,064</u>	<u>\$ 29,450,553</u>	<u>\$ 34,617,771</u>	<u>\$ 14,856,506</u>	<u>\$ 13,967,183</u>

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013 and classifies them above as business-type activities.

TOWN OF CAMP VERDE, ARIZONA
Expenses, Program Revenues, and Net Expense
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Governmental activities:										
General government	\$ 3,674,054	\$ 3,334,238	\$ 3,076,810	\$ 3,224,281	\$ 3,076,473	\$ 2,780,681	\$ 2,776,465	\$ 2,383,176	\$ 2,361,960	\$ 2,125,678
Public safety	3,903,672	3,554,285	3,060,944	3,178,404	3,156,111	2,786,970	3,050,800	2,601,915	2,317,487	2,209,435
Public works and streets	1,533,711	1,504,521	1,483,664	1,357,338	1,378,204	1,566,914	1,156,551	1,006,300	820,957	816,853
Health and welfare	145,965	134,008	126,049	123,589	123,627	123,664	123,700	131,233	136,266	131,300
Culture and recreation	1,505,036	1,392,080	1,232,178	1,418,639	1,075,309	817,187	724,730	684,280	735,840	561,166
Community development	571,455	536,787	514,618	521,685	550,246	473,270	507,702	411,023	456,020	348,532
Interest on long-term debt	419,220	386,287	364,722	271,290	169,556	108,958	224,557	107,141	125,025	112,867
Total governmental activities	<u>11,753,113</u>	<u>10,842,206</u>	<u>9,858,985</u>	<u>10,095,226</u>	<u>9,529,526</u>	<u>8,657,644</u>	<u>8,564,505</u>	<u>7,325,068</u>	<u>6,953,555</u>	<u>6,305,831</u>
Business-type activities:										
Wastewater	\$ 2,242,647	\$ 2,131,644	\$ 2,034,991	\$ 2,019,766	\$ 1,964,571	\$ 1,727,706	\$ 1,677,262	\$ 1,667,612	N/A	N/A
Total business-type activities	<u>2,242,647</u>	<u>2,131,644</u>	<u>2,034,991</u>	<u>2,019,766</u>	<u>1,964,571</u>	<u>1,727,706</u>	<u>1,677,262</u>	<u>1,667,612</u>	-	-
Total expenses	<u>13,995,760</u>	<u>12,973,850</u>	<u>11,893,976</u>	<u>12,114,992</u>	<u>11,494,097</u>	<u>10,385,350</u>	<u>10,241,767</u>	<u>8,992,680</u>	<u>6,953,555</u>	<u>6,305,831</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 34,945	\$ 35,781	\$ 95,309	\$ 32,261	\$ 34,813	\$ 33,045	\$ 25,234	\$ 51,173	\$ 18,221	\$ 43,244
Public safety	373,591	392,807	402,866	358,508	441,567	481,762	457,097	412,704	454,195	373,510
Public works and streets	25,944	36,348	2,005	7,755	7,348	13,905	16,214	42,817	500	5,942
Culture and recreation	48,145	53,812	70,304	58,029	57,730	48,260	42,332	43,565	35,274	36,957
Community development	374,935	293,755	255,234	227,727	189,053	226,745	194,789	188,391	190,062	151,498
Operating grants and contributions	2,641,493	1,526,156	1,214,867	1,061,122	1,084,810	1,145,358	1,084,065	1,103,424	1,032,082	1,012,413
Capital grants and contributions	595,216	108,449	359,275	119,670	307,300	891,401	438,025	182,421	647,539	969,961
Total governmental activities	<u>4,094,269</u>	<u>2,447,108</u>	<u>2,399,860</u>	<u>1,865,072</u>	<u>2,122,621</u>	<u>2,840,476</u>	<u>2,257,756</u>	<u>2,024,495</u>	<u>2,377,873</u>	<u>2,593,525</u>
Business-type activities:										
Charges for services	\$ 1,940,715	\$ 1,964,175	\$ 1,477,127	\$ 1,152,934	\$ 1,135,373	\$ 1,085,853	\$ 1,029,111	\$ 1,036,287	N/A	N/A
Capital grants and contributions	-	177,757	822,243	-	-	316,450	-	-	N/A	N/A
Total business-type activities	<u>1,940,715</u>	<u>2,141,932</u>	<u>2,299,370</u>	<u>1,152,934</u>	<u>1,135,373</u>	<u>1,402,303</u>	<u>1,029,111</u>	<u>1,036,287</u>	-	-
Total program revenues	<u>6,034,984</u>	<u>4,589,040</u>	<u>4,699,230</u>	<u>3,018,006</u>	<u>3,257,994</u>	<u>4,242,779</u>	<u>3,286,867</u>	<u>3,060,782</u>	<u>2,377,873</u>	<u>2,593,525</u>
Net Expense	<u>\$ (7,960,776)</u>	<u>\$ (8,384,810)</u>	<u>\$ (7,194,746)</u>	<u>\$ (9,096,986)</u>	<u>\$ (8,236,103)</u>	<u>\$ (6,142,571)</u>	<u>\$ (6,954,900)</u>	<u>\$ (5,931,898)</u>	<u>\$ (4,575,682)</u>	<u>\$ (3,712,306)</u>

Source: The Town's financial records.

Note: The Town took over the Camp Verde Sanitary District Operations July 1, 2013.

TOWN OF CAMP VERDE, ARIZONA
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Expense	\$ (7,960,776)	\$ (8,384,810)	\$ (7,194,746)	\$ (9,096,986)	\$ (8,236,103)	\$ (6,142,571)	\$ (6,954,900)	\$ (5,931,898)	\$ (4,575,682)	\$ (3,712,306)
General Revenues:										
Governmental activities:										
Taxes:										
Sales taxes	\$ 6,557,976	\$ 4,640,417	\$ 4,389,578	\$ 4,642,673	\$ 3,756,648	\$ 3,915,180	\$ 2,863,839	\$ 2,597,901	\$ 2,544,473	\$ 1,738,752
Franchise taxes	297,149	274,961	287,034	286,341	270,925	285,834	266,973	267,059	250,327	245,501
State shared revenues	3,874,792	3,411,861	3,273,230	3,233,989	3,099,871	3,020,345	2,942,726	2,758,435	2,567,890	2,325,940
Investment earnings	5,106	30,368	76,691	17,889	27,872	29,593	15,456	27,714	33,251	13,787
Miscellaneous	21,515	34,540	30,296	13,379	91,581	80,456	7,086	13,090	69,009	11,840
Loss on Sale of Assets	0	0	0	0	0	(262,368)	0	0	0	0
Transfers	33,601	70,348	0	0	(24,740)	(33,462)	0	0	0	0
Total governmental activities	<u>10,790,139</u>	<u>8,462,495</u>	<u>8,056,829</u>	<u>8,194,271</u>	<u>7,222,157</u>	<u>7,035,578</u>	<u>6,096,080</u>	<u>5,664,199</u>	<u>5,464,950</u>	<u>4,335,820</u>
Business-type activities:										
Investment earnings	\$ 261	\$ 1,095	\$ 3,107	\$ 2,769	\$ 1,181	\$ 1,042	\$ 909	\$ 1,621	N/A	N/A
Special item*	-	-	-	425,000	-	-	-	20,077,637	-	-
Loss on Disposal of Assets	-	-	-	-	(2,000)	-	-	-	-	-
Transfers	(33,601)	(70,348)	-	-	24,740	33,462	-	-	-	-
Total business-type activities	<u>(33,340)</u>	<u>(69,253)</u>	<u>3,107</u>	<u>427,769</u>	<u>23,921</u>	<u>34,504</u>	<u>909</u>	<u>20,079,258</u>	<u>-</u>	<u>-</u>
Changes in Net Position	<u>\$ 2,796,023</u>	<u>\$ 8,432</u>	<u>\$ 865,190</u>	<u>\$ (474,946)</u>	<u>\$ (990,025)</u>	<u>\$ 927,511</u>	<u>\$ (857,911)</u>	<u>\$ 19,811,559</u>	<u>\$ 889,268</u>	<u>\$ 623,514</u>

Source: The Town's financial records.

Note: * - The Town took over the Camp Verde Sanitary District (CVSD) Operations July 1, 2013. In doing so, just over \$20 million in assets were transferred to the Town. All debt, however, remains with CVSD and is not a part of the Town's liabilities. In 2018, a settlement was finally reached in a lawsuit which had begun prior to 7/1/13 in which the Wastewater Fund received \$425,000.

TOWN OF CAMP VERDE, ARIZONA
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:										
Reserved										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	662,091	662,056	632,000	632,000
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	4,686,184	2,216,094	2,460,711	2,819,665	2,388,992	2,917,783	1,912,675	1,844,848	1,621,049	1,284,934
Total General Fund	<u>\$ 4,686,184</u>	<u>\$ 2,216,094</u>	<u>\$ 2,460,711</u>	<u>\$ 2,819,665</u>	<u>\$ 2,388,992</u>	<u>\$ 2,917,783</u>	<u>\$ 2,574,766</u>	<u>\$ 2,506,904</u>	<u>\$ 2,253,049</u>	<u>\$ 1,916,934</u>
All Other Governmental Funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,345
Restricted	3,754,595	3,300,894	3,822,120	6,816,399	1,227,680	2,852,211	5,456,179	2,143,445	2,473,096	2,483,485
Committed	182,325	187,216	77,146	25,743	25,347	30,181	-	11,214	686,629	694,215
Assigned	201,459	184,427	135,707	474,100	215,085	551,200	431,842	491,190	-	-
Unassigned	-	-	-	-	-	(29,569)	(669,290)	(614,955)	(587,984)	(378,467)
Total all other governmental funds	<u>\$ 4,138,379</u>	<u>\$ 3,672,537</u>	<u>\$ 4,034,973</u>	<u>\$ 7,316,242</u>	<u>\$ 1,468,112</u>	<u>\$ 3,404,023</u>	<u>\$ 5,218,731</u>	<u>\$ 2,030,894</u>	<u>\$ 2,571,741</u>	<u>\$ 2,878,578</u>

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Governmental Funds Excise Tax and Other Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Pledged Excise Tax and State Shared Revenues										
Town Sales Tax	\$ 6,557,977	\$ 4,640,417	\$ 4,389,578	\$ 4,642,673	\$ 3,756,648	\$ 3,915,180	\$ 2,863,839	\$ 2,597,901	\$ 2,544,473	\$ 1,738,752
Franchise Fees	297,149	274,961	287,034	286,341	270,925	285,834	266,973	267,059	250,327	245,501
State-shared Sales Taxes	1,327,149	1,160,413	1,126,974	1,079,184	1,021,663	1,027,544	993,670	946,416	889,975	849,619
State-shared Income Taxes	1,598,779	1,453,365	1,356,440	1,391,933	1,364,734	1,309,108	1,316,244	1,212,909	1,110,654	917,689
Licenses and permits	315,361	244,194	278,387	204,715	184,215	198,155	174,518	160,321	159,532	123,738
Fines and forfeits	169,401	185,431	218,620	167,992	199,528	297,865	234,142	275,700	372,122	335,496
Net	<u>\$10,265,816</u>	<u>\$ 7,958,781</u>	<u>\$ 7,657,033</u>	<u>\$ 7,772,838</u>	<u>\$ 6,797,713</u>	<u>\$ 7,033,686</u>	<u>\$ 5,849,386</u>	<u>\$ 5,460,306</u>	<u>\$ 5,327,083</u>	<u>\$ 4,210,795</u>
Other Revenues										
Intergovernmental	\$ 4,295,046	\$ 2,417,216	\$ 2,437,966	\$ 2,057,676	\$ 2,185,513	\$ 2,483,338	\$ 2,237,439	\$ 2,049,430	\$ 2,281,445	\$ 2,271,505
Charges for services	173,612	157,973	81,166	115,919	169,610	122,360	86,718	92,682	86,994	86,787
Contributions and donations	99,712	103,251	54,076	35,333	96,139	426,638	70,544	17,389	16,478	361,292
Investment income	5,106	30,368	76,692	17,888	27,871	29,594	15,456	27,714	33,251	13,787
Other	91,880	229,107	166,216	51,042	121,278	201,094	36,828	68,768	58,742	36,021
Net	<u>\$ 4,665,356</u>	<u>\$ 2,937,915</u>	<u>\$ 2,816,116</u>	<u>\$ 2,277,858</u>	<u>\$ 2,600,411</u>	<u>\$ 3,263,024</u>	<u>\$ 2,446,985</u>	<u>\$ 2,255,983</u>	<u>\$ 2,476,910</u>	<u>\$ 2,769,392</u>
Total revenues	<u>\$14,931,172</u>	<u>\$10,896,696</u>	<u>\$10,473,149</u>	<u>\$10,050,696</u>	<u>\$ 9,398,124</u>	<u>\$10,296,710</u>	<u>\$ 8,296,371</u>	<u>\$ 7,716,289</u>	<u>\$ 7,803,993</u>	<u>\$ 6,980,187</u>

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenditures:										
Current -										
General government	\$ 3,545,317	\$ 3,191,448	\$ 3,068,302	\$ 3,132,285	\$ 2,790,435	\$ 2,550,697	\$ 2,630,384	\$ 2,316,759	\$ 2,307,763	\$ 2,064,569
Public safety	3,381,764	3,129,841	2,901,210	2,623,034	2,797,062	2,560,276	2,613,138	2,400,085	2,222,092	2,148,531
Public works and streets	1,003,906	940,297	994,488	883,136	869,501	1,056,558	815,101	741,300	655,285	688,127
Health and welfare	145,965	134,008	126,049	123,589	123,627	123,664	123,700	131,233	136,266	131,300
Culture and recreation	1,152,884	1,101,713	1,009,237	903,356	877,693	720,032	634,283	623,996	680,810	508,581
Community development	549,397	507,400	533,273	493,695	497,966	415,069	465,074	391,601	455,170	352,412
Capital outlay	3,773,981	1,216,567	5,188,461	1,746,897	3,047,920	4,254,033	860,979	969,031	1,801,828	913,146
Debt service -										
Principal retirement	1,173,741	966,653	845,021	776,788	658,242	375,191	326,949	319,327	164,828	302,011
Interest and fiscal charges	428,741	401,814	382,986	159,746	175,640	209,419	78,312	118,067	116,056	84,722
Bond issuance costs	80,902	-	-	257,580	-	-	-	-	-	-
Total expenditures	<u>\$ 15,236,598</u>	<u>\$ 11,589,741</u>	<u>\$ 15,049,027</u>	<u>\$ 11,100,106</u>	<u>\$ 11,838,086</u>	<u>\$ 12,264,939</u>	<u>\$ 8,547,920</u>	<u>\$ 8,011,399</u>	<u>\$ 8,540,098</u>	<u>\$ 7,193,399</u>
Expenditures for capitalized assets	\$ 3,773,981	\$ 1,216,567	\$ 5,188,461	\$ 1,746,897	\$ 3,047,920	\$ 4,254,033	\$ 860,979	\$ 969,031	\$ 1,801,828	\$ 913,146
Debt service as a percentage of noncapital expenditures	15%	13%	12%	13%	9%	7%	5%	6%	4%	6%

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Other Financing Sources and Uses and Net Change in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ (305,426)	\$ (693,045)	\$ (4,575,878)	\$ (1,049,410)	\$ (2,439,962)	\$ (1,968,229)	\$ (251,549)	\$ (295,110)	\$ (736,105)	\$ (213,212)
Other financing sources (uses):										
Capital lease agreements	\$ 310,757	\$ 15,644	\$ 935,655	\$ 296,445	\$ -	\$ 530,000	\$ -	\$ 8,838	\$ 764,664	\$ -
Proceeds of long-term debt issuance	2,897,000	-	-	7,031,769	-	-	4,904,000	-	-	-
Payments to Refunding Bond Trustee	-	-	-	-	-	-	(1,396,752)	-	-	-
Transfers in	3,222,438	2,055,772	2,417,431	1,825,724	2,264,518	1,618,470	894,208	641,103	266,480	1,729,132
Transfers out	(3,188,837)	(1,985,424)	(2,417,431)	(1,825,724)	(2,289,258)	(1,651,932)	(894,208)	(641,103)	(266,480)	(1,729,132)
Total other financing sources (uses)	<u>3,241,358</u>	<u>85,992</u>	<u>935,655</u>	<u>7,328,214</u>	<u>(24,740)</u>	<u>496,538</u>	<u>3,507,248</u>	<u>8,838</u>	<u>764,664</u>	<u>-</u>
Changes in fund balances	<u>\$ 2,935,932</u>	<u>\$ (607,053)</u>	<u>\$ (3,640,223)</u>	<u>\$ 6,278,804</u>	<u>\$ (2,464,702)</u>	<u>\$ (1,471,691)</u>	<u>\$ 3,255,699</u>	<u>\$ (286,272)</u>	<u>\$ 28,559</u>	<u>\$ (213,212)</u>

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Tax Revenues by Category
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Retail Trade	\$ 3,090,788	\$ 2,205,958	\$ 1,843,283	\$ 1,805,886	\$ 1,596,344	\$ 1,569,254	\$ 1,203,872	\$ 1,142,430	\$ 1,105,685	\$ 790,896
Restaurants & Bars	1,004,271	758,279	737,234	713,275	659,258	708,520	520,320	473,070	437,452	309,169
Communications & Utilities	363,495	366,405	369,908	373,162	358,356	394,159	269,845	230,848	251,911	127,280
Construction	729,200	369,451	494,937	882,868	320,451	366,968	212,866	182,702	236,112	128,008
Real Estate, Rental & Leasing	373,318	313,079	283,482	252,516	235,245	215,991	173,914	170,109	170,973	147,728
Accommodation	440,814	265,804	277,882	291,544	294,627	239,218	207,993	138,850	131,748	88,626
Arts & Entertainment	198,681	123,887	146,909	156,189	146,780	167,769	134,961	114,106	92,444	59,604
Manufacturing	9,615	10,960	10,992	14,000	14,663	15,015	67,644	75,231	72,694	57,808
Use Tax	310,283	208,474	207,262	134,415	116,350	151,626	N/A	N/A	N/A	N/A
Other	37,511	18,120	17,689	18,818	14,575	86,660	71,912	67,486	42,385	26,309
Total	<u>\$ 6,557,976</u>	<u>\$ 4,640,417</u>	<u>\$ 4,389,578</u>	<u>\$ 4,642,673</u>	<u>\$ 3,756,649</u>	<u>\$ 3,915,180</u>	<u>\$ 2,863,327</u>	<u>\$ 2,594,832</u>	<u>\$ 2,541,404</u>	<u>\$ 1,735,428</u>
Total revenue % growth by year	41.3%	5.7%	-5.5%	23.6%	-4.0%	36.7%	10.3%	2.1%	46.4%	-1.6%

Source: The Town's financial records and the Arizona Dept. of Revenue.

Note: See tax rate changes on the following page.

Use Tax was separated out as a new category in FY16. Prior to FY16, most Use Tax Revenues were included in Retail Trade.

TOWN OF CAMP VERDE, ARIZONA
Tax Revenues by Source
Last Ten Fiscal Years
(Modified accrual basis of accounting)

<u>Fiscal Year</u>	<u>City Sales Tax</u>	<u>Franchise Tax</u>	<u>Accomodation/ Bed Tax</u>	<u>Total</u>
2021	\$ 6,117,163	\$ 297,149	\$ 440,814	\$ 6,855,126
2020	4,374,613	274,961	265,804	4,915,378
2019	4,111,696	287,034	277,882	4,676,612
2018	4,351,129	286,341	291,544	4,929,014
2017	3,462,021	270,925	294,627	4,027,573
2016	3,675,962	285,834	239,218	4,201,014
2015	2,655,846	266,973	207,993	3,130,812
2014	2,459,051	267,059	138,850	2,864,960
2013	2,412,725	250,327	131,748	2,794,800
2012	1,650,126	245,501	88,626	1,984,253

Source: The Town's financial records and the Arizona Dept. of Revenue.

TOWN OF CAMP VERDE, ARIZONA
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Overlapping Rates						
Fiscal Year Ended June 30	Town of Camp Verde				Yavapai County	Arizona State
	Sales Tax	Hospitality	Real Property Rentals	Construction		
2021	3.65	6.65	2.00	3.65	0.75	5.60
2020	3.65	6.65	2.00	3.65	0.75	5.60
2019	3.65	6.65	2.00	3.65	0.75	5.60
2018	3.65	6.65	2.00	3.65	0.75	5.60
2017	3.65	6.65	2.00	3.65	0.75	5.60
2016	3.65	6.65	2.00	3.65	0.75	5.60
2015	3.65	6.65	2.00	3.65	0.75	5.60
2014	3.00	6.00	2.00	3.00	0.75	5.60
2013	3.00	6.00	2.00	3.00	0.75	5.60
2012	2.00	4.00	2.00	3.00	0.75	6.60

TOWN OF CAMP VERDE, ARIZONA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities			Total Outstanding Debt		
	Revenue Bonds	Capital Leases	Loans Payable	Revenue Bonds	Capital Leases	Loans Payable	Total Debt	Percentage of Personal Income	Per Capita
2021	\$12,545,905	\$ 806,769	\$ -	\$ -	\$ 56,125	\$ 1,376,950	\$ 14,785,749	N/A	1,186
2020	10,570,111	779,432	-	-	167,084	840,002	12,356,629	0.12%	1,017
2019	11,171,658	1,136,182	-	-	276,342	-	12,584,182	0.13%	1,125
2018	11,755,884	469,090	-	-	383,926	60,175	12,669,075	0.14%	1,140
2017	5,134,856	535,903	-	-	489,862	-	6,160,621	0.07%	556
2016	5,533,522	795,481	-	-	-	-	6,329,003	0.08%	577
2015	5,702,227	471,967	-	-	-	-	6,174,194	0.08%	563
2014	2,281,084	625,670	-	-	-	-	2,906,754	0.04%	266
2013	2,446,200	770,465	-	-	-	-	3,216,665	0.05%	293
2012	2,600,000	11,463	5,276	-	-	-	2,616,739	0.04%	240

Source: The Town's financial records.

Note: FY21 personal income information was not available at the time the audit was completed.

TOWN OF CAMP VERDE, ARIZONA
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Revenue Bonds</u>	<u>Total Bonds</u>	<u>Per Capita</u>
2021	\$ 12,545,905	\$ 12,545,905	1,007
2020	10,570,111	10,570,111	870
2019	11,171,658	11,171,658	999
2018	11,755,884	11,755,884	1,058
2017	5,134,856	5,134,856	463
2016	5,533,522	5,533,522	505
2015	5,702,227	5,702,227	520
2014	2,281,084	2,281,084	209
2013	2,446,200	2,446,200	223
2012	2,600,000	2,600,000	239

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Direct and Overlapping Governmental Activities Debt
June 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to Town</u>	<u>Estimated Amount Applicable to Town</u>
Overlapping:			
Yavapai County Community College*	\$ 6,865,000	2.9% (1)	\$ 196,454
Camp Verde Unified School District	812,000	92.7% (1)	753,046
Copper Canyon Fire	5,245,777	50.0% (2)	2,622,889
Camp Verde Sanitary District	7,273,681	100.0% (1)	<u>7,273,681</u>
Total Overlapping Debt			<u>\$ 10,846,070</u>
Direct:			
Town of Camp Verde	<u>\$ 13,352,674</u>	100.0%	<u>\$ 13,352,674</u>
Total Direct and Overlapping Debt			<u>\$ 24,198,744</u>

Sources: Arizona Department of Revenue (azdor.gov) Bonded Indebtedness report
Yavapai County Assessor's Office final NAV report
Copper Canyon Fire

Notes: 1) The estimated percentage applicable to Town is determined by dividing the Town's secondary net assessed value by the jurisdiction's secondary net assessed value.
2) The estimated percentage applicable to Town is estimated Copper Canyon Fire's estimated operations coverage, 50% in Camp Verde and 50% in Rimrock/Lake Montezuma.

TOWN OF CAMP VERDE, ARIZONA
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year Ended June 30

6% Debt Limit

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 4,811,611	\$ 4,543,761	\$ 4,321,124	\$ 4,079,704	\$ 3,918,861	\$ 3,757,240	\$ 3,687,892	\$ 3,699,522	\$ 3,934,590	\$ 4,277,044
Total applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 4,811,611</u>	<u>\$ 4,543,761</u>	<u>\$ 4,321,124</u>	<u>\$ 4,079,704</u>	<u>\$ 3,918,861</u>	<u>\$ 3,757,240</u>	<u>\$ 3,687,892</u>	<u>\$ 3,699,522</u>	<u>\$ 3,934,590</u>	<u>\$ 4,277,044</u>
Total net debt applicable to the limit as a percentage of the debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Fiscal Year Ended June 30

20% Debt Limit

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 16,038,704	\$ 15,145,871	\$ 14,403,746	\$ 13,599,013	\$ 13,062,869	\$ 12,524,135	\$ 12,292,972	\$ 12,331,739	\$ 13,115,301	\$ 14,256,813
Total applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 16,038,704</u>	<u>\$ 15,145,871</u>	<u>\$ 14,403,746</u>	<u>\$ 13,599,013</u>	<u>\$ 13,062,869</u>	<u>\$ 12,524,135</u>	<u>\$ 12,292,972</u>	<u>\$ 12,331,739</u>	<u>\$ 13,115,301</u>	<u>\$ 14,256,813</u>
Total net debt applicable to the limit as a percentage of the debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: The Town's financial records and the Yavapai County Assessor's Office.

TOWN OF CAMP VERDE, ARIZONA
Pledged Revenue Coverage
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Revenue Bonds</u>			<u>Excise Tax Coverage</u>
	<u>Excise Tax Revenue</u>	<u>Debt Service</u>		
		<u>Principal</u>	<u>Interest</u>	
2021	\$ 10,729,917	\$ 913,919	\$ 366,051	8.4
2020	8,327,239	594,259	340,999	8.9
2019	7,949,842	576,938	359,734	8.5
2018	8,163,003	410,741	146,450	14.7
2017	7,127,444	398,666	158,801	12.8
2016	7,221,359	168,706	197,473	19.7
2015	6,073,538	172,857	66,610	25.4
2014	5,623,395	165,115	105,755	20.8
2013	5,362,690	153,800	112,998	20.1
2012	4,310,193	85,000	102,793	23.0

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Demographic and Economic Statistics – Yavapai County
Last Ten Calendar Years

<u>Year</u>	<u>Town of Camp Verde Population</u>	<u>Yavapai County Population</u>	<u>County Personal Income (1)</u>	<u>County Per Capita Income</u>	<u>County Unemployment Rate</u>
2021	12,463	241,173	N/A	N/A	5.2 %
2020	12,147	237,073	10,547,378	44,490	9.5 %
2019	11,187	235,099	9,731,391	41,393	4.6 %
2018	11,113	228,970	9,352,066	40,844	4.3 %
2017	11,083	225,364	8,753,027	37,398	4.5 %
2016	10,968	221,496	8,200,091	37,021	5.0 %
2015	10,970	217,778	7,840,057	36,000	5.7 %
2014	10,925	214,357	7,448,645	34,749	6.4 %
2013	10,960	213,294	6,857,938	32,153	7.9 %
2012	10,883	211,583	6,561,210	31,010	8.8 %

Sources: Bureau of Economic Analysis (bea.gov)
US Census Bureau (census.gov)
Az Commerce Authority (azcommerce.com)
Arizona Office of Employment & Population Statistics (azstats.gov)
WorldPopulationReview.com

Note: (1) - In thousands of dollars
2021 County personal income was not available from BEA at the time of printing.

TOWN OF CAMP VERDE, ARIZONA
Principal Employers – Yavapai County
Current, Prior, & Nine Years Ago Fiscal Years

<u>Employer</u>	<u>2021</u>		<u>2020</u>	<u>2012</u>
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Employees</u>
Cliff Castle Casino & Hotel	352	10.6 %	456	N/A
Yavapai-Apache Nation	215	6.4	215	N/A
Yavapai County	300	9.0	300	N/A
Camp Verde School District	221	6.6	222	N/A
Town of Camp Verde	135	4.0	138	N/A
Bashas	106	3.2	115	N/A
Rainbow Acres	120	3.6	98	N/A
Abundant Organics	90	2.7	N/A	N/A
Goettles High Desert Mechanical	67	2.0	52	N/A
McDonalds	66	2.0	45	N/A
Total	<u>1,672</u>	<u>50.1 %</u>	<u>1,641</u>	<u>-</u>
Total Est'd Employment*	<u>3,336</u>		<u>3,751</u>	<u>N/A</u>

Source(s): The Town's financial records.

Note: Employment information for FY2012 is not available. The Town began tracking employment information in FY13.

Total employment for 2020 & 2021 is estimated by the Town.

TOWN OF CAMP VERDE, ARIZONA
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government										
Management Services	4.8	5.2	5.2	5.1	4.6	4.6	5.2	5.1	5.1	5.1
Finance	3.0	3.0	3.0	3.0	3.0	3.1	2.2	2.2	2.0	2.0
Economic Development	3.1	3.1	2.9	3.2	2.8	2.0	1.6	1.6	1.0	1.0
Municipal Court	5.8	6.2	5.7	4.7	4.7	5.7	5.6	5.6	5.6	5.6
Total General Government	<u>16.7</u>	<u>17.5</u>	<u>16.8</u>	<u>16.0</u>	<u>15.1</u>	<u>15.4</u>	<u>14.6</u>	<u>14.5</u>	<u>13.7</u>	<u>13.7</u>
Public Safety										
Marshal's Department	33.0	33.8	34.0	31.0	31.4	33.1	32.2	30.2	26.7	28.0
Animal Control	1.0	1.0	1.0	0.5	1.0	1.0	1.0	1.0	1.0	1.0
Total Public Safety	<u>34.0</u>	<u>34.8</u>	<u>35.0</u>	<u>31.5</u>	<u>32.4</u>	<u>34.1</u>	<u>33.2</u>	<u>31.2</u>	<u>27.7</u>	<u>29.0</u>
Public Works										
Admin	2.3	2.2	2.2	2.5	2.6	2.8	2.8	2.4	1.7	1.0
Streets	4.8	5.2	5.0	4.9	4.7	6.1	5.2	6.2	5.8	5.4
Maintenance	10.0	10.0	9.6	9.1	8.1	8.0	7.4	7.2	6.2	6.4
Total Public Works	<u>17.1</u>	<u>17.4</u>	<u>16.8</u>	<u>16.5</u>	<u>15.4</u>	<u>16.9</u>	<u>15.4</u>	<u>15.8</u>	<u>13.7</u>	<u>12.8</u>
Library	8.9	9.4	8.3	7.5	6.4	6.2	6.2	5.8	5.3	5.4
Parks & Recreation	7.1	7.3	6.1	5.6	5.6	4.6	4.6	4.3	3.5	3.6
Community Development	7.1	6.8	6.8	6.2	8.0	6.0	6.0	5.0	5.0	5.0
Sewer	<u>8.5</u>	<u>8.5</u>	<u>8.6</u>	<u>8.4</u>	<u>8.4</u>	<u>8.1</u>	<u>7.2</u>	<u>7.1</u>	N/A	N/A
Total	<u>99.4</u>	<u>101.7</u>	<u>98.4</u>	<u>91.7</u>	<u>91.3</u>	<u>91.3</u>	<u>87.1</u>	<u>83.7</u>	<u>68.9</u>	<u>69.4</u>

Source: The Town's financial records.

TOWN OF CAMP VERDE, ARIZONA
Capital Assets Statistics by Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year Ended June 30</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol vehicles	28	23	19	24	25	23	31	31	22	19
Streets										
Streets (miles)	113	113	112	110	110	110	110	110	110	110
Streetlights	122	122	122	122	110	110	110	110	110	110
Traffic signals	7	7	7	5	6	6	6	6	6	6
Parks and Recreation										
Parks developed	4	4	4	4	4	4	4	4	4	4
Parks acreage	138	138	138	138	138	138	138	138	138	138
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	1	1	1	1	1	1	1	1	1	1
Sewer										
Pipeline (Miles)	37	37	34	34	31	31	29	29	29	29
Manholes	519	519	519	490	490	459	440	440	440	440
Connections	1,125	1,040	1,043	989	964	964	959			
Annual processed sewage (in millions of gals)	88	86	94	96	86	86	86			

Source: The Town's facilities records.

TOWN OF CAMP VERDE, ARIZONA
Operating Indicators By Function
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year Ended June 30</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government										
Business Licenses	781	783	801	820	833	823	673	645	650	582
Public Safety										
Total Incidents	8,092	8,350	9,914	9,829	10,853	15,762	10,020	13,782	10,462	11,614
Public Works										
Street Resurfacing (miles)	-	-	-	-	-	0.92	-	-	-	0.31
Library										
Circulation	103,873	120,532	130,713	133,135	123,127	63,976	62,140	52,631	51,303	63,580
Traffic	59,797	81,829	101,854	95,490	87,357	67,978	67,824	33,787	27,766	25,831
Community Development										
Building Permits	659	432	409	428	400	324	331	362	387	312

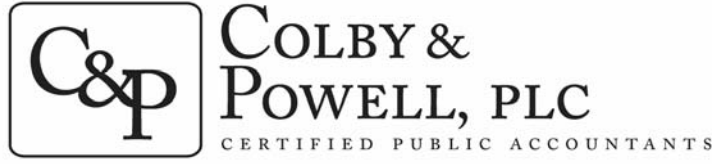
Source: The Town's records.

TOWN OF CAMP VERDE, ARIZONA

Single Audit Reporting Package
Year Ended June 30, 2021

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1535 W. Harvard Avenue, Suite 101 · Gilbert, Arizona 85233

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Town Council
Town of Camp Verde, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Camp Verde, Arizona, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town of Camp Verde, Arizona's, basic financial statements, and have issued our report thereon dated March 25, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Camp Verde, Arizona's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Camp Verde, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Camp Verde, Arizona's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

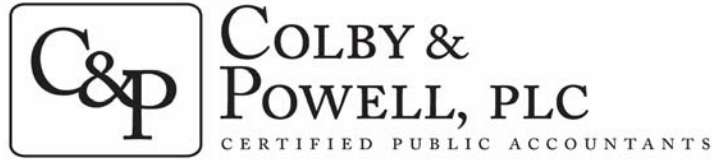
As part of obtaining reasonable assurance about whether the Town of Camp Verde, Arizona's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



March 25, 2022



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Town Council
Town of Camp Verde, Arizona

Report on Compliance for Each Major Federal Program

We have audited the Town of Camp Verde, Arizona's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Camp Verde, Arizona's major federal programs for the year ended June 30, 2021. The Town of Camp Verde, Arizona's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Camp Verde, Arizona's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Camp Verde, Arizona's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Town of Camp Verde, Arizona's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Camp Verde, Arizona complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

The Town's management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Camp Verde, Arizona's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Camp Verde, Arizona's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Town of Camp Verde,

Arizona as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated March 25, 2022, that contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of Town's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Colby J. Powell

March 25, 2022

TOWN OF CAMP VERDE, ARIZONA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Pass through Grantor's Number	Federal Expenditures
<u>U.S. Department of Agriculture</u>			
Rural Business Development Grant	10.351	-	\$ 35,000
Passed through from Arizona Office of the State Forester Cooperative Forestry Assistance	10.664	18-107	<u>3,241</u>
Total U.S. Department of Agriculture			<u>38,241</u>
<u>U.S Department of Housing and Urban Development</u>			
Passed through State of Arizona Department of Housing CDBG - Entitlement Grants Cluster Community Development Block Grants/Entitlement Grants	14.218	131-18	<u>270,643</u>
<u>U.S. Department of Transportation</u>			
Passed through AZ Governor's Office of Highway Safety: Highway Safety Cluster:			
State and Community Highway Safety	20.600	2020-PTS-009	891
State and Community Highway Safety	20.600	2021-PTS-010	910
National Priority Safety Programs	20.616	2020-405D-008	1,659
National Priority Safety Programs	20.616	2020-405D-008	<u>2,558</u>
Total Highway Safety Cluster			<u>6,018</u>
Total U.S. Department of Transportation			<u>6,018</u>
<u>National Endowment for the Humanities</u>			
Passed through the State of Arizona:			
Grants to States	45.310	2019-0010-0-B	1,109
Grants to States	45.310	2020-0720-03	8,950
COVID 19 - Grants to States	45.310	2020-0720-07	4,000
COVID 19 - Grants to States	45.310	2020-0720-08	<u>2,382</u>
Total National Endowment for the Humanities			<u>16,441</u>
<u>U.S. Department of the Treasury</u>			
Passed through Arizona Governors Office of Strategic Planning and Budgeting:			
COVID 19 - Coronavirus Relief Fund	21.019	ERMT-20-017	<u>1,284,341</u>
Total Federal Assistance			<u>\$ 1,615,684</u>

The accompanying notes are an integral part of this schedule.

TOWN OF CAMP VERDE, ARIZONA
Notes to Schedule of Expenditures of Federal Awards
June 30, 2021

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Town of Camp Verde, Arizona under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Camp Verde, Arizona, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Camp Verde, Arizona.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual/accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Town of Camp Verde, Arizona has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

TOWN OF CAMP VERDE, ARIZONA
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified not considered to be material weakness(es)? _____ Yes X No

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified not considered to be material weakness(es)? _____ Yes X No

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major federal programs:

CFDA Number	Name of Federal Program
21.019	COVID 19 - Coronavirus Relief Fund

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

Financial Statement Findings None

Federal Award Findings and Questioned Costs None

TOWN OF CAMP VERDE, ARIZONA
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2021

The status of audit findings from the prior year is as follows:

There were no prior year findings.



Town of Camp Verde

Agenda Report Form – Section I

Meeting Date: Town Council, Wednesday, May 18, 2022

- Consent Agenda Decision Agenda Executive Session Requested
 Presentation Only Action/Presentation Work Session

Requesting Department: Community Development

Staff Resource/Contact Person: John Knight, Director; Andrew Faiella, Planning and Zoning Commission Chair

Agenda Title: Presentation of the Quarterly Reports for the Board of Adjustment and Planning and Zoning Commission.

List Attached Documents:

- A. BOA Report
- B. P&Z Report

Estimated Presentation Time: 5

Estimated Discussion Time: 5

Reviews and comments Completed by: **Department Head:** John Knight

Recommended Action: No action required, this is a presentation and discussion only.



Attachment A

**BOARD OF ADJUSTMENTS & APPEALS
TOWN OF CAMP VERDE 473 S. MAIN STREET,
CAMP VERDE, AZ 86322
QUARTERLY REPORT
JANUARY- MARCH 2022**

Regularly Scheduled Meetings, as needed: 1

January 20, 2022- Regular Session:

Variance request by Mr. Moscato was unanimously approved to allow encroachment into the required ten (10) foot exterior yard setback for a building wall and roof overhang to match the existing encroachment.

February 8, 2022 – Regular Session

Cancelled – No business before the Board

March 8, 2022 – Regular Session

Cancelled – No business before the Board

Work Sessions, as needed: 0

Attachment B



Support your local merchants

TOWN OF CAMP VERDE – PLANNING & ZONING COMMISSION QUARTERLY REPORT JANUARY- MARCH 2022

Scheduled Meetings: 4

January 6, 2022 – Regular Session:

1. Public Hearing, discussion, and possible recommendation to the Town Council of a Use Permit for Automated Library in Verde Lakes Area.
 - a. Motion was made and approved to table until more information was available and other possible sites were investigated.
2. Discussion, consideration, and possible approval of Zoning Ordinance Amendments.
 - a. Commission would like to schedule a Work Session with Town Council to prepare a list of amendments to the Zoning Ordinance.
3. Election of Officers – Chair and Vice Chair
 - a. Election of Chairman Drew Faiella
 - b. Election of Vice Chairman Scantlebury

February 3, 2022 – Regular Session

1. Public Hearing, discussion, and possible recommendation to the Town Council of a Use Permit for Automated Library in Verde Lakes Area.
 - a. Motion was made and approved to table until the next regularly scheduled meeting.

February 10, 2022 – Special Session

1. Continued Public Hearing, discussion, and possible recommendation to the Town Council of a Use Permit for Automated Library for Verde Lakes Area.
 - a. Motion was made and approved to table this topic indefinitely.
2. Public Hearing, discussion, and possible recommendation to the Council for a Zoning Map Change from R1-PAD to R2 by Atlantic Development.
 - a. Motion was made and approved for recommendation to Council for approval of the Zoning Map Change.

March 3, 2022 – Regular Session

1. Discussion, consideration, and possible recommendation of Site Plan to the Council for partial development of Verde Commercial property.
 - a. Motion was made and approved for recommendation to Council for approval of partial Site Plan.

March 10, 2022 – Work Session

1. Joint Council/Planning & Zoning Commission Work Session to assist the Community Development Department with prioritizing a work program.



Town of Camp Verde

Agenda Report Form – Section I

Meeting Date: Town Council, Wednesday, May 18, 2022

- Consent Agenda Decision Agenda Executive Session Requested
 Presentation Only Action/Presentation Work Session

Requesting Department: Community Development

Staff Resource/Contact Person: John Knight, Director

Agenda Title: Presentation of the Community Development Department Quarterly Report.

List Attached Documents:

- A. Quarterly Report
- B. P&Z Staff Report and Summary from Dot Exercise

Estimated Presentation Time: 5

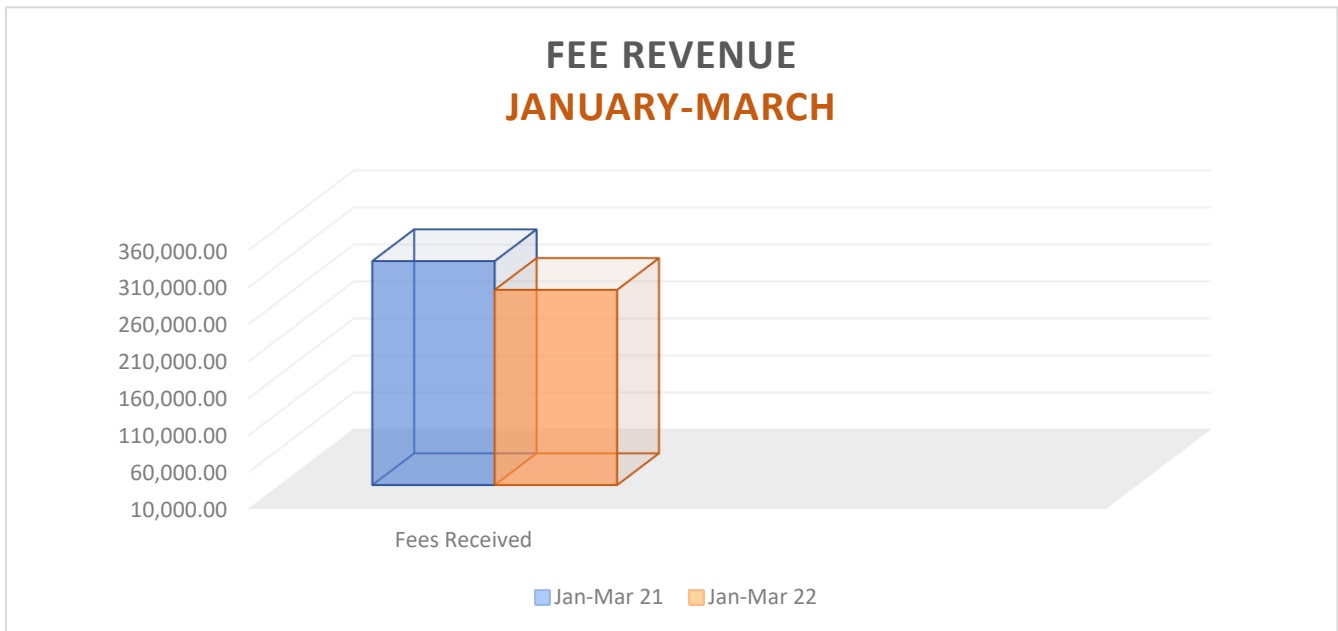
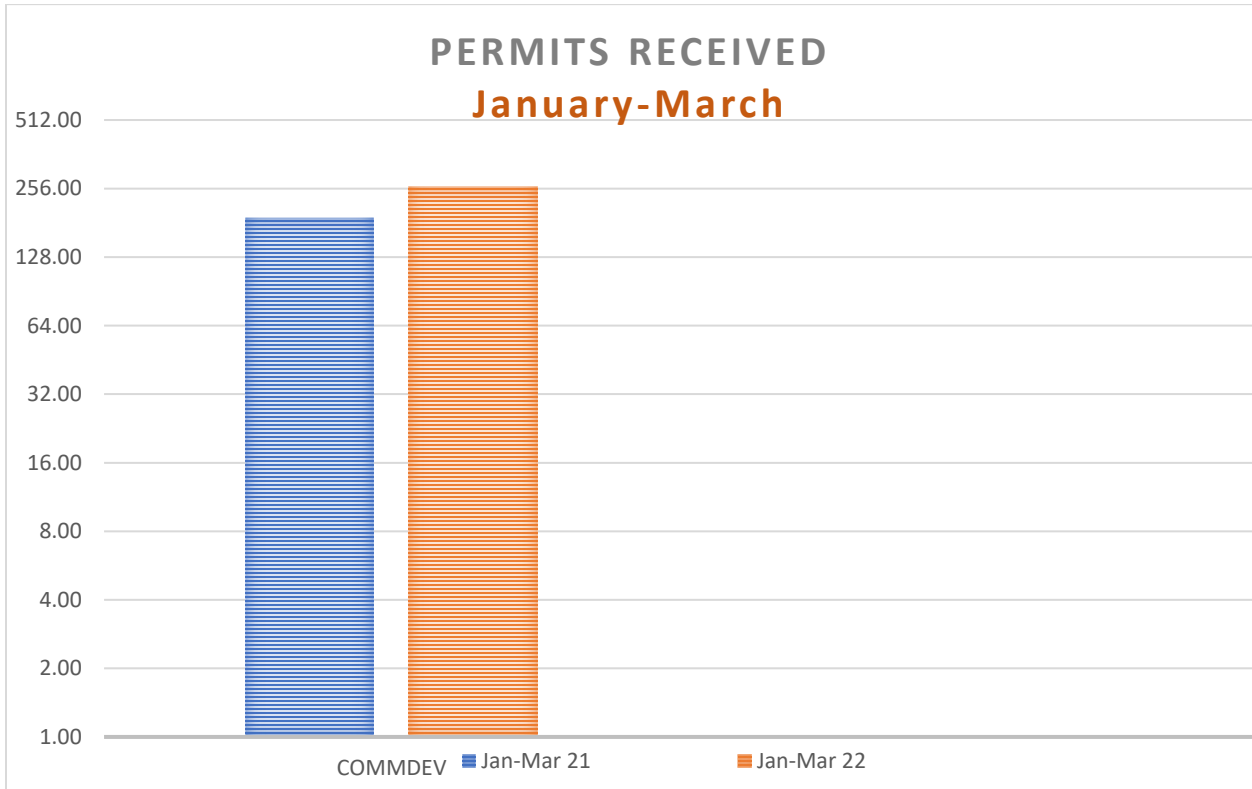
Estimated Discussion Time: 5

Reviews and comments Completed by: **Department Head:** John Knight

Recommended Action: No action required, this is a presentation and discussion only.

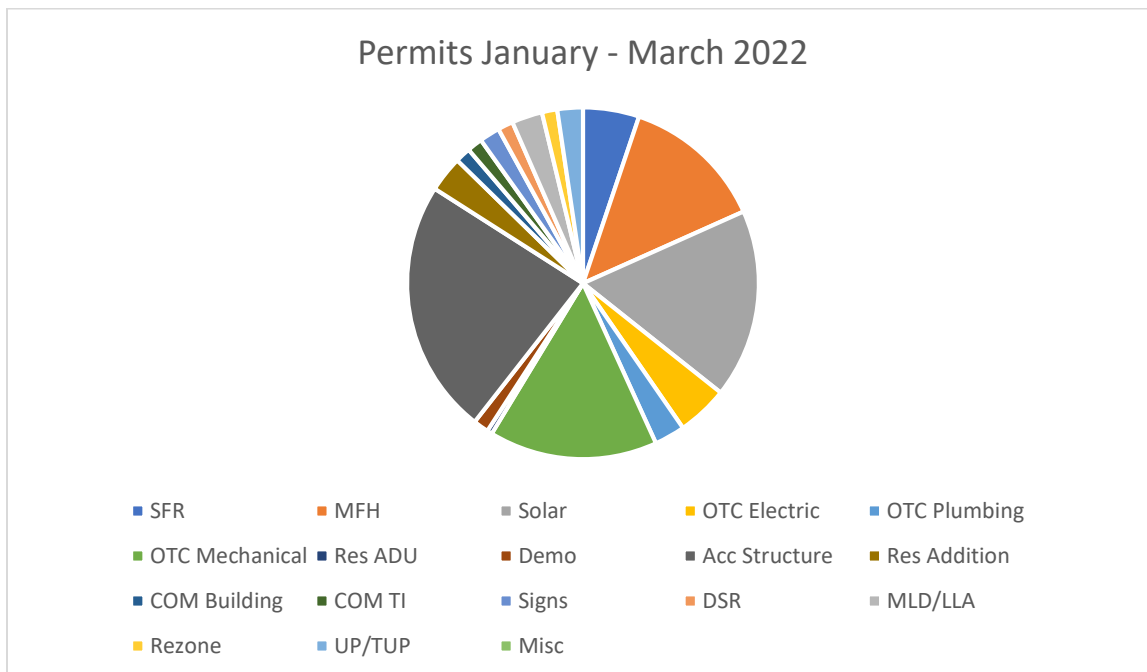
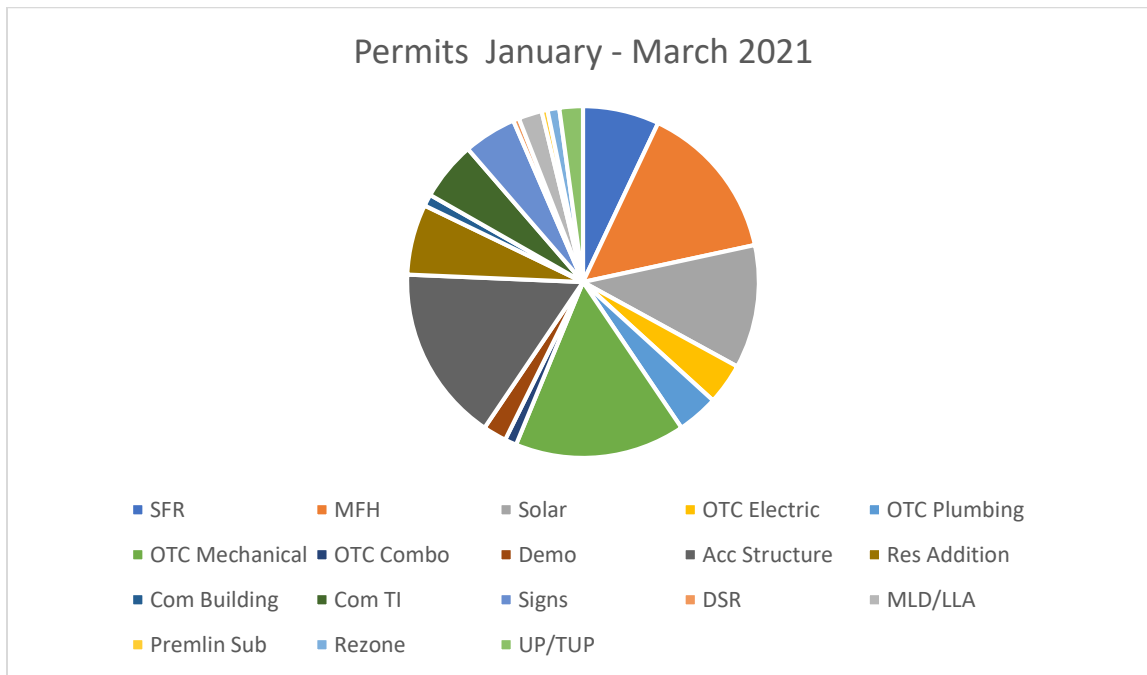
Attachment A
COMMUNITY DEVELOPMENT
QUARTERLY REPORT
JANUARY – MARCH 2022

Building Department



In the first quarter of 2022 we have had multiple commercial projects come through the Building Department, including:

- An expansion of the Nirvana Grow Facility
- A remodel of Good to Go
- Authorization of construction of a duplex on Cliffs Parkway



Planning and Zoning

January 2022:

Significant time was spent working with a new Developer, Atlantic Development & Investments. They submitted an application for a Zoning Map Change for a 28+ acre parcel (PAD to R2) in order to build and manage a multi-family housing project. A large portion of this new development is planned to be developed under the LIHTC (Low-Income Housing Tax Credit) program and will be managed as rental homes. The request recommended for approval by the Planning and Zoning Commission on February 10th.

Town Council appointed Commissioners to the three vacant seats on the Planning and Zoning Commission; Mike Hough (re-appointed), Robert Foreman (new appointment) and Ingrid Osses (new appointment). The Council also re-appointed two members of the Board of Adjustment and Appeals; Buck Buchanan and B J Davis.

The P & Z Commission met twice in January to hear the Town's Use Permit proposal to install an automated, 24-hour library branch in the Verde Lakes area. (First presented to the Commission in January, but subsequently tabled. This is anticipated to return to P & Z in April with an alternative site/s.

The original proposal received significant push-back from residents, including a petition signed by 50+ persons objecting to the location recommended for the installation. It appears there is great favor for the project, but debate about the best location. The originally proposed location is a Town owned lot which is located within the flood zone. It appears, the flood status of the property is the point of concern. This project has been tabled while Library staff research alternative locations in the Verde Lakes area.

The Board of Adjustments and Appeals also met and granted a Variance to Mr. Moscato who had applied for a zero-side-setback where his new property borders Holloman Street. The Variance was unanimously granted. The existing restaurant building (old Verde Café) already sits on the property line along Holloman due to the Town of Camp Verde acquiring the street front property along Holloman Street in 2012 in order to improve and develop street parking for the down-town area. Mr. Moscato is currently under construction and adding a new wine room at the rear of the restaurant which will be in-line with the existing building.

Staff met with property owners of a ~4 acre parcel who started grading and developing their lot this past summer (2021). They have been under a Stop-Work-Order and open Code Compliance case since last August. The owners contacted the Department seeking how they could close the case, mitigate the damages to the property and

continue moving forward with developing and dividing this property. It was a very positive meeting and the Town Engineer and Building Official outlined the steps necessary to be completed by them, before they can move forward with their plans for this property.

A Use Permit for RRR Bed and Breakfast was administratively extended for 6-months to allow the owners time to submit the necessary building permits for the additional cabin for their property.

February 2022:

Staffing & Office Expansion: Two internal promotions occurred this month. In lieu of re-advertising and filling the vacant Senior Planner position, an existing staff member was promoted to Planner which then left a vacant Zoning Inspector position. An internal promotion was also made for this vacant position which then left a vacant entry level Permit Technician (which now has been filled).

Staffing changes, internal promotions:

Cory Mulcaire promoted to Zoning Inspector from Permit Technician

B J Ratlief promoted to Planner from Zoning Inspector

Additionally, staff have slowly started to move into the vacated Economic Development Office. The full move is still continuing.

Update on the Library Use Permit for Verde Lakes: This project is on hold while library staff investigate alternative sites for its location.

Planning & Zoning (P&Z) Commission: The Commission met twice in February; February 3rd the Commission heard an update on the Library Use Permit. February 10th the Commission, per the request of Library staff, officially tabled this Use Permit while staff continue to research alternative locations for this installation.

Additionally, the Commission held a public hearing regarding the rezoning of parcel 403-23-104X which was unanimously approved. This application, made on behalf of Atlantic Development, will move to the Town Council's agenda for March. The developer is planning to build multi-family housing on this parcel, in part, with Low Income Tax Credit grants.

Board of Adjustment & Appeals (BOA): Canceled, no business in February.

Pending (possible) Upcoming Projects: Development Review was completed for Pete & Debbie Roulette to develop a U-Sell Car Lot on their property located at 115 S. Montezuma Castle Highway.

Two additional Development Review applications were received; one for the expansion and full development of an M1 parcel growing marijuana, a second for a new retail store. Coordination also continues working with Alcantara Resort to submit for a Zoning Map Change in the near future.

March 2022:

Staffing & Office Expansion: Interviews for the vacant Permit Technician occurred this month. An offer was made to an excellent candidate who started in April. Office staff continue to reorganize, sort through old files and clean-out long stuffed cabinets, shelves and files.

Staff, Board of Adjustment and Planning & Zoning members attended the annual Ombudsman training regarding open meeting law sponsored by the Clerk's Office.

Planning & Zoning (P&Z) Commission: Two neighborhood meetings took place for property owners considering applying for a re-zone of their property. Alcantara Winery, one of those property owners, submitted for a re-zone of all 5 of their parcels to rezone from RR-2A and PAD to C2-PAD. This re-zone public hearing was scheduled for the May Planning and Zoning Commission Calendar. On March 10th, the Commission met in a joint session with the Council to assist the staff with developing work priorities (referred to as the "Dot Exercise"). The results of this meeting are attached.

Board of Adjustment & Appeals (BOA): Canceled, no business in March, however, the office received an appeal application appealing the Town's position on feather/wind-blown signs being illegal within the Town. This public hearing is scheduled for the May BOA calendar.

Pending (possible) Upcoming Projects: There is LOTS of interest in 'adding' or developing small RV parks throughout the Town. Several times a week (sometimes several times a day!) someone walks into the office or calls the office with questions centered upon what it would take to install RV sites on their parcel and develop a small RV park. Often, these are smaller parcels, 1/2 – 2-acre size parcels looking to add 2-5 RV sites on their property. To date, no one has followed through on starting the process, but interest *is very high* by property owners looking to generate income through people living or staying long-term in RV's on their property.

Development Standard Review was done for the Tractor Supply and one of the Marijuana Cultivation sites.

Additionally, the office was contacted by a new company planning to develop a new large marijuana cultivation site along State Route 260 in the area of Old Highway 279.

The office received preliminary information that Verizon is looking to co-locate on one of the existing cell-towers.

Code Compliance

Our Code Compliance Officer has been very busy with incoming complaints, as well as closing outstanding cases. We were lucky to have Marshall Trahin in the department to assist Anthony Apodaca, while he was on light duty. During that time, we were able to close multiple cases.

In addition, Anthony has been working closely with other Code Compliance Officers in the Verde Valley to hold trainings and workshops.

Cases

January 2022:

Active cases: (120)

Closed Cases: (23)

New Cases: (61)

Proactive Enforcement: (41)

Reactive: (20)

Prosecution status:(5) (Closed 3 Prosecution cases)

February 2022:

Active cases: (142)

Closed Cases: (18)

New Cases: (55)

Proactive Enforcement: (39)

Reactive: (16)

Prosecution status:(5)

March 2022:

Active cases: (140)

Proactive Enforcement: (43)

Closed Cases: (45)

Reactive: (45)

New Cases: (43)

Prosecution status:(5)

Violations: (59)

Attachment B



Town of Camp Verde

Agenda Report Form – Section I

Meeting Date: Planning and Zoning Commission; Thursday, April 7, 2022

Consent Agenda Decision Agenda Executive Session Requested

Presentation Only Action/Presentation Work Session

Requesting Department: Community Development

Staff Resource/Contact Person: John Knight, Community Development Director

Agenda Title: After Action Report – Report by staff, discussion by Commission and possible direction on results of the Joint Planning and Zoning Commission/Council Meeting of March 10, 2022.

List Attached Documents: Summary of results from joint session

Estimated Presentation Time: 10

Estimated Discussion Time: 20

Reviews and comments Completed by:

Department Head: John Knight

Background and Summary: On March 10, 2022, the Planning and Zoning Commission, Town Council and the public, held a joint work session to assist in establishing priorities for “long range” planning projects. These are divided into two categories – “Minor” and “Major”. Minor projects are anticipated to be non-controversial, require a moderate amount of staff time, and can be accomplished in a period of months. Major projects will require significant staff time, extensive public outreach, outside consulting assistance, and may take more than a year to complete.

Minor Projects: Several of the Minor Projects could be combined into a single project. Staff recommends the following order.

1. **Minor Code Amendments** – The following could be combined into single update – MJ Cultivation, Land Uses by Zone, Fencing, PAD Submittals Requirements, Accessory Structure Setback, and Scrivener’s Errors.
2. **Fire Buffers and Weed Abatement**
3. **Reversionary Zoning**

Major Projects: Staff recommends the following order for Major Projects.

1. **Main Street Area Plan**
2. **RVs and Camping** – This could also include updates related to short-term rentals.
3. **Sign Ordinance Update**

Recommended Action (Motion): Provide input and discussion for staff consideration. Although not required, this could also include a motion to staff or a motion to council.

Results from Joint P&Z/Council Work Session on March 10, 2022

Category 1 - Minor Projects

Project	Description	Director Notes
Recreational Marijuana Cultivation	Update Town Code and Zoning Ordinance to bring into compliance with state law regarding cultivation of recreational marijuana	Would likely require minimal effort and would not be controversial. Could combine with other minor code amendments.
Short-Term Rentals	Bring into compliance with latest state law requirements and clarify what types of structures can be used for short-term rentals (no tents, RVs, non-habitable structures)	Could be a moderate amount of work. Should be combined with amendments related to camping and RVs.
Land Uses by Zone	Update/refine list of permitted and conditionally permitted uses in each zone. Update the Use Table and provide definitions for each of the various uses.	This may be able to be combined with other Code Amendments.
Fencing	<ul style="list-style-type: none"> - Allowance for fencing on vacant parcels. - Clarify how height is measured for fences that are also retaining walls. - Increase size of "clear vision triangle" on corner lots to allow improved visibility for drivers (currently 15'x15'); recommend 30'x30' 	Should be very little work and could be combined with other amendments.
Temporary Structure	Define "temporary Structure" and where they may be located on the property and if/when permits are required. Examples of temporary structures are shade structure "pop-ups" and temporary carports.	May not be a priority at this time.
Reversionary Zoning	Update ordinance to be consistent with State Law regarding Reversionary Zoning requirements. State Law allows jurisdictions to revert back to previous zoning if a project is not developed within a certain time frame.	Already allowed by state law but it would be beneficial to include provisions in the Zoning Code that are consistent with the state statutes.
Minor Land Division	Clean up language in Zoning Ordinance to remove 2.5-acre requirement for MLD. By policy, the Town has allowed smaller parcels to be divided into three lots.	This can be postponed and cleaned up later or added to other code amendments. Should be a minor change.
Modification and Exceptions	Allow minor modifications to setbacks, and possibly other standards by the Community Development Director. Add criteria and clarify what standards should be applied for nonconforming lots that are substantially smaller than allowed in the zoning district.	May require a moderate amount of effort. Could be postponed until later.
Fire Buffers/Weed Abatement	Add criteria and provisions to address fire buffers on large parcels. Update to bring into compliance with NFPA-Fire Wise Standards.	This may need to be addressed separately since it affects a significant number of large parcels.

<p>Parking Lot Paving</p>	<p>Currently, ordinance calls for paving, except with approval by Town Engineer. Need to identify when is gravel permissible vs. paved parking and provide criteria for administrative approval.</p>	<p>Can be postponed until later.</p>
<p>Refine-Define Accessory Structure Setbacks</p>	<p>Add and clarify setbacks for accessory structure. Currently, there is no rear setback identified in code. By policy, the town has been requiring 5' for a rear yard.</p>	<p>Could include with other code amendments.</p>
<p>Scrivener's Errors</p>	<p>Add language to allow approval by the Community Development Director to correct Scrivener Errors in the ordinance. These are essentially typographical errors.</p>	<p>Could include with other code amendments.</p>

Category 2 - Major Projects

Project	Description	Director Notes
<p style="text-align: center;">Area Plans</p>	<p>Develop individual plans that provide standards and incentives for development of the following areas:</p> <ul style="list-style-type: none"> - I-17/260 Corridor - Downtown/Main Street - Finnie Flat 	<p>Recommend picking one Area Plan to work on. These will require public meetings and workshops and graphic assistance from an outside consultant. There appears to be strong support for starting with the Main Street Area. This could then be expanded to Finnie Flat for the next Area Plan.</p>
<p style="text-align: center;">RVs and Camping</p>	<ul style="list-style-type: none"> -Identify how many allowed in a parcel -Include a definition of “RV Park” -Provide criteria for allowing under temporary use permit -Define when camping in RVs or tents is allowed and when it is prohibited. -Clarify RVs/tents cannot be used as short-term rentals. 	<p>This could be a higher priority than the Area Plans. Received about the same amount of votes. This is one of the most common complaints from neighbors and one of the biggest challenges for our Code Enforcement Division.</p>
<p style="text-align: center;">Update Sign Ordinance</p>	<p>Address A-Frame signs, temporary signs, temporary flags and banners and maximum height of pole signs.</p>	<p>Likely to be a significant effort involving local businesses, residents and property owners.</p>
<p style="text-align: center;">Verde Lakes Revitalization</p>	<p>Facelift for whole Verde Lakes area, including but not limited to:</p> <ul style="list-style-type: none"> -Sidewalks -Repaving -Zoning updates -Etc. 	<p>Although important to Verde Lakes residents, may not have as much town-wide support as an Area Plan for Main Street.</p>
<p style="text-align: center;">Water Use Plans for PAD/PUD and Subdivisions</p>	<p>Use or sale of excess water rights.</p>	<p>This is likely a significant effort in both time and expense. Would need to include Engineering assistance and legal assistance.</p>
<p style="text-align: center;">“Right to Farm” Provisions</p>	<p>Review and update farming and agriculture provisions in the code to ensure the continued use of agriculture land within Town limits. This may include incentives to ensure premature conversion of Ag Land to other uses.</p>	<p>Most of these provisions are currently in the Code but need to be consolidated into one area. This can be postponed until later.</p>
<p style="text-align: center;">Update PAD Provisions</p>	<p>Clarify what is required for a PAD submittal, add approval criteria, and update the PAD process to elimination redundancy in submittal requests.</p>	<p>Although it did not receive many votes, staff believes this should be a higher priority. May be able to combine with “minor” code revisions.</p>
<p style="text-align: center;">Landscaping/Buffering/ Screening Provisions</p>	<p>Clarify parking lot landscaping and buffering requirements. Clarify screening requirements; define requirements for screening dumpsters/trash collection via use, specifically multi-family, commercial and industrial.</p>	<p>May also be able to be combined with other code revisions.</p>

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Agenda Report Form – Section I

Meeting Date: Wednesday, May 4, 2022

- Consent Agenda Decision Agenda Executive Session Requested
- Presentation Only Action/Presentation Work Session

Requesting Department: Community Development

Staff Resource/Contact Person: John Knight, Director

Agenda Title: Discussion, consideration, and possible motion to approve long range planning priorities for the Community Development Department as discussed at the Joint Planning and Zoning Commission/Council Meeting of March 10, 2022.

List Attached Documents:

- Planning and Zoning Commission Staff Report from April 7, 2022
- Draft Minutes from Planning and Zoning Commission on April 7, 2022

Estimated Presentation Time: 5

Estimated Discussion Time: 5

Reviews and comments Completed by: **Department Head:** John Knight

Background Information: On March 10, 2022, the Planning and Zoning Commission, Town Council and the public, held a joint work session to assist in establishing priorities for “long range” planning projects. On April 7, 2022, staff presented a summary of recommended priorities to the Planning and Zoning Commission for discussion and additional direction. The staff report, attachments to the staff report, and minutes from the Planning and Zoning Commission meeting are attached for your review.

The projects are divided into two categories – “Minor” and “Major”. Minor projects are anticipated to be non-controversial, require a moderate amount of staff time, and can be accomplished in a period of months. Major projects will require significant staff time, extensive public outreach, outside consulting assistance, and may take more than a year to complete.

Minor Projects: Several of the Minor Projects could be combined into a single project. Staff recommends the following order.

1. **Minor Code Amendments** – The following could be combined into single update – MJ Cultivation, Land Uses by Zone, Fencing, PAD Submittals Requirements, Accessory Structure Setback, and Scrivener’s Errors.
2. **Fire Buffers and Weed Abatement**
3. **Reversionary Zoning**

Major Projects: Staff recommends the following order for Major Projects.

- 1. Main Street Area Plan**
- 2. RVs and Camping** – This could also include updates related to short-term rentals.
- 3. Sign Ordinance Update**

Recommended Action: Motion to approve long range planning priorities for the Community Development Department as discussed at the Joint Planning and Zoning Commission/Council Meeting of March 10, 2022.



Agenda Report Form – Section I

Meeting Date: Planning and Zoning Commission; Thursday, April 7, 2022

- Consent Agenda
- Decision Agenda
- Executive Session Requested
- Presentation Only
- Action/Presentation
- Work Session

Requesting Department: Community Development

Staff Resource/Contact Person: John Knight, Community Development Director

Agenda Title: After Action Report – Report by staff, discussion by Commission and possible direction on results of the Joint Planning and Zoning Commission/Council Meeting of March 10, 2022.

List Attached Documents: Summary of results from joint session

Estimated Presentation Time: 10

Estimated Discussion Time: 20

Reviews and comments Completed by:

Department Head: John Knight

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Recommended Action (Motion): Provide input and discussion for staff consideration. Although not required, this could also include a motion to staff or a motion to council.

Results from Joint P&Z/Council Work Session on March 10, 2022

Category 1 - Minor Projects

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Category 2 - Major Projects

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Draft Minutes

Town of Camp Verde – Planning and Zoning Commission Regular Session

473 S. Main Street, Suite 106 Thursday, April 7, 2022, at 6:30 P.M.

Zoom Meeting Link:

<https://us02web.zoom.us/j/82132413205?pwd=a0VoVENKUEVSeXVJZEVoYWpJbGFEZz09>

Phone: 669 900 9128 US (San Jose) or 253 215 8782 US (Tacoma)

Meeting ID: 821 3241 3205: **Passcode:** 364773

Commission members may attend Planning & Zoning Commission meetings either in person, or by telephone, video or internet conferencing. All Commission meetings will end at 9 PM; therefore, any remaining agenda items will be heard at the next Commission meeting.

- 1. **Call to Order-** Chairman Andrew Faiella called the meeting to order at 6:30 pm.
- 2. **Roll Call.** Chairman Andrew Faiella, Vice Chairman Todd Scantlebury, Greg Blue, Robert Foreman, William Tippett, Michael Hough, Ingrid Osses.

Others present; Director of Community Development John Knight via zoom, BJ Ratliff Planner, Dana Donahue transcriptionist, John Bradshaw CEO Alcantara Winery.

- 3. **Pledge of Allegiance-**the Pledge of Allegiance was led by Commissioner Osses.
- 4. **Consent Agenda** - All items listed below may be enacted upon by one motion and approved as Consent Agenda Items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of the Commission so requests.
 - a. **Approval of Minutes:** March 3, 2022
 - b. **Set Meeting Dates:**
 - April 14, 2022, at 6:30 pm (Special Session)
 - May 5, 2022, at 6:30 pm (Regular Session)
 - May 12, 2022, at 6:30 pm (Special Session)

Commissioner Blue moved to approve the consent agenda
A second was made by Vice Commissioner Scantlebury.

Roll call vote;
 Commissioner Ingrid Osses-aye
 Commissioner Michael Hough-aye
 Commissioner William Tippett-aye
 Chairman Andrew Faiella-aye
 Commissioner Greg Blue-aye
 Vice Chairman Todd Scantlebury-aye
 Commissioner Robert Foreman-aye
 Motion passes 7-0

5. **Call to the Public for items not on the agenda** - Residents are encouraged to comment about any matter not included on the agenda. State law prevents the Commission from taking any action on items not on the agenda, except to set them for consideration at a future date.

None

6. **Public Hearing, Discussion, Consideration of an application from John Bradshaw and Cyril Chiosa for a Zoning Map Change from PAD to C-2/PAD on approximately 87 acres. The purpose of the rezone is to allow development and expansion of the Alcantara Winery and Resort on property located at 3445 S. Grapevine Way in Camp Verde, Arizona -APNs 407-21-015A, C, E, G, and H (Recommendation to Table).** Staff Resource: John Knight

This item was tabled due to a clerical error. Director John Knight spoke via zoom. He told the group this item was tabled due to a clerical error. We are requesting to table this item and address it at a future date.

A motion was made by Vice Chairman Scantlebury to table agenda item 6.
Second was made by Commissioner Osses.

Roll call vote;

Commissioner Ingrid Osses-aye
Commissioner Michael Hough-aye
Commissioner William Tippet-aye
Chairman Andrew Faiella-aye
Commissioner Greg Blue-aye
Vice Chairman Todd Scantlebury-aye
Commissioner Robert Foreman-aye
Motion passes 7-0

7. **After Action Report** – Report by staff, discussion by Commission and possible direction on results of the Joint Planning and Zoning Commission/Council Meeting of March 10, 2022. Staff Resource: John Knight

Agenda item 7 was read by Ms. Ratlief.

Community Development Director John Knight (via zoom) reminded everyone of the joint meeting on March 10th and how we made an attempt to refine all the projects. He said we received good guidance on how to proceed. It is not the final say on what projects we are going to take on. Staff time dictates what we can and cannot do. Instead of throwing all 50 projects out, he has been asked to make a recommendation. We have included recommendations in the staff report. He has had discussions with several council members. We need discussion or recommendations on which projects to move on. We do not need a formal motion. We are not necessarily going to start these projects immediately.

Mr. Knight continued to say that staff has broken the projects down to two categories, the minor and the major projects. In the minor projects, the more he reviewed them the more he believed we can make them a single code amendment. Some of the projects are about the grow facilities. For example, in our code, we only refer to medical marijuana that never changed after the state law changed to allow marijuana for recreational use. We don't currently allow a dispensary and we don't distinguish from growing for recreational use and for medical use. We need to clean up a lot of the land uses that have not been updated in quite a while. Fencing is also another thing we need to clean up along with a setback for secondary structures and PAD submittals. A lot of the verbiage is unclear. Mr. Knight has listed

several items for review. Scriveners errors also need to be addressed. For example, setback is actually one word, not two.

We are going to start with the first two projects, we cannot do all three, we simply don't have enough resources to do that.

In terms of major projects, there seems to be strong support to pick one of the area plans, specifically the Main Street plan. If we do that, we may be able to expand it. There is a grant for the Montezuma Highway area as well, especially for infrastructure. If we get that money, we will be making some major infrastructure improvements for that area and the area along Finnie Flat.

He continued to say the town has a lot of trouble with people camping on town property and on private lots with and without permission. This is increasing dramatically. We would like to clean up a lot of the ordinances dealing with that. Another area we need to address is signage. People seem to be very concerned about the types of signs, size and structure of signs. This may be pretty time consuming and maybe something we can look at after the other two.

Mr. Knight went on to say we are looking for some input and direction from the commission. We don't need a formal motion unless you would really like to make one.

Chairman Faiella requested discussion. Vice Chairman Scantlebury said he thought the recommendations from the Community Development Department were sound.

Commissioner Osses spoke about the sign ordinance. She feels the sign ordinance is too restrictive. Her business neighbor was complaining about not being able to put up a sign to advertise his business. She feels some of the requirements the town is making will create a hardship for the business owners, such as paving driveways and streets. It is expensive for the business owners to adhere to these requirements. Where will the money come from? She states she spent a lot of money remodeling her building and now we need to spend more money? We need to be very concerned how much money we are asking people to spend.

Chairman Faiella asked how she would suggest we save money. Commissioner Osses stated we are not Florida; we can use rocks and gravel and desert landscaping. She had gone to Old Town Cottonwood and felt that there were too many pavers on the streets and no trees. We need to ask the business owners what they can afford. Chairman Faiella stated, you want business owners to have a choice? Not mandated. Commissioner Osses replied yes. You can do things through fines to get people to comply. It is too expensive for people to pave their parking lots. Make it look nice, but within reason. We need to ask the business owners what they can afford.

Vice Chairman Scantlebury told Commissioner Osses that it appears she really cares about what happens regarding the businesses. You know more about what business need and can afford, he said. There is a new council member that is also a business owner. Perhaps you can get together with her and discuss it? All of these are going to come before us and we are going to go through this as a group. We are going to do each of these through discussion. Your input will be very important regarding this issue.

Commissioner Foreman stated he felt the priorities revealed by the work session on March 10, were correct and we should approve their recommendations.

Chairman Faiella told the group we recommend staff to continue to move forward with the items as they were presented in the work session.

Commissioner Blue does not feel the Main Street downtown needs a government plan for private business. He also does not like the clear triangle and feels that 15 feet is more than adequate and feels that 30 feet is overreach. He does not support it.

The discussion was closed by Chairman Faiella.

- 8. Current Events** - Individual members of the Commission may provide brief summaries of current events and activities. These summaries are strictly for the purpose of informing the public of such events and activities. The Commission will take no discussion, consideration, or action on any such item, except that an individual Commission member may request an item be placed on a future agenda.

Mr. Knight states that we have a lot to do and not a lot of resources. He does not have enough time for the field trip that was planned. He spoke about the area plan. The area plan needs to be set up with business owners and citizens. It is up to the community to decide how things go.

Ms. Ratlief stated the first session of June is cancelled. There is no business for next week's meeting. It has been cancelled.

- 9. Staff Comments-none**

- 10. Adjournment**

Commissioner Foreman moved to adjourn. Second by Vice Chairman Scantlebury at 6:54 hours.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and accurate accounting of the actions of the Planning & Zoning Commission of the Town of Camp Verde during the Special Session of the Planning & Zoning Commission of the Town of Camp Verde, Arizona, held on the 7th day of April 2022. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 7th day of April 2022.

Dana Donahue
Dana Donahue, Recording Secretary

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Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: May 18th, 2022

- Consent Agenda
 Decision Agenda
 Executive Session Requested
 Presentation Only
 Action/Presentation
 Special Session

Requesting Department: Public Works

Staff Resource/Contact Person: Russ Martin/Dorie Blair

Agenda Title (be exact): Presentation on and then Discussion, Consideration and possible direction on the School Area Traffic Study conducted in partnership with the Camp Verde School District.

List Attached Documents:

- Final Draft Traffic Study

Estimated Presentation Time: 10 Minutes

Estimated Discussion Time: 15 Minutes

Reviews Completed by:

- Department Head:** Russ Martin
 Town Attorney – N/A

Finance Review: Budgeted Unbudgeted N/A

Finance Director Comments/Fund:

Fiscal Impact:

Budget Code: Amount Remaining:

Background Information: The final study is complete and the School and Town both need to review the recommendations and determine which if any of the recommendations are feasible and to what extent we are cooperating on cost of implementation.

Kimley Horn has attached the memo, the observations, then the study, recommendations and current estimates for the cost of implementation for the solutions. They recommend after discussions with staff both the Town and School District the following options to be implemented:

Options 1, 2 and 3A

Recommended Action (Motion) : Direct staff to work with the School District to identify final options and proposed cost sharing proposals for future formal consideration.

MEMORANDUM

To: Town of Camp Verde
From: Andrew Baird, PE
Kimley-Horn and Associates, Inc.
Date: May 6, 2022
Subject: School Traffic Study

This memorandum summarizes the observations made during the site visit to the Camp Verde School Campus (Elementary, Middle School, and High School), located on the northwest corner of North Montezuma Castle Highway and Camp Lincoln Road. Observations occurred during a regular weekday morning, on Thursday, October 7th, 2021, observing regular school drop-off at the Elementary School. The following expands on observations made during the morning student drop-off, including existing geometry within the study area, queueing, traffic distribution, safety, and preliminary recommendations based on the data collected. The document also identifies recommendations to improve traffic and safety conditions during elementary school drop-off and pick-up at the school driveway and Camp Lincoln Road and the intersection of Montezuma Castle Highway and Camp Lincoln Road.

Existing Conditions

INTERSECTION OF MONTEZUMA CASTLE HIGHWAY & CAMP LINCOLN ROAD

Existing Geometry

The intersection of North Montezuma Castle Highway & Camp Lincoln Road is the main into Camp Verde Elementary School. The intersection is currently unsignalized, with a striped 30' two-lane roadway on Camp Lincoln Drive and a two-lane roadway with a two-way left turn lane and southbound right turn lane on North Montezuma Castle Highway. Intersection geometry is shown in the figure on the following page.

Southbound Right Turn Lane. The existing right turn lane on to Camp Lincoln Road has a storage length of 190 feet. There is an 11' shoulder between the right turn lane and sidewalk.

Northbound Left Turn Lane. The existing left turn lane on to Camp Lincoln Road has a storage length of 160 feet.



Queue Observations



Figure 1. Inbound & Outbound queues looking toward Montezuma Castle Hwy on Camp Lincoln Rd

North Montezuma Castle Highway

Northbound left-turn queue reached a maximum of 3-4 vehicles. No queuing observed outside the dedicated left turn lane

Southbound right-turn traffic on to generally free flow. No Queuing outside the dedicated right turn lane.

North and Southbound through were not impacted by queuing in intersection nor queuing from Camp Lincoln.

Camp Lincoln Road

Westbound (inbound) queueing extended from the entrance driveway to Montezuma Castle but did not impact north and southbound through traffic at the intersection.

Eastbound (outbound) queue on Camp Lincoln Road at the intersection had an average of 5 vehicles waiting to make a right turn onto North Montezuma Castle Highway. There were periods where traffic backed up to the school driveway. This is shown in Figures 1 and 2. The highest outbound queue was observed 18 minutes after drop-off began, with approximately 9-10 cars exiting on to North Montezuma Castle Highway. This large queue was due to a vehicle making a left turn on to Montezuma Castle Highway, impeding all traffic exiting on to North Montezuma Castle Highway until the movement was completed.



Figure 2. Eastbound Queue at Montezuma Castle Hwy & Camp Lincoln Rd

Safety Observations

During observation at the intersection of North Montezuma Castle Highway & Camp Lincoln Road, it was noted that the southbound right-turning movement onto Camp Lincoln Road is almost blind due to the grade change and the wall to the west, as shown in Figure 3. Vehicles turning right may not have proper sight distance to observe other movements at the intersection. Should westbound queue from the school driveway and Camp Lincoln Road extend to Montezuma Castle Highway, the lack of sight visibility for vehicles turning right on to Camp Lincoln Drive may cause a conflict.



Figure 3. Sight-Distance at North Montezuma Castle Hwy & Camp Lincoln Rd Looking Northbound

Key Findings & Recommendations for the Montezuma Castle Highway & Camp Lincoln Road

- Due to the wall just west of the southbound right-turn lane, vehicles turning right on to Camp Lincoln Road do not have appropriate sight distance to see if vehicles are queued near the intersection.
- Eastbound movements from Camp Lincoln Road turning on North Montezuma Castle Highway, may be delayed due to left turn movements
 - A dedicated right turn lane will alleviate this problem

INTERSECTION OF CAMP LINCOLN ROAD & CAMP VERDE ELEMENTARY SCHOOL

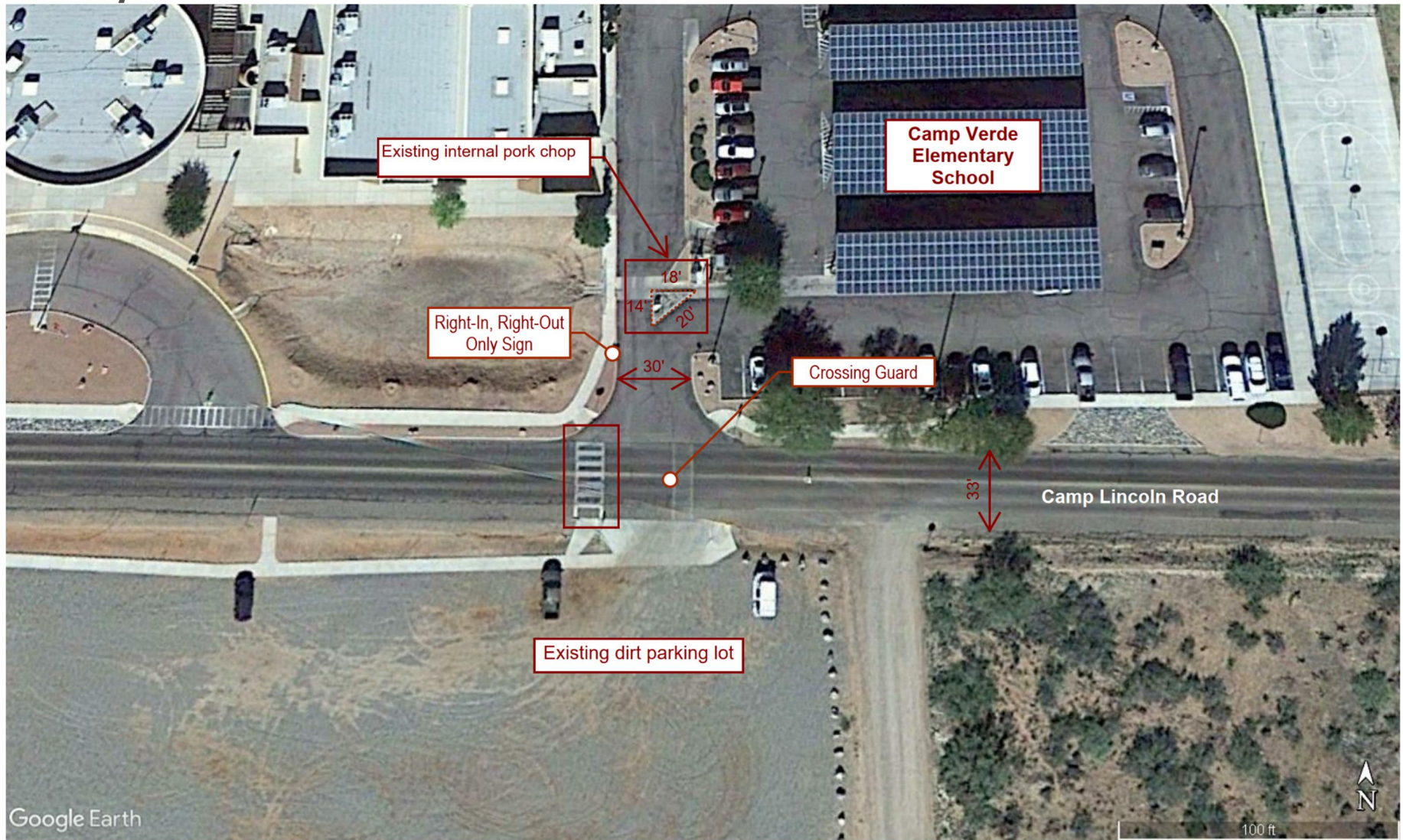
Existing Geometry

Camp Lincoln Road and Camp Verde Elementary School’s driveway is comprised of a striped two-lane roadway with no median along Camp Lincoln Road. There are no dedicated turn lanes on Camp Lincoln Road. The school driveway has an internal pork chop that forces all inbound traffic to circulate counterclockwise through the drop off area. Egress at the driveway is regulated by signage at the intersection to have a right-in, right-out movement only during morning drop off hours however the driveway geometry does not support the signage. The signage is ignored as it is controlled by a crossing guard.



Figure 4. Right-In, Right-Out Signage at School Driveway

Additionally, vehicles are also using the intersection to access the dirt lot south of the intersection where a crosswalk is also present, connecting the dirt lot to the school campus.



Queue Observations

AM DROP-OFF

It was observed that the queue in the parking lot was at full capacity at approximately 7:08 AM, 7 minutes before the school allows drop-off to begin (7:15 AM). At the time school drop-off officially began nine (9) vehicles were in queue on Camp Lincoln Road to turn right into the elementary school. The maximum queue observed in one given direction at the school entrance and Camp Lincoln Road was ten (10) vehicles from the westbound direction making a right turn (7:22 AM), and again at 7:10 AM with the highest amount of vehicles stored in both directions (eastbound left and westbound right) in all directions on Camp Lincoln Road. Observed queues are shown in Figures 5 and 6.



Figure 5. Queue at School Driveway from Eastbound View, Just west of the intersection



Figure 6. Queue at School Driveway from the Westbound View, Just west of the intersection

Egress queue lengths exiting the school were highest at 7:42, 3 minutes before school begins, with a queue of nine (9) vehicles in line to exit.

Queues at the school driveway intersection are shown below, separated by ingress eastbound left and ingress westbound right queue on Camp Lincoln Road.

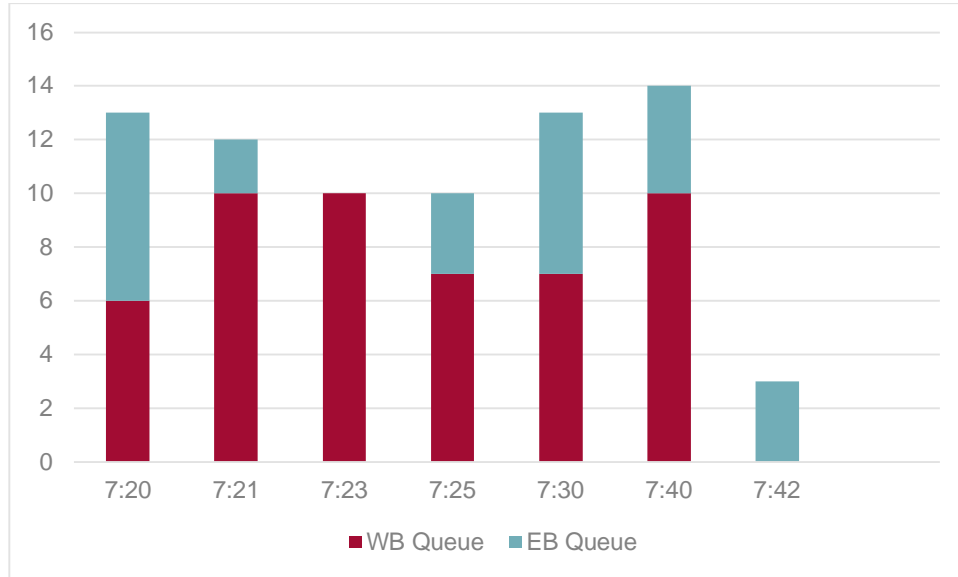


Figure 7. Queue at the School Driveway by Direction and Time

Traffic Distribution

Overall, the ingress distribution at the school entrance was most commonly higher in the westbound direction, coming from Montezuma Castle Highway. The average distribution of vehicles at the intersection was approximately 60% from the westbound direction and 40% coming from the eastbound direction.

During the observation period, the estimated distribution of the westbound, eastbound, and southbound movements is shown below. Vehicles approaching the intersection from the westbound (Montezuma Castle Highway) direction were more likely to turn right into the school than continue through on Camp Lincoln Road. Vehicles approaching from the eastbound direction were more split in movement distribution, with approximately 52% turning left into the elementary school and 48% continuing straight to N Montezuma Castle Highway. When exiting the school parking lot, it was most common for vehicles to make a left turn on to Camp Lincoln Road (with the aid of the crossing guard) even though this movement is prohibited by signage. This high number of left-turning vehicles exiting the school causes a significant conflict point between the crossing guard and the turning vehicles.

Table 1.Observed Traffic Distribution

Direction	Right-Turn	Through	Left-Turn
Westbound	72%	26%	2%
Eastbound	0%	48%	52%
Southbound (Exiting)	16%	0%	84%

PM PICK-UP

The queue in the parking lot at pick-up time starts at 2:00 PM, 45 minutes before the 2:45 PM dismissal bell. There is approximately space for 22 cars to queue in the parking lot before it extends into Camp Lincoln Road. At 2:30 PM, queuing extends to Montezuma Castle Highway but, similar to the AM drop-off, does not appear to extend into the intersection. It was observed that cars not waiting in line for student pick up will drive in the wrong lane to go around the queue and continue through in the westbound direction.

A significant number of parents choose to park in the lot on the south side of Camp Lincoln Road and walk to the school entrance to pick up their student.

Prior to dismissal, staff walks car to car to get the names of students for pick up. This starts around 2:15 PM and finishes around 2:30 PM, at which point staff all return to the main entrance to prepare for the dismissal bell. Number cards (1-5) are used to guide parents to different locations in the parking lot to pick up their student on the sidewalk. There is a time delay in staff walking to the pick up car in the lot, calling (via radio) to the staff member at the entrance to walk the student to the car.

There is no crossing guard or traffic control in the PM hour due to the limited number of through traffic coming from the west (ie No AM commuters). The Camp Lincoln Road and School Entrance intersection is not nearly as congested in the PM hour primarily due to the almost free flow left turn exits due to limited traffic from the west. The main source of the queuing is the time it takes to identify, locate and load students into the pick-up vehicles.



Figure 8 - Car traveling wrong way to bypass queue

Safety Observations

Vehicle Safety.

The internal pork-chop significantly limits the driveway width, making it difficult for larger vehicles to turn in to the school parking lot without encroaching in the outbound lane. This creates an additional hazard for vehicles exiting the school. Because of this difficult turning radius, vehicles exiting the school commonly wait behind the pork chop to avoid the possibility of collision with an inbound vehicle. This reduces the vehicles storage within the parking lot for drop off at a given time and restricts free-flow entering and exiting movements to occur simultaneously. When present the crossing guard stops all inbound traffic to allow outbound traffic to clear and vice versa. The existing driveway configuration is shown below.



Figure 9. Ingress Traffic at Driveway



Figure 10. Egress Traffic at Driveway

During typical operations with a crossing guard, vehicles are being directed toward their desired destination. Without the presence of the crossing guard, vehicles exiting would not be able to turn left out of the school due to the high number of vehicles and pedestrians at the intersection at any given time during school drop off.

Pedestrian Safety.

It was observed that many vehicles park in the dirt lot across the street from the school and use the crosswalk to walk their child into school. This adds pedestrian traffic to the intersection of Camp Lincoln Road and the elementary school. The pedestrian crossings are also managed by the crossing guard when present. If unmanaged pedestrians finding a gap in the traffic may cause delay or safety concerns.

Crossing Guard Safety.

The crossing guard controls all vehicular and pedestrian traffic at the intersection of the elementary school driveway and Camp Lincoln Road. In addition to controlling all traffic at the intersection, the crossing guard must also watch for buses to ensure that they are able to get through the intersection.

The existing intersection configuration leaves minimal space for the crossing guard to be safely separated from vehicles as they are controlling traffic. When controlling this many vehicles at once, the current intersection configuration causes a high risk of injury for the crossing guard due to the high exposure to vehicles.

Key Findings & Recommendations for the School Driveway & Camp Lincoln Road

- Due to the high number of vehicles in the westbound approach making a right-turn into the school driveway, the addition of a right-turn lane into the school may be beneficial to improving westbound queue as well as make traffic easier to control for the crossing guard.
- The current internal pork chop limits the space for ingress and egress vehicles, it may be beneficial to remove or reconfigure the pork chop to widen the driveway throat width.
- The safety of pedestrians and especially the crossing guard is a concern at the intersection. Safety mitigation should be considered to improve safety by possibly decreasing traffic at the intersection or providing a buffered space separate from vehicles for the crossing guard to guide traffic.
- If desired to eliminate the need of the crossing guard, it may be beneficial to reinforce the right in / right out signage.

Recommendations

The following outlines recommendations to improve traffic conditions for Camp Verde Elementary School at the school driveway & Camp Lincoln Road and the intersection of Montezuma Castle Highway & Camp Lincoln Road based on the observed conditions of the intersections and discussions with key stakeholders.

Recommendations are comprised of five ‘options’ that are recommended to improve traffic conditions. All improvement options are shown in **Attachment A**. Associated cost estimates with each option are in **Attachments B-F**.

Option 1: New Right-Turn Lane at School Driveway & Camp Lincoln Road

Implementation of a westbound right-turn lane into the school driveway is meant to increase vehicle storage for traffic turning right into the school driveway. The recommended right-turn lane design is 12-feet wide and can store 10 vehicles. Vehicle queues to the east of the school driveway on Camp Lincoln Road should be reduced. Westbound through traffic on Camp Lincoln Road can also get through the intersection with less impact by traffic turning right into the school. The new right-turn lane is shown in **Figure 11**.

The associated cost estimate for Option 1 is \$111,850 and is shown in **Attachment B**.

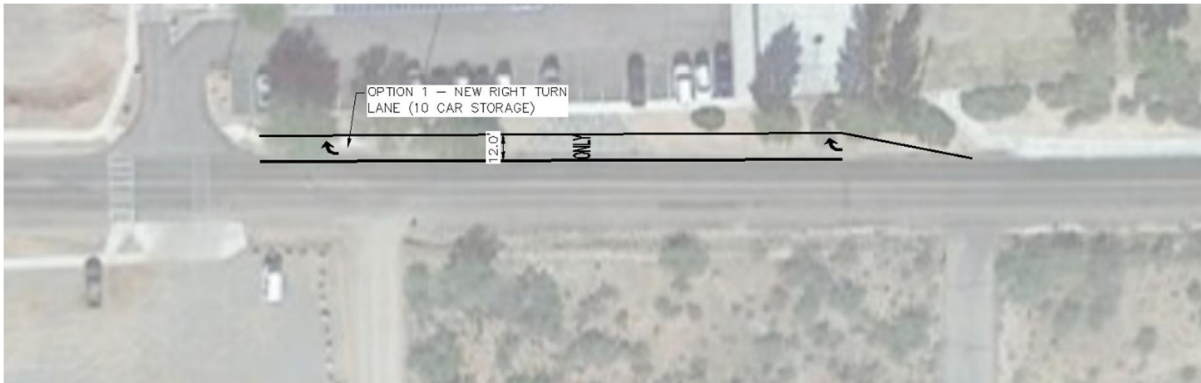


Figure 11. Option 1

Option 2: New Right-Turn Lane at Montezuma Castle Highway & Camp Lincoln Road

The addition of an eastbound right-turn lane at the intersection of Camp Lincoln Road and Montezuma Castle Highway is intended to limit vehicle queue at the intersection and allow vehicles turning right to move through the intersection more easily. The separate right and left turn lanes span 12 feet each, with the westbound lane reducing to an 11-foot width. The right-turn lane provides 3 vehicles of storage. The new right-turn lane design is shown in **Figure 12**.

Construction of the new right-turn lane is estimated to cost \$116,963. The cost estimate for Option 2 is shown in **Attachment C**.

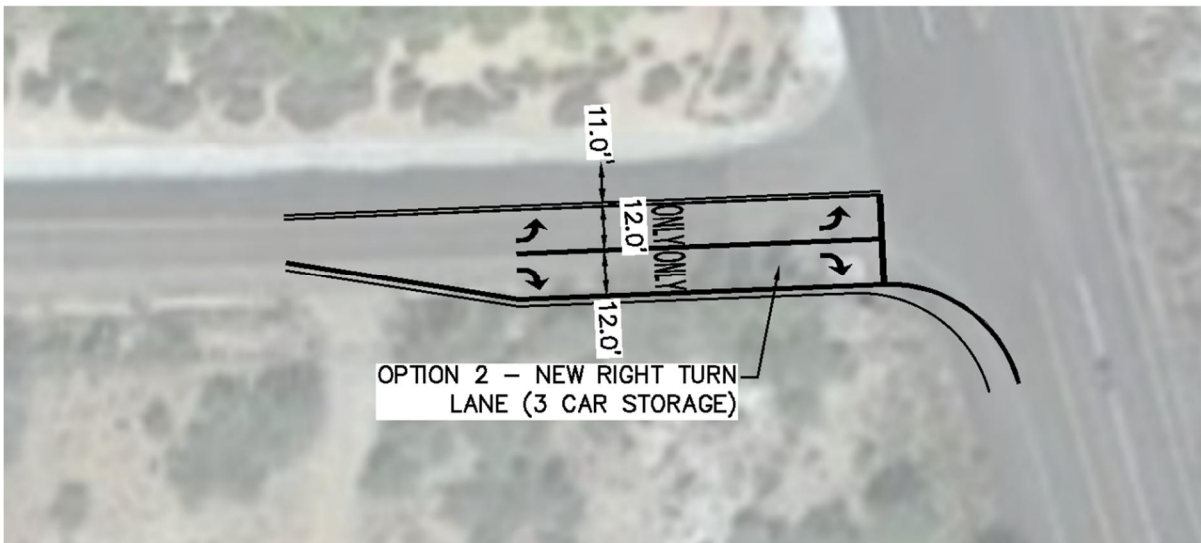


Figure 12. Option 2

Option 3: Curb Reconfiguration at School Driveway

Two recommendations are made to address the traffic circulation existing the school driveway at Camp Lincoln Road. This includes reconfiguration of the school driveway to prohibit left turns onto Camp Lincoln Road and reuse of the existing parking lot to the south of Camp Lincoln Road as a one-way access road. Options A and B are shown in **Figure 13** below. It is estimated the recommended improvements will cost \$112,426 and \$177,680 for Options A and B, respectfully. The cost estimate for Option 3 is below in **Attachment D**.

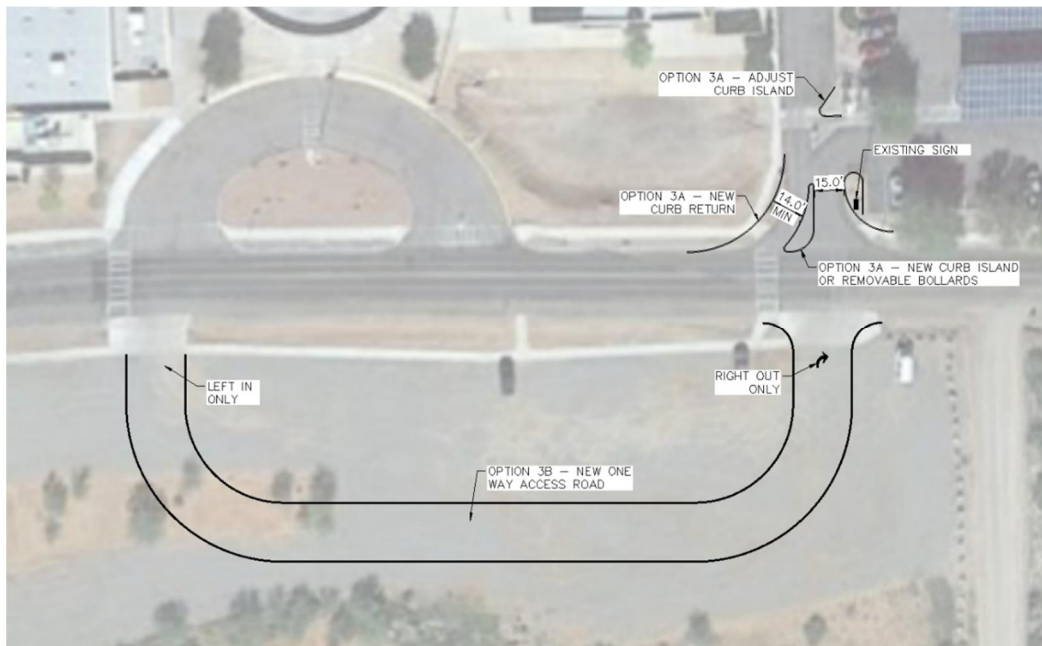


Figure 13. Option 3

Option A: Curb Reconfiguration at the School Driveway

Reconfiguration of the school entrance is recommended to increase space and safety for vehicles. New curb return along the driveway and a curb island are recommended. The curb island may either permanent or with removable bollards. The improved driveway configuration is recommended to have a 15-foot northbound lane and a minimum width of 14-feet for the southbound lane. These improvements will allow vehicles to have a wider turning radius when turning into the driveway and reduce conflicts with vehicles exiting in the southbound direction.

Option B: New One-Way Access Road

The proposed one-way access would be implemented if the school driveway were to be limited to right-in right-out. The new access road would allow vehicles wanting to exit to Camp Lincoln Road in the eastbound direction to make a left on to the new access road and loop back east of the school driveway intersection to turn right on to Camp Lincoln Road.

This recommendation would allow for right-in-right-out configuration at the school driveway without limiting exiting traffic from accessing the intersection of Camp Lincoln Road and Montezuma Castle Highway.

Option 4: Eastbound Left-Turn Lane at Camp Lincoln Road & School Driveway

Implementation of a left-turn lane on Camp Lincoln Road into the school driveway provides eastbound access to the school driveway without limiting vehicles continuing straight in the eastbound direction from moving through the intersection. Vehicles will be able to turn left into the school when appropriate. Removable bollards are also recommended with this improvement to prohibit left turns into the school when traffic control is needed.

The designed left turn lane can store 4 vehicles. The left-turn lane is 12-feet wide and will result in the through lanes on Camp Lincoln Road to be 11-feet wide.

The recommended improvement is shown in **Figure 14**. The associated cost is estimated to be \$193,261. Cost estimates for this improvement are shown in **Attachment E**.

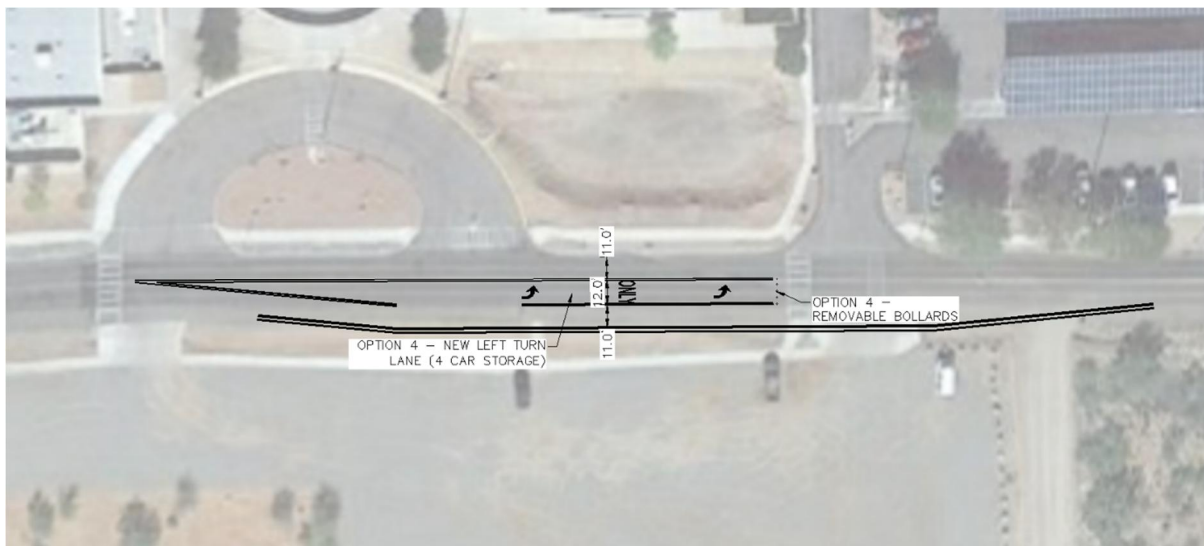


Figure 14. Option 4

Option 5: Student Loading Zone Improvements

On-site improvements are recommended to progress the afternoon pick-up process. Relocating student pick-up to the basketball courts, located to the south of the site, will allow for students to be picked-up quicker rather than waiting for vehicles to make it through the queue at the existing pick-up location. The addition of a canopy or shade structure will allow for students to safely wait for parents at this location.

The recommended improvements are expected to cost \$47,500. Cost estimates for this improvement are in **Attachment F**.



Figure 15. Option 5

Summary of Recommended Solutions

From the observed existing traffic and safety conditions, five improvements are recommended in two phases. Phase 1 should consist of Options 1, 2 and 3A. Upon Phase 1 completion and operation, the school and Town of Camp Verde shall monitor the improvements to determine if Phase 2 (Options 3B, 4 and 5) should be implemented.

Each improvement and the associated cost are summarized in **Table 2** below.

Table 2. Recommendations Summary

<i>Option</i>	Description	Cost
<i>Option 1</i>	New right-turn lane at school driveway & Camp Lincoln Rd	\$111,850
<i>Option 2</i>	New right-turn lane at Montezuma Castle Hwy & Camp Lincoln Rd	\$116,963
<i>Option 3</i>	Option A: Curb Reconfiguration at School Driveway	\$112,426
	Option B: New One-Way Access Road	\$177,680
<i>Option 4</i>	Eastbound Left-Turn Lane at Camp Lincoln Road & School Driveway	\$193,261
<i>Option 5</i>	Student loading zone improvements	\$47,500



CAMP VERDE SCHOOL TRAFFIC STUDY SITE PLAN



THIS DOCUMENT, TOGETHER WITH THE CONCEPTS AND DESIGN PRESENTED HEREIN, IS AN INSTRUMENT OF SERVICE, IS PREPARED ONLY FOR THE SPECIFIC PURPOSE AND CLIENT FOR WHICH IT WAS PREPARED. REUSE OF AND IMPROPER RELIANCE ON THIS DOCUMENT WITHOUT WRITTEN AUTHORIZATION AND ADAPTATION BY KIMLEY-HORN AND ASSOCIATES, INC. SHALL BE WITHOUT LIABILITY TO KIMLEY-HORN AND ASSOCIATES, INC. COPYRIGHT KIMLEY-HORN AND ASSOCIATES, INC. 2021

ATTACHMENT B

Camp Verde School Traffic Study
 Roadway Improvements
 Engineers Opinion of Probable Cost
 Option 1



	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1 SITE IMPROVEMENTS					
1.1	Remove Existing Pavement	SY	85	\$ 8.00	\$ 680.00
1.2	Remove Existing Concrete Hardscape	SY	73	\$ 10.00	\$ 730.00
1.3	Salvage and Relocate Existing Sign	EA	3	\$ 500.00	\$ 1,500.00
					\$ 2,910.00
2 ROADWAY IMPROVEMENTS					
2.1	4" Asphalt Concrete Pavement	SY	480	\$ 30.00	\$ 14,400.00
2.2	Aggregate Base Course, 6"	SY	480	\$ 16.00	\$ 7,680.00
2.3	Subgrade Preparation, 8"	SY	480	\$ 3.00	\$ 1,440.00
2.4	Thermoplastic Pavement Marking	EA	3	\$ 50.00	\$ 150.00
2.5	6" Vertical Curb and Gutter, MAG Std. Dtl. 220-1, Type 'A'	LF	100	\$ 30.00	\$ 3,000.00
2.6	6" Solid White Stripe	LF	270	\$ 1.00	\$ 270.00
2.7	New Traffic Sign and Post	EA	1	\$ 500.00	\$ 500.00
					\$ 27,440.00
Subtotal Construction:					\$ 30,350.00
3 MISCELLANEOUS					
3.1	Mobilization, Bond, Insurance	LSUM	1	\$ 20,000.00	\$ 20,000.00
3.2	Construction Staking	LSUM	1	\$ 5,000.00	\$ 5,000.00
3.3	Environmental Control Measures	LSUM	1	\$ 3,000.00	\$ 3,000.00
3.4	Traffic Control	LSUM	1	\$ 5,000.00	\$ 5,000.00
3.5	Quality and Testing Control	LSUM	1	\$ 6,000.00	\$ 6,000.00
3.6	Design	LSUM	1	\$ 7,500.00	\$ 7,500.00
3.7	Construction Administration	LSUM	1	\$ 10,000.00	\$ 10,000.00
3.8	Contract Allowance	LSUM	1	\$ 25,000.00	\$ 25,000.00
					\$ 81,500.00
Subtotal Miscellaneous:					\$ 81,500.00
Total Costs:					\$ 111,850.00

ATTACHMENT C

Camp Verde School Traffic Study
 Roadway Improvements
 Engineers Opinion of Probable Cost
 Option 2



	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1 SITE IMPROVEMENTS					
1.1	Remove Existing Pavement	SY	32	\$ 8.00	\$ 256.00
1.2	Salvage and Relocate Existing Stop Sign, ADOT Std Det S-3	EA	1	\$ 500.00	\$ 500.00
1.3	Salvage and Relocate Existing Sign	EA	1	\$ 500.00	\$ 500.00
1.4	Remove/Relocate Storm Drain Inlet	EA	1	\$ 4,500.00	\$ 4,500.00
					\$ 5,756.00
2 ROADWAY IMPROVEMENTS					
2.1	4" Asphalt Concrete Pavement	SY	475	\$ 30.00	\$ 14,250.00
2.2	Aggregate Base Course, 6"	SY	475	\$ 16.00	\$ 7,600.00
2.3	Subgrade Preparation, 8"	SY	475	\$ 3.00	\$ 1,425.00
2.4	Thermoplastic Pavement Marking	EA	6	\$ 50.00	\$ 300.00
2.5	6" Solid Double Yellow Stripe	LF	310	\$ 1.00	\$ 310.00
2.6	18" Single White Stripe	LF	24	\$ 1.00	\$ 24.00
2.7	6" Solid White Stripe	LF	298	\$ 1.00	\$ 298.00
2.8	New Traffic Sign and Post	EA	2	\$ 500.00	\$ 1,000.00
					\$ 25,207.00
					\$ 30,963.00
3 MISCELLANEOUS					
3.1	Mobilization, Bond, Insurance	LSUM	1	\$ 20,000.00	\$ 20,000.00
3.2	Construction Staking	LSUM	1	\$ 5,000.00	\$ 5,000.00
3.3	Environmental Control Measures	LSUM	1	\$ 5,000.00	\$ 5,000.00
3.4	Traffic Control	LSUM	1	\$ 7,500.00	\$ 7,500.00
3.5	Quality and Testing Control	LSUM	1	\$ 6,000.00	\$ 6,000.00
3.6	Design	LSUM	1	\$ 7,500.00	\$ 7,500.00
3.7	Construction Administration	LSUM	1	\$ 10,000.00	\$ 10,000.00
3.8	Contract Allowance	LSUM	1	\$ 25,000.00	\$ 25,000.00
					\$ 86,000.00
					\$ 116,963.00



	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1 REMOVALS - OPTION 3A					
1.1	Remove Existing Pavement	SY	292	\$ 8.00	\$ 2,336.00
1.2	Remove Existing Concrete Hardscape	SY	35	\$ 10.00	\$ 350.00
1.3	Salvage and Relocate Existing Stop Sign, ADOT Std Det S-3	EA	1	\$ 500.00	\$ 500.00
1.4	Salvage and Relocate Existing Sign	EA	2	\$ 500.00	\$ 1,000.00
1.5	Relocate Existing Fire Hydrant	EA	1	\$ 2,000.00	\$ 2,000.00
					\$ 6,186.00
2 ROADWAY IMPROVEMENTS - OPTION 3A					
2.1	4" Asphalt Concrete Pavement	SY	260	\$ 30.00	\$ 7,800.00
2.2	Aggregate Base Course, 6"	SY	260	\$ 16.00	\$ 4,160.00
2.3	Subgrade Preparation, 8"	SY	260	\$ 3.00	\$ 780.00
2.4	6" Vertical Curb and Gutter, MAG Std. Dtl. 220-1, Type 'A'	LF	250	\$ 30.00	\$ 7,500.00
2.5	New Traffic Sign and Post	EA	1	\$ 500.00	\$ 500.00
					\$ 20,740.00
3 ROADWAY IMPROVEMENTS - OPTION 3B					
3.1	4" Asphalt Concrete Pavement	SY	1,870	\$ 30.00	\$ 56,100.00
3.2	Aggregate Base Course, 6"	SY	1,870	\$ 16.00	\$ 29,920.00
3.3	Subgrade Preparation, 8"	SY	1,870	\$ 3.00	\$ 5,610.00
3.4	Thermoplastic Pavement Marking	EA	1	\$ 50.00	\$ 50.00
3.5	New Traffic Sign and Post	EA	1	\$ 500.00	\$ 500.00
					\$ 92,180.00
Subtotal Construction - Option 3A:					\$ 26,926.00
Subtotal Construction - Option 3B:					\$ 92,180.00
4 MISCELLANEOUS					
4.1	Mobilization, Bond, Insurance	LSUM	1	\$ 20,000.00	\$ 20,000.00
4.2	Construction Staking	LSUM	1	\$ 5,000.00	\$ 5,000.00
4.3	Environmental Control Measures	LSUM	1	\$ 3,000.00	\$ 3,000.00
4.4	Traffic Control	LSUM	1	\$ 5,000.00	\$ 5,000.00
4.5	Quality and Testing Control	LSUM	1	\$ 7,500.00	\$ 7,500.00
4.6	Design	LSUM	1	\$ 10,000.00	\$ 10,000.00
4.7	Construction Administration	LSUM	1	\$ 10,000.00	\$ 10,000.00
4.8	Contract Allowance	LSUM	1	\$ 25,000.00	\$ 25,000.00
Subtotal Miscellaneous:					\$ 85,500.00
Total Costs - Option 3A:					\$ 112,426.00
Total Costs - Option 3B:					\$ 177,680.00

ATTACHMENT E

Camp Verde School Traffic Study
 Roadway Improvements
 Engineers Opinion of Probable Cost
 Option 4



	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1 SITE IMPROVEMENTS					
1.1	Remove Existing Pavement	SY	1,417	\$ 8.00	\$ 11,336.00
1.2	Remove Existing Concrete Hardscape	SY	350	\$ 10.00	\$ 3,500.00
1.3	Salvage and Relocate Existing Sign	EA	2	\$ 500.00	\$ 1,000.00
					\$ 15,836.00
2 ROADWAY IMPROVEMENTS					
2.1	4" Asphalt Concrete Pavement	SY	1,865	\$ 30.00	\$ 55,950.00
2.2	Aggregate Base Course, 6"	SY	1,865	\$ 16.00	\$ 29,840.00
2.3	Subgrade Preparation, 8"	SY	1,865	\$ 3.00	\$ 5,595.00
2.4	Thermoplastic Pavement Marking	EA	3	\$ 50.00	\$ 150.00
2.5	Removable Bollard	EA	5	\$ 500.00	\$ 2,500.00
2.6	6" Solid Double Yellow Stripe	LF	840	\$ 1.00	\$ 840.00
2.7	6" Solid White Stripe	LF	550	\$ 1.00	\$ 550.00
2.8	New Traffic Sign and Post	EA	1	\$ 500.00	\$ 500.00
					\$ 95,925.00
Subtotal Construction:					\$ 111,761.00
3 MISCELLANEOUS					
3.1	Mobilization, Bond, Insurance	LSUM	1	\$ 20,000.00	\$ 20,000.00
3.2	Construction Staking	LSUM	1	\$ 5,000.00	\$ 5,000.00
3.3	Environmental Control Measures	LSUM	1	\$ 3,000.00	\$ 3,000.00
3.4	Traffic Control	LSUM	1	\$ 5,000.00	\$ 5,000.00
3.5	Quality and Testing Control	LSUM	1	\$ 6,000.00	\$ 6,000.00
3.6	Design	LSUM	1	\$ 7,500.00	\$ 7,500.00
3.7	Construction Administration	LSUM	1	\$ 10,000.00	\$ 10,000.00
3.8	Contract Allowance	LSUM	1	\$ 25,000.00	\$ 25,000.00
					\$ 81,500.00
Subtotal Miscellaneous:					\$ 81,500.00
Total Costs:					\$ 193,261.00

ATTACHMENT F

Camp Verde School Traffic Study
 Roadway Improvements
 Engineers Opinion of Probable Cost
 Option 5



	ITEM DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1 SITE IMPROVEMENTS					
1.1	Shade Structure	EA	4	\$ 7,500.00	\$ 30,000.00
Subtotal Construction:					\$ 30,000.00
2 MISCELLANEOUS					
2.1	Mobilization, Bond, Insurance	LSUM	1	\$ 2,500.00	\$ 2,500.00
2.2	Construction Staking	LSUM	1	\$ 1,000.00	\$ 1,000.00
2.3	Environmental Control Measures	LSUM	1	\$ 2,000.00	\$ 2,000.00
2.4	Quality and Testing Control	LSUM	1	\$ 2,000.00	\$ 2,000.00
2.5	Construction Administration	LSUM	1	\$ 5,000.00	\$ 5,000.00
2.6	Contract Allowance	LSUM	1	\$ 5,000.00	\$ 5,000.00
Subtotal Miscellaneous:					\$ 17,500.00
Total Costs:					\$ 47,500.00

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Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: May 18, 2022

Consent Agenda Decision Agenda Executive Session Requested

Presentation Only Action/Presentation Special Session

Requesting Department: Administration

Staff Resource/Contact Person: Russ Martin

Agenda Title (be exact): Discussion, Consideration, and Possible Approval to amend the Public Works Director and Administrative Clerk Job Descriptions and Salary Classification Scale.

List Attached Documents:

1. Draft revised Job Descriptions

Estimated Presentation Time: 5 Minutes

Estimated Discussion Time: 10 Minutes

Reviews Completed by:

Department Head: Russ Martin

Town Attorney

Finance Review: **Budgeted** **Unbudgeted** **N/A**

Finance Director Comments/Fund:

Fiscal Impact: Estimated \$120,000 (new Town Engineer position with Wages/Benefits/Operations) Administrative Clerk had already been budgeted for 4th Quarter 2022.

Comments: Changing the Job Description that will potentially separate the job of Public Works Director from Town Engineer would incur the cost of two positions where only one is currently budgeted.

Background Information:

The Town currently needs additional staffing in Public Works to complete the ongoing operational oversight as well as the incoming growth. The Town Engineer position could be focused more by being separated from the PW Director to allow for better work with development and even our own projects that need engineering or an engineer review as well as they could work through updates to our standards.

Additionally, by not being required to assist in reviews and as much in project development the Director will be able to assist with other day to day departmental needs that currently rely on the Division Managers who also have difficulty getting to long term issues within their areas.

The Clerk's office is requesting to change the name of our assistant position to Administrative Clerk. This position as administrative clerk instead of executive assistant allows for certified credentialed training to transition into a form of a municipal clerk

The request simply separates the job descriptions, until Town Council considers reorganizational considerations the Town Engineer job can be still tied to the Director position.

Recommended Action (Motion):

Move to approve the new Public Works Director and Administrative Clerk job descriptions.



PUBLIC WORKS DIRECTOR / TOWN ENGINEER

Department:	Public Works	Revised Date:	August 2008 <u>May 2022</u>
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GENERAL PURPOSE: Under general supervision, directs the Public Works Department through effective planning, staff management, and resource allocation; assures the effective completion of Public Works projects, and compliance with state and Federal regulations, and Town policies and goals.

PRIMARY DUTIES AND RESPONSIBILITIES:

*The following duties **ARE NOT** intended to serve as a comprehensive list of all duties performed by all employees in this classification, only a representative summary of the primary duties and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.*

- Plans, coordinates, and directs Public Works Department operations including streets, storm water systems, drainage, traffic control, and engineering; serves as the principal advisor to the Town on Public Works programs and technical issues; develops and directs plans and policies to meet Town goals and objectives; identifies problems, interprets concerns, defines desired results, and develops solutions; determines scope and priorities of programs and special projects; develops and manages construction projects and contracts.
- Monitors department operations and evaluates programs and services to assure they are meeting the needs of the community; evaluates and analyzes issues, and recommends and implements solutions; interprets and explains Federal and state rules and regulations; develops, evaluates and implements department goals, objectives, policies and procedures; assures departmental activities are in compliance with all laws, policies, regulations, and goals.
- Evaluates local transportation system and regional transportation issues; develops and updates transportation plans, and assures effective communication and coordination of transportation planning issues and strategies with other departments and regional organizations.
- Represents the Public Works Department to other Town departments, elected officials and outside agencies; interprets and explains policies, procedures, rules and regulations; coordinates strategies to integrate services with other programs, departments and agencies; assures the integrity of the Public Works work products, processes and procedures; reviews technical documents for accuracy, completeness, and compliance with standards and practices; reviews status reports, and recommends appropriate actions.
- Reviews and approves contracts, agreements, plans and reports; manages the collection, analysis and reporting of operational data; assures effective communication of Public Works issues; monitors and reviews trends in regional civil engineering programs, and recommends operational and policy improvements; assures that appropriate services are provided.
- Directs the activities of the Department staff; plans, prioritizes and assigns tasks and projects; monitors work, develops staff skills, and evaluates performance; meets regularly with staff to discuss and resolve workload and technical issues; develops goals and priorities.

- Performs other related duties as assigned or required.

MANAGERIAL RESPONSIBILITIES:

Directly supervises managers and staff.

MINIMUM QUALIFICATIONS:

Education and Experience:

Bachelor's degree in Engineering, [Business Administration, Public Administration or similar](#), and seven year's [of management/supervisory](#) work experience in [construction/civil engineering](#) and project management, preferably in the public sector; OR an equivalent combination of education and experience.

Required Licenses or Certifications:

- Must possess State of Arizona Driver's license.
- ~~Registration as a Civil Engineer by the Arizona State Board of Technical Registration is required.~~

Required Knowledge of:

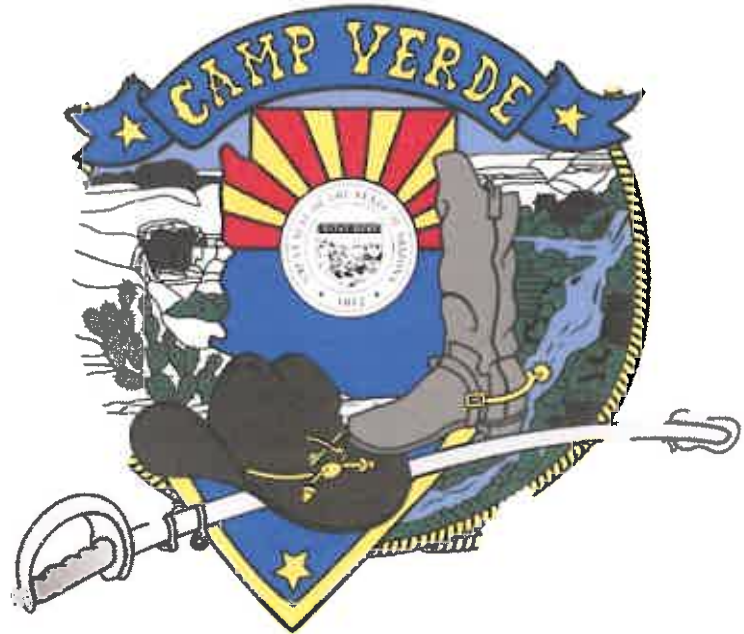
- Town policies and procedures.
- ~~Fundamentals of civil engineering, mathematics and physics.~~
- Principles of design, construction and maintenance of public works projects.
- Methods, materials and equipment used in public works construction, maintenance and repair.
- Principles and practices of government project management and contract compliance.
- Federal and state codes and regulations governing public works infrastructure.
- Principles and practices of administrative management, including personnel rules, cost accounting, budgeting, procurement, contract management, and employee supervision.
- Principles, practices and procedures of transportation and mass transit planning.

Required Skill in:

- Analyzing issues, evaluating alternatives, and making logical recommendations based on findings.
- Using initiative and independent judgment within established procedural guidelines.
- Interpreting and applying engineering standards and Federal and state regulations and procedures.
- Developing and implementing procedures for cost effective management of allocated resources.
- Analyzing and evaluating technical engineering data and construction documentation.
- Checking designs, details, estimates, plans, and specifications of engineering projects.
- Interpreting technical instructions and analyzing complex variables.
- Reviewing and verifying mathematical calculations.
- Assessing and prioritizing multiple tasks, projects and demands.
- Establishing and maintaining cooperative working relationships with City employees, officials, and representatives from other local, state and Federal agencies.
- Effectively supervising and leading staff, and delegating tasks and authority.
- Assessing Town needs and developing and promoting effective solutions.
- Maintaining accurate and interrelated technical and computerized records.
- Communicating clearly and concisely, both verbally and in writing.

Physical Demands / Work Environment:

- Work is performed in a standard office environment, and outdoors at Public Works job sites.



TOWN OF CAMP VERDE
 Established Date: Jan 1, 2020
 Revision Date: Jun 2, 2021

SALARY RANGE

\$18.00 - \$22.00 Hourly
 \$37,440.00 - \$45,760.00 Annually

GENERAL PURPOSE:

Under general supervision, performs a wide variety of administrative and office functions of a highly responsible nature. This position serves to provide customer service by dealing tactfully and courteously with public and staff of Town of Camp Verde, while upholding all policy.

The Administrative Clerk provides direct support to the Town Clerk, Town Manager, Mayor, and Council by coordinating meetings, events preparing reports, manuals, proclamations and various other documents.

This position requires exceptional customer service skills in responding to concerns from Town citizens and serving as liaison to Administrative Clerk responds to request from public officials in other governmental agencies and regional organizations.

The ideal candidate is strongly committed to the profession of local government, has a positive record of achievement and a history of building relationships with internal and external stakeholders. He or she will have the ability to earn respect and to foster innovative solutions through sound administrative practices.

PRIMARY DUTIES & RESPONSIBILITIES:

The following duties ARE NOT intended to serve as a comprehensive list of all duties performed by all employees in this classification, or and responsibilities. Incumbent(s) may not be required to perform all duties listed and may be required to perform additional, position-specific duties.

- Oversees Department administrative workflow; depending on area of assignment, applies specific knowledge of policies and procedure and applies judgment to resolving problems, analyzing data, and making decisions.
- Composes correspondence and other documents on a wide variety of subjects requiring knowledge of the procedures and policies; processes technical documents and other communications; maintains department files and database; collects and compiles statistical tracking systems; creates management reports; coordinates special projects and assignments; may administer grants and process applications; maintains technical and administrative records; researches records and computer databases; provides advice and assistance to Department on regulations; coordinates office activities, prioritizes and develop schedules in order to meet critical deadlines; maintains departmental calendar; coordinates and arranges meetings; reserves and arranges facilities; prepares agenda packets for Town Council and committee meetings.
- Assist in performing Deputy Town Clerk duties in her/his absence.
- Processes Business License Applications
- Provides information and assistance to visitors and customers; provides customer services and resolves complex customer service issues; screens and routes calls to appropriate individuals, takes and delivers messages.
- Receives and processes invoices, statements, and payment vouchers; monitors and evaluates expenditures and budget; orders supplies and maintains inventory.
- Responsible for maintenance and supplies of printer and postage machine.
- Distribution of incoming mail for all departments and council
- Maintains the absolute confidentiality of all records and information.
- Performs other related duties as assigned or required.

MANAGERIAL RESPONSIBILITIES:

None.

MINIMUM & PREFERRED QUALIFICATIONS:

Education and Experience:

Associates Degree (Preferred), High School Diploma, or GED.

Three (3) years of increasingly responsible clerical, office, and administrative work, including public contact, office support and computer support. Must include at least one of the following : office management, supervisory, or serving as the primary support for management at a division. A combination of education and experience.

Required Licenses or Certifications:

- Must possess State of Arizona Driver's license.
- Additional technical certifications and training may be required for some incumbents in this job class.

Knowledge of:

- Town Code.
- Policies, procedures, regulations, operations, and services of the assigned Department.
- Office administration processes and procedures, including accounting, budgeting and purchasing.
- Customer service standards and protocols.
- Record keeping and file maintenance principles and procedures.

Skill in:

- Must be experienced in the use of the following: Microsoft Word, PowerPoint, Excel, and Publisher
- Using initiative and independent judgment within established procedural guidelines.
- Interpreting a variety of technical instructions and program requirements.
- Assessing and prioritizing multiple tasks, projects and demands.
- Entering information into a computer system with speed and accuracy, and maintaining electronic records, files and databases.
- Preparing and writing reports and business correspondence.
- Operating standard office equipment, and a personal computer utilizing standard software.
- Establishing and maintaining effective working relationships with co-workers and the public.
- Providing effective customer service and dealing tactfully and courteously with the public.
- Communicating clearly and concisely, both verbally and in writing.

Physical Demands / Work Environment:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of the job. This classification involves work that requires:

- Work is performed in a standard office environment, with normal office noise.
- Physical demands may include sitting for extended periods of time and typing.
- Employee is regularly required to talk or hear. The employee is frequently required to sit; stand; walk; use hands to finger, handle or feel.
- Employee must occasionally lift and move up to 25 pounds.
- Specific vision abilities required by this job include close vision, distance vision, color vision, peripheral vision, depth perception and near vision.

This job description does not constitute an employment agreement between the employer and employee and is subject to change by the requirements of the job may change.



Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: May 18, 2022

- Consent Agenda
 Decision Agenda
 Executive Session Requested
 Presentation Only
 Action/Presentation
 Special Session

Requesting Department: Administration

Staff Resource/Contact Person: Russ Martin

Agenda Title (be exact): Discussion, Consideration, and Possible Direction to advertise for the position of Town Attorney.

List Attached Documents:

1. Final Draft Job Advertisement

Estimated Presentation Time: 5 Minutes

Estimated Discussion Time: 25 Minutes

Reviews Completed by:

- Department Head: Russ Martin
 Town Attorney

Finance Review: Budgeted Unbudgeted N/A

Finance Director Comments/Fund:

Fiscal Impact: Current Budget proposals include the minimum amount of this advertisement.

Comments:

Background Information:

A slightly revised version of the advertisement is included for any word revisions/changes once considered by Town Council staff would be looking for formal direction to advertise.

Recommended Action (Motion):

Move to direct staff to advertise and prepare a review process for potential applicants.

Job Title: Town Attorney - Contract Position

Closing Date/Time: First Review June 13th, 2022 Continuous

Salary: Hourly

Job Type: Attorney

Location: 473 S. Main Street, Suite 102, Camp Verde, Arizona

Department: Town Attorney

Part-time (approximately 16 hrs. per week) Town Attorney, Camp Verde, AZ (12,000 pop.) Anticipated starting wage 75-95/Hr. DOQ; The Town Attorney is appointed by and reports to the Town Council.

This position is a professional level position that Town Council expects to require approximately 16 hours per week with flexibility at any given time. The Town Council will expect to have the Town Attorney available for Town Council meetings that are normally 2 to 3 times a month in addition to office work. The Town is open to candidates or firms that can dedicate to Camp Verde the expertise needed from the Town Attorney. The Town seeks applicants who have municipal law or legal experience as an attorney with excellent communication skills. The position includes will be a contracted position working directly for the Town Council.

First review June 13th, open until filled. Submit cover letter/proposal, and resume to: Town of Camp Verde 473 S. Main Street, Suite 102, Camp Verde, AZ 86322, Attn: Town Council

About Us:

Town of Camp Verde, Arizona

A growing community that is a quiet, safe place to raise your children, with a small-town atmosphere, a friendly relaxed, no-pressure way of life where practically everyone knows each other. Additionally, we have wide-open spaces, the Verde River, a mild 4-season climate and panoramic views from the vistas above our valley.

Description of Position:

This position is appointed by the Town Council, and serves at their pleasure, under the general supervision of the Mayor. The Town Attorney works closely with the Council and Department Heads to provide overall legal advice concerning Town operations.

Duties:

- Ensures Town operations are consistent with applicable law
- Provides legal advice to Council and Staff on issues concerning the Town
- Reviews all pending litigation involving the Town and makes recommendations on the disposition
- Prepares and presents civil cases and litigation including administrative hearings
- Coordinates Town interaction with Town contract attorneys, if any
- Coordinates with AMRRP and assigned attorneys re: litigation
- Reviews contracts, agreements and other documents for legal sufficiency
- Prepares and administers budget and operations of office of the Town Attorney

Minimum Qualifications:

- Graduation from an American Bar Association accredited law school
- Admission to the State Bar of Arizona prior to the start of job duties
- Working knowledge of tools and procedures required to complete appropriate legal research
- Working knowledge of computers/keyboarding and Windows based software systems
- Ability to work and communicate effectively with a variety of people

Desired Qualifications:

- 1 year experience as an attorney with an Arizona county or municipality

Required Knowledge, Skills and Abilities:

- Excellent verbal and written communication skills
- Job requires exposure to extended periods of high stress and public/group contact

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Town of Camp Verde

Agenda Item Submission Form – Section I

Meeting Date: May 18, 2022

- Consent Agenda Decision Agenda Executive Session Requested
- Presentation Only Action/Presentation Special Session

Requesting Department: Administration

Staff Resource/Contact Person: Russ Martin

Agenda Title (be exact): Discussion, Consideration, and Possible Approval of up to \$40,000 from the CIP Fund to remodel the 300 Building at 395 S. Main for office space.

List Attached Documents:

Estimated Presentation Time: 5 Minutes

Estimated Discussion Time: 10 Minutes

Reviews Completed by:

Department Head: Russ Martin

Town Attorney

Finance Review: **Budgeted** **Unbudgeted** **N/A**

Finance Director Comments/Fund:

Fiscal Impact:

Comments: This would come from Fund Balance

Background Information:

The office space in the 300 Building has run out and with Finance not moving at this point the need to continue to remodel the area between the new offices just completed and conference room is necessary immediately to accommodate Phase 1 of a remodel plan for the 100 Building.

Staff is expecting to need to remodel the remaining areas over the next couple of years but will be presenting a plan for that this fall along with a greater plan for office needs for all departments. The remodel can be done mostly in house like the other two projects so the anticipated costs include mostly materials only with the expectation that items such as electricity will be done with our regular vendors as necessary per building code requirements.

Recommended Action (Motion):

Move to approve use of up to \$40,000 from the CIP Fund to complete remodel of 100 building for office use.