

**(Corrected) MINUTES
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
THURSDAY, MARCH 30, 2023 AT 5:30 P.M.**

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

1. Call to Order

- 2. Roll Call.** Council Members Jackie Baker, Wendy Escoffier (absent), Robin Godwin (absent), Cris McPhail, Jessie Murdock, Vice Mayor Marie Moore, and Mayor Dee Jenkins

Also Present. Interim Town Manager Gail Mabery, Finance Director Mike Showers, Assistant Clerk Jadie Edwards

- 3. Pledge of Allegiance** Vice Mayor Moore led the pledge of allegiance.

- 4. Presentation and Discussion with Council of FY24 department requested operational budgets including: General fund, HURF Fund, Wastewater fund and Water Fund.** Staff Resource: Mike Showers

Department Heads presented their operational budgets including General Fund, HURF Fund, Wastewater Fund and Water Fund.

Court-

Judge Gary Horton presented.

Judge Horton prepared a quarterly update and offered to answer specific questions on budget. The operational side of the court is regulated by the Supreme Court through the administration of courts. Through that, they were randomly selected for an operational review. There were minor findings, but nothing major, and they are glad to share these findings with Council.

Mayor Jenkins said findings are very common and should not be too much of a concern. Sometimes they are even suggestions. Judge Horton said he will view it as an opportunity to learn.

He commended the Town of Camp Verde for keeping a Court Supervisor in place for fifteen (15) years. He agreed with Mayor Jenkins about the findings being minor. He feels they have a tight grasp on their monies and where they go.

He thanked the Council for allowing them to create a Court Administration position. This

was very helpful to him when he was out.

They have hired security and are making sure she is properly armed. They used to utilize the Marshal's Office, but now they are paying for their own security. He finds this to be a positive change. Their big goal is to get the addition done on the Courthouse. Walking through the door will show anyone the concern of why they need to get it done. They are fully staffed, with a crew who works very well together.

Town Manager Gail Mabery mentioned, that though Judge Horton did not present anything budget related, Judge Horton is asking for a 3% increase when his contract is up December 31st.

Wastewater:

Utilities Director Jeff Low presented.

Utilities hired one additional wastewater operator and now they are fully staffed. He is not requesting any further staff. All job descriptions and wages have been updated for Wastewater Operators.

He's hoping to present a workshop to Council on 4/19/23 for wastewater and water fees. They want to look at actual use. After they complete the Town Wastewater Master Plan, they need to study capacity fees. It will help them have money to expand the collection system.

Wastewater Fund increases:

- Uniforms
- Postage
- Fuel
- Electric Cost
- Lab services for more water samples
- Chlorine
- ADQ Permits, which have gone up quite a bit
- Overall fees for maintenance to collection system

Councilor Murdock asked about the electric cost. She thought departments didn't pay their own electric bill.

Mr. Showers said that every department that's identifiable to a specific source has their own utility budget. So, yes, Wastewater has their own electric.

Mayor Jenkins brought up the solar out at the Wastewater. Why is electric looking the way it does when they have the solar?

Mr. Low said recently they've had some issues with their lift stations and having to fix them. They've been having to spend a lot more time at the lift station. He'd be willing to reevaluate the electric cost based on that. Mr. Showers would like to see a review on that. Are they still saving a lot of money, but use costs have just gone up?

Mayor Jenkins asked about the \$5.5 million in capital. Mr. Showers said close to \$4 million was in there for highway 260, but they also had money coming from ARPA. It's also \$120,000 of regular current year revenue use.

Mayor Jenkins asked about work done on Main St. Mr. Showers said they've started most of those projects, and completed a few.

Water-

Utilities Director Jeff Low Presented.

Employees:

They are requesting two new water operators, one being more seasoned and then a trainee. All job descriptions have been updated. They are presenting a workshop on water and wastewater fees.

Increases:

He felt the water budget for last year was very lacking. He checked into other municipalities.

Some of the things in the budget that were missing that he increased were training and memberships, software upgrades, and postage. Facilities and maintenance were under the general fund, but he moved that to water enterprise. They added lines for safety and security programs, chemical sampling, lab fees, etc.

They're going to look at tiered fees for revenue. This means that higher water user will pay more because fees will increase as water use increases. Additionally, he hopes this helps with water conservation. It's his understanding that they're just barely making it. Another revenue source can be capacity fees.

Vice Mayor Moore asked him if the capacity fees will be a new fee that residents who are planning to build right now don't know about. Will it be a large lump sum that people who are getting ready to build a house in Camp Verde should be aware of? He responded that it could be \$5,000-6,000.

There is no current Water or Wastewater Code, so he is working on both.

PW-Storm-

Utilities Director Jeff Low presented.

Employees:

They need one additional employee, but don't have enough office space for that person. There is an ongoing project for Stormwater drains on Main Street. We're at about 60% plans on that.

Based on an ADEQ audit of the department last month, they need to update the town's 2017 Storm Water Management plan. It will require them to do water quality sampling

during various storm events. Someone has been hired to do this.

Larger Costs:

- Infrastructure maintenance, which is the same as last year, about \$20,000.
- Consulting services to pay for the new Storm Water Management Plan.
- A new line for lab services.

He contacted flood control and they're getting \$160,000 for next year, which is less than this year. They're getting less, he thinks, because they're not spending all their money every year.

Non-Department:

Finance Director Mike Showers presented.

This category holds odd costs. It's where the Turquoise Circuit money is. They have a termination contingency budget in here.

Councilor McPhail suggested using this money to fund Earth Day.

Vice Mayor Moore doesn't think the Town should be responsible for paying the credit card fees. They need to charge a card fee, which is legal if it's posted. It's going to add up to several thousand every year. Several Council Members agreed with her. Mayor Jenkins thinks it should be consistent across the board in the Town. The court doesn't absorb the card fees. They make the people pay the fee. If they're going to do it in one place, they need to do it across the Town. Interim Town Manager, Gail Mabery suggested getting it started when they roll out the new water and wastewater fees.

Mayor Moore asked about the \$60,000 for Community Outreach. She wondered if there have been any forms filled out for this, and asked Ms. Mabery if this is a satisfactory number compared to other municipalities. Ms. Mabery wasn't sure.

Vice Mayor Moore asked about Meals on Wheels asking for more money, as they've only given them a portion of it. They have not heard back about the second half of the money.

Finance:

Finance Director, Michael Showers presented.

Increases:

- Office supplies
- He's trying to increase his training budget for staff. He'll be taking two staff members down to a training session. He wants to get each of them to two or three, one day trainings.

Time and Attendance is a time killer. They're constantly swamped with issues and needs. They are supposedly going live next week. It's been a hard adjustment across the boards. Mayor Jenkins said it will be a positive, useful change. It will help streamline the system to become more efficient.

They've also started using a Utility Bill conversion, which is on schedule to go live with the combined billing in May. They take credit cards for everything on site.

When they lost a Wastewater person who was doing all the billing, Finance took it over. Because of this, they were able to train Water on how to do billing, and just recently transferred Wastewater billing over.

Vice Mayor Moore asked about receipts for Wastewater payments. She would like to see receipts for this, much like for when water is paid.

Councilor McPhail asked him what he needs in the Finance Department.

Mr. Showers says he knows what the Town can and can't do. He usually doesn't ask for things. He might be asking for a Budget Analyst here soon. Council giving him a 3rd position was very helpful. His biggest objective in Finance is pushing work out to his other 3 employees. He knows he's been approved for another employee, but he wants to do his best to work with the employees he has.

IT:

Finance Director Mike Showers presented.

IT is right on budget. He feels like they've been able to keep the costs controllable. They are however, having a hard time getting stuff done with IT. He feels they need to better define exactly what they need from them. He feels a lot of things they need IT to take care of is not in their contract. It makes the most sense to keep working with their current IT Vendor.

Vice Mayor Moore agreed that they keep working with Sun State but hiring someone in house to help with IT as well.

IT is a high paying job, so that would bring up a high-cost increase if they were to hire an IT position.

Mr. Showers said there's a lot planned for IT in the coming year. He said it makes the most sense to work out all the issues with the current vendor.

He said budget numbers for IT will increase a little bit because there will be \$1,000 IT cost for each new employee, for their new computer. The current IT manager saves them a lot of money on computers. They don't have money in the budget for major capital purchases. Next year he thinks they'll have to look for more money in that area of major capital purchases.

Mr. Showers said that's as far as IT goes, and not having someone on hand, he tends to be in the thick of it when immediate IT needs come up. He's the one that staff asks for help. This is difficult because it takes away from his tasks. Council recognizes there are issues with It, so they are looking to staff to come back to them with how to solve the problem.

Manager:

Interim Town Manager Gail Mabery presented.

Budget Increases:

There are monetary changes, which are reflected in the salary. In order to be competitive in the market she has put funding in this budget so they can negotiate the contract and be covered. She did the same with the Deputy Town Manager position.

Additional increases were due to travel and Ed (education) because they'll have a Manager and Deputy Manager in this category.

Revenues:

Finance Director Michael Showers presented

Urban Revenue sharing includes \$547,000 that the League is recommending they use as one-time funds. Do not build it into the operational budget. The tax structure has been changed for income tax in the state.

They made a deal to increase the Urban Revenue Sharing to help offset that.

They may move that money to CIP.

He should have a forecast for them in the next meeting on local taxes.

He also has the structure for the 5-year CIP plan, and it's set to be in front of them in May.

He's looking at a 10% increase for next year local TPT sales tax. Mr. Showers feels this year is coming through the way they hoped to see it. He feels they're in a good spot. He doesn't see a real recession happening. Camp Verde is its own micro economy, and with the growth they're seeing, he feels they're still on track to keep moving.

His generic forecast comes down to 6% in the years that follow.

Mayor Jenkins said they need retail established so residents will stay here to spend sales tax. She wants to be serving the citizens we already have. The Council agreed. They need to have the businesses here for citizens and visitors to spend their money.

With the new Wastewater and Water admin fee, one expectation is they will support themselves. Their funds are their funds. We don't take their funds and support general town activities. They're a regular business that operates as a business.

5. Adjournment Mayor Dee Jenkins adjourned the meeting at 7:12 PM.

Dee Jenkins
Mayor Dee Jenkins

Cindy Pemberton
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 March 30, 2023. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 27th day of April, 2023.

Cindy Pemberton
Cindy Pemberton, Town Clerk