

**MINUTES
TOWN OF CAMP VERDE
WORK SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, APRIL 8, 2020 at 5:30 P.M.**

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

1. Call to Order

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

2. Roll Call

Mayor Charles German (Zoom), Vice Mayor Dee Jenkins (Zoom), Councilor Robin Whatley (Zoom), Councilor Bill LeBeau (Zoom), Councilor Joe Butner (5:35pm) (Zoom), Councilor Jesse Murdock (Zoom) and Councilor Buck Buchanan (Zoom) are present.

Also Present

Town Manager Russ Martin, Financial Director Mike Showers, Public Works Director Ron Long, Town Clerk Cindy Pemberton, various Department Heads via Zoom and Recording Secretary Jennifer Reed.

3. Pledge of Allegiance

Mayor German led the Pledge.

4. Day 2 Council Budget Presentations for Fiscal Year 2020-21 by various departments.

Town Manager Russ Martin opened the meeting and turned the floor over to the Department Heads.

Community Development/Building/Planning & Zoning/Code Enforcement - Melinda Lee

Community Development Director Melinda Lee explained the primary change in these budgets are due to reorganization of the department. Requested increases include; adding a Plans Examiner position, increasing training & travel, items associated with code compliance, neighborhood assistance program and the software upgrade for a permit system to be able to submit permits online.

Ms. Lee also reviewed the revenue line item. Several items that could increase the overall revenue are: the new RV storage facility and expansion of the existing business on Hwy 260. There are more, larger project permits that are starting to come in which would also increase revenue for the town.

Economic Development -Steve Ayers & Jessica Bryson

The Economic Development Department budget reflected a \$15,000 reduction due to some drop in operations requests such as the salary request due to dropping the Project Manager back to a Specialist position. The main priority is to complete the EDA Grant for the sewer expansion project. The Projects Budget will need to fund an Environmental Assessment and update the preliminary engineering. The department will need to fund a Vista Position and support the projects they want to do. There is also a database project which will collect all of Camp Verde's business contacts.

Vice Mayor Jenkins would like a goal of the department, to see an increase economic growth that is viable and sustainable and while supporting existing business. A measure in that is sales tax revenues. She would like to see in the department's objectives, a goal relating to revenues. Revenues starts the whole budgeting process. After doing some research where she compared sales tax revenues with surrounding communities, she found that Camp Verde's local sales tax revenues decreased. She would like an explanation as to why there is a lag in growth & revenue. Economic Development Director Steve Ayers stated that might be due to a large influx of sales tax revenue due to the expansion of Hwy 260. Construction taxes might have influenced the numbers also. Camp Verde is not the restaurant and retail capital of the Verde Valley. Currently, the real opportunities here are in job growth. The new RV park and new houses will draw retailers in, but in the future. Developers are beginning to look at Camp Verde. Vice Mayor Jenkins would like to put efforts into increasing our revenue. Mike showers reviewed the history of Camp Verde's sales tax/growth rate. We have been doing predictably well in sales tax until this year. Mr. Showers does appreciate the direction. Vice Mayor Jenkins was focusing in on the percentage of increase over the past 4 years.

Councilor Murdock asked Vice Mayor Jenkins if she could share the information she was referring to.

Internet connection problem break: 6:03pm

Resume: 6:12pm

Mr. Martin stated that from an IT perspective, a regular backup was in process and took the bandwidth down. IT paused it so there should be less disruptions.

Mike Showers stated FY2016 was out of the ordinary. Camp Verde received a big gain that year and would not be a good base year to start from.

Councilor Murdock would like to see a breakdown where neighboring communities are getting their taxes from. Mr. Showers will get that put together.

HURF/STREETS- Stacy Perry

This line item is mostly the same as last year. They are requesting one more employee. Mr. Perry understands this may not be feasible. Mr. Perry explained the need for an additional employee is a safety issue. Currently they have to get a temp employee to help with traffic control on some projects.

The Operations line item has been increased for striping on major roads and maintenance on vehicles.

Procurement line has also increased due to surplus equipment that has been purchased through marshal's office. This program could bring in revenue but money needs to be in the budget to be able to get equipment.

Public Works-Engineering- Ron Long

This budget line item is for Public Works Administration, the majority of this for time working with CE and reviewing Private Development Plans, office supplies and employee salaries.

Public Works-Storm Water-Ron Long

There are no employee wages in this budget, they use the street crew for work force. Ditch work expenses will come out of this budget. Line items will stay the same.

Public Works- Maintenance- Jeff Koble

The Maintenance Department is requesting an increase in the uniforms line item because of new employees, an increase in building maintenance because of the age of the building, an increase to parks because they will require new/extra tools, ground maintenance for extra items for the new park. They also request an additional employee in September with the completion of the park. This year's budget allowed for the hiring of two new people but they only hired one so they will want to hire a new one in the next year.

Revenue on page 3 and page 63- Russ Martin & Mike Showers

Revenue has been mildly affected by the COVID19 issue, there have been no severe cuts or changes. There was a memorandum issued by Rounds Consulting Group to help towns/cities adjust to outbreak. A point they make is, *"this economic crisis that we are in is not based on a broken economy it's based on shocks related to the virus. This means, the economic loses, while great, will later become sizable economic gains."* That is the expectation of a major economist in the state. To finish out the year that we are in, is the bigger topic. Departmentally they are looking at ways to cut or postpone items for now. Will have to wait and see how things turn out. The state expects state sales tax/vehicle licensing tax line to go down but the Urban revenue sharing isn't going to change. Mr. Showers will watch the numbers through the end of May. Mr. Martin stated ICMA suggests a hiring freeze. We may not want to fill the current job openings for now. There is just not enough information yet.

Councilor Butner doesn't want to project an increase in revenues at this point in time. He suggested the Town may want to put in a decrease just in case.

Vice Mayor Jenkins stated permit projection is flat. Are we going to fall short of the of that and do you have a projection? Mr. Showers confirmed we will fall short of that, it is already down, and we are in our best months. We are looking at anything that can be cut back. He thinks it could be between \$400-\$500,000 short. The number could be adjusted after getting numbers from the State. Camp Verde

economy doesn't compare with the State economy. If local taxes fall short, it would be hard to make that up *but* if housing sales ramp up that would help out and could increase the budget.

Mr. Martin stated that revenue is based on things we are not sure what is going to happen.

Public Works-Parks & Rec-Ron Long & Mike Marshall

Looking for increases to salary but the bulk of the increase is in vehicle maintenance and training.

Public Works-Events Ron Long & Mike Marshall

Asking for an increase in event advertising, a new shade/canopy tent with table and chairs.

Public Works-Pool Ron Long & Mike Marshall

Increases in this line item is for chemicals and wages due to the increase of minimum wage.

Public Works-Program-Ron Long & Mike Marshall

Increase to wage related to minimum wage increase. Revenues are coming in from community programs. Mayor German asked if we plan to get a new roster. A wholesaler was used last year to roasted the corn and it worked out well.

Debt service Fund-Russ

This information is just for your information.

Mr. Martin gave a reminder if you have questions, please ask those individuals who created their budget.

5. Adjournment

Mayor German adjourned the meeting at 7:10 p.m.



Mayor Charles German



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 8, 2020. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 27th day of May, 2020.

Cindy Pemberton

Cindy Pemberton, Town Clerk