

**TOWN OF PRESCOTT VALLEY
WORK STUDY MEETING
MINUTES
August 7, 2014**

Library Auditorium
7401 E. Civic Circle
Prescott Valley, Arizona 86314

1. Call to Order

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

2. Roll Call

Present: Council Member Grossman, Council Member Marshall, Council Member Whiting, Council Member Anderson, Council Member Mallory, Vice Mayor Nye, and Mayor Skoog.

3. Presentation: Chamber of Commerce - Tonto South Park Award

Parks and Recreation Park Maintenance Technician Nick Groblewski commented that usage at the park has doubled. The expanded turf, trees, new shrubs, the new pad and parking lot improvements now allow the park to be a place the whole community can use and enjoy. Nick passed the award that Parks and Recreation received from the Chamber of Commerce for the Tonto South Park improvements over to the Council. Parks and Recreation plans to improve the Antelope Park with similar improvements next year with turf expansion, a walking path, parking lot improvements and infrastructure work.

Council member Anderson said this is a really good representation of what Parks and Recreation does. They do a really good job all the time and are seldom recognized for that.

Town Manager Larry Tarkowski noted that the turf in the Prescott Valley park system is as good as it has ever been after the rains. There was a period of time when the turf was a little sketchy, several years ago under different administration. He defied anyone to go to any other Arizona park and find turf that good. The Yavapai College coach tells everybody that the best turf field in the state is the Prescott Valley amphitheater.

4. Discussion regarding IGAs with Yavapai County Flood Control for Viewpoint Connector Detailed Drainage Study, an IGA Change Order #1 - Tonopah Storm water Management - Phase and c) IGA Change Order #1 - Agua Fria Outfall & Bank Protection

Public Works Director Norm Davis stated that the Town enjoys a successful relationship with the Yavapai County Flood Control District (YCFCD) to fund storm water management studies, designs and construction projects with the countywide tax levy collected by YCFCD. The Town makes

recommendations on a yearly basis for projects and enters into Intergovernmental Agreements (IGA) to fund projects which are administered by the Town and reimbursed by YCFCD. For this fiscal year 2014/15 budget year, the Town has been approved for project funding of Phase II Construction of Tonopah Storm water - \$300,000 Management Project, the Agua Fria Outfall & Bank Protection Project - \$100,000 for 100% Plans Completion and the Viewpoint Connector Detailed Drainage Study - \$200,000. No matching funds are required. The Tonopah project should be completed by Thanksgiving. The Agua Fria project will require funding for actual completion of the project. The Viewpoint project (new project) includes building a roadway through the area after mapping out and channelizing the floodplain.

Supervisor Jack Smith commented that the Board of Supervisors is happy to provide this funding. PV is very good at utilizing these dollars for good work. They like to see the money be put to good use.

Town Attorney Ivan Legler stated that there is the possibility that the IGA will change given the indemnification language provided by Yavapai County which is very skewed in their favor. He continues to negotiate the language with the county.

Supervisor Smith admitted he was not familiar with the legal language but they will iron it out and do things the right way and provide this money to the Town of Prescott Valley because these projects are definitely worth doing. He knows we can find an even ground.

Vice Mayor Nye asked who determines a court as "Court of Competent Jurisdiction". Legler responded that this is the court that 'has' jurisdiction. Tarkowski thanked Supervisor Smith and the Board of Supervisors for the funding and noted that the Public Works Department has annually done an outstanding job working with Yavapai County Flood Control to make sure that when they are awarded a project, that they utilize the funds expeditiously.

5. Presentation and discussion regarding the unaudited analysis of the revenues and expenditures of FY 13-14

Town Manager Tarkowski pointed out that thirteen months ago Council was approving the budget for last fiscal year with the projection that we may have to delve into reserves. That did not happen. MS Director Bill Kauppi's conservative estimates have once again paid off very well for the Town.

Kauppi gave an overview of the Annual Budget for FY 2013-14. He stated that is an unaudited accounting of all the funds focusing on the General, HURF and Water and Sewer Enterprise Funds. The CAFR (audited) will not be completed until November. The current cash balance is \$22 million; last year it was a little over \$19 million. The General Fund increased by \$900,000. Capital Projects (dedicated funds for street projects) has an increase up to \$3.9 million this year as opposed to \$2.8 million last year. The total governmental fund balance is \$35.8 million not including water or sewer. Last year it was at \$33 million. Enterprise Funds (Water and Sewer) show a cash balance of \$20 million; last year it was \$19 million. Kauppi commented that the Water and Sewer Funds are strong funds. Revenues were about \$600,000 under what was projected for last year but the General Fund is over \$2 million ahead of the projection. While

expenditures were projected to be \$62 million they are actually at \$46.5 million which will likely increase a little bit as will the General Fund expenditures with about \$450,000 left at the end. Tarkowski added that part of that is on the salary side as mid-year the Town approved General Leave redemption, as well as a 3 percent Cost of Living increase. Revenues were going up and they thought it vitally important that the employees be compensated after going so long without during the recessionary years.

Kauppi projected an actual total fund balance of \$104 million. He had also projected \$14.2 million for the General Fund balance, but should actually come in at around \$14.3 million. Total revenues were up by over \$2 million primarily from sales tax and construction increases. Tarkowski said one-time purchases of new equipment were made with the one-time revenues, not using construction increase funds. HURF, the Wastewater Fund and Water Fund all came in on the positive side.

*Complete details of the report are attached to these minutes.

6. Adjournment

Mayor Skoog adjourned the meeting at 6:00 p.m.

ATTEST:

APPROVED:

Diane Russell, Town Clerk

Harvey Skoog, Mayor

STATE OF ARIZONA)
COUNTY OF YAVAPAI) ss:
TOWN OF PRESCOTT VALLEY)

CERTIFICATE OF COUNCIL MINUTES

I, Diane Russell, Town Clerk of the Town of Prescott Valley, Arizona, hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Work Study Meeting of the Town Council of the Town of Prescott Valley, held on Thursday, August 7, 2014.

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

Dated this August 8, 2014

Diane Russell, Town Clerk