



TOWN OF JEROME

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MINUTES

SPECIAL BUDGET MEETING OF THE TOWN OF JEROME COUNCIL CHAMBERS, JEROME TOWN HALL 600 CLARK STREET, JEROME, ARIZONA MONDAY, APRIL 15, 2024, AT 6:00 PM

Due to the length of this meeting, Council may recess and reconvene at the time and date announced.

6:00PM (0:47) 1. CALL TO ORDER/ROLL CALL

Mayor/Chairperson to call meeting to order
Town Clerk to call and record the roll.

*Present were Mayor Alex Barber, Vice Mayor Jane Moore, and Councilmember Sonia Sheffield.
Staff Present were Town Manager Brett Klein and Finance Director Kristen Muenz.*

Ms. Barber says that she hopes Dr. Jack Dillenberg feels better soon, stating for the record that his absence is due to health concerns.

6:01PM (1:04) 2. PROCLAMATIONS

A. Proclamation Proclaiming April as Fair Housing Month in the Town of Jerome

Mayor Barber will read or summarize the proclamation.

Mayor Barber introduces the item, proclaiming April as Fair Housing Month in the Town of Jerome. She remarks with the ways our housing is priced she doesn't know how fair housing is in Jerome Arizona anymore. She then reads the proclamation aloud.

Mr. Klein shares that this is a requirement for all CDBG participants.

Ms. Barber asks if there needs to be a vote.

Mr. Klein answers no.

6:02PM (2:42) 3. NEW BUSINESS

Discussion/Possible Action

A. Fiscal Year 2024-2025 Budget Work Session

Council will continue their discussions regarding the 2024-2025 budget, including a review of an initial draft budget. All aspects of the budget may be discussed, and Council may provide staff direction regarding the 2024-2025 budget.

Ms. Barber introduces new business and defers to Mr. Klein for further elaboration.

Mr. Klein says you'll notice that everything identified in the previous budget workshops should be included here.

Continuing, this is the first draft, there is a \$184,000 discrepancy between revenues and expenditures on the wrong side, but we were also waiting for the audit to see what could be used. He says that it will be fixed the next time, sharing there will be less money being transferred from the General Fund to Water. He says this budget includes the fringe benefits package, money for public works employees, and the overall package approved for wages, retirement, and insurance. He reviews the pages on revenues, noting that sales tax lags. He says there should be nothing unusual here, other than Urban Revenue Share, which is going down as a result of state legislation. He also points out the rent revenues will go up due to the 10% rent increase, which will cover the next 3 years. He then asks if there are any questions on the first few pages.

Ms. Barber says page 34 is Parking Fund Revenue for kiosks and total parking fund revenue; she brings it up because on page 7 is PD Revenue from Parking Fund. Seeking clarification, Ms. Barber asks, right now that money coming in from parking is going to what exactly?

Mr. Klein answers to public safety.

Ms. Barber continues noting the prior year actual reflects nothing coming in, in 2022-23. She continues questioning, we budgeted 39, are actually hitting about 29, but we're budgeting for 40?

Mr. Klein answers that we are on pace, sharing this was printed in April, but we still have a whole quarter left in the year. He continues that we are at about a \$10,000 average and are on pace for \$39,000, adding Ms. Muenz can confirm we've had some of the best weekends ever recently.

Ms. Muenz confirms we are picking back up again, sharing one weekend was over \$5,000 for kiosk payments.

Mr. Klein continues sharing this is a transfer in and are 100% going to make it.

Ms. Moore asks as a sideline, are we at \$5 now instead of \$4.

Mr. Klein confirms yes.

Ms. Barber says follow up to that she thought we lost one of the parking people, that he got busy with the Fire Department.

Mr. Klein answers that he is still on PD payroll.

Ms. Barber says good, we need to make sure we have someone out there checking on the weekends. She noticed on Sundays no one was out there, and we need to make sure that spring break and busy times we have coverage.

Ms. Barber then points out on page 10 Bank Fees and Merchant Services went down. She asks if that is because we got better fees for everything we do.

Mr. Klein says yes, including parking.

Ms. Barber points out that we are under budget and if we can continue keep it low then that is really helpful.

Ms. Moore points out there is another item in the report that is \$27,000, down from \$40,000, which is great because it was a complaint.

Ms. Barber, referencing page 7, asks about the differences in the Fire Department Services Revenues.

Mr. Klein shares this depends on nature and how many calls, adding he didn't feel comfortable counting on that much but he did talk with the Chief who feels with full staff that it's safe to be around that amount.

Ms. Barber asks about the Wildlands Wage Reimbursements right below that.

Mr. Klein confirms that it will continue to increase.

Ms. Barber defers to Ms. Moore for her questions.

Ms. Moore asks if the \$87,000 for Rental Revenue is for all rents total.

Mr. Klein says no, its \$87,000 plus \$10,200 for the library.

Ms. Barber clarifies the budget notes that say that the Holly Ave property is included in the Rental Revenue totals.

Ms. Moore referencing page 8, asks if the Fund Balance Reserves are carryover.

Mr. Klein confirms it is carryover and is the one piece that isn't quite complete with the audit. He shares it's historically very high and his goal is to someday have it at zero.

Ms. Barber shares that she also wanted to point out that it went down because it's nice to see when we're catching a break somewhere.

Mr. Klein adds it's the one revenue that you want to see go down.

Ms. Barber asks if Ms. Sheffield has any questions on these first few pages; she said no.

Ms. Barber, referencing page 9, Accounting and Auditing, asks about the difference in budgeted amounts and also why we've not spent anything yet.

Mr. Klein confirms we haven't paid the auditors yet, and when he spoke with them he asked what they would be billing.

Ms. Barber references page 10, Shuttle Expenses, noting prior year actual was a little over \$4,000. We budgeted \$3,000 and this year used almost the \$3,000, why not increase to \$4,000 instead of \$3,500?

Mr. Klein shares we should be done with the shuttle expenses, noting we had some unexpected expenses and gas was high, but we will come in under \$3,500 this year.

Ms. Barber says thank you for clarifying, she thought this included paying the driver.

Ms. Moore asks if Mr. Klein is going to review the next pages.

Mr. Klein says pages 9, 10 and 11 are General Government, this covers the payroll for everyone who works in Town Hall, also casualty insurance, and hardware and software for this area. He shares Public Safety is usually the highest followed by General Government. Continuing onto page 12, Magistrate expenses are pretty simple and do include the expanded conference room.

Ms. Barber asks if anyone has any other questions on the first couple of pages.

Ms. Moore says yes, she has one on page 9. The internet is in there twice, a new much higher rate one is \$20,000 and another is \$21,000.

Mr. Klein apologizes and shares that is a different year. He clarifies the note and shares with Council that budget notes carry over. Also the e-rate will not apply to non-libraries anymore.

Ms. Barber notes the budgeted amount under General Government, Conventions and Seminars and Training and Education didn't see much use, but she feels both of those figures are good in case anyone needed anything.

Mr. Klein advises there is about to be a \$400 expense out of it, for the Regional Clerks meeting Jerome will be hosting with Clarkdale.

There was a brief conversation about the meeting and its location, as well as upcoming training that Ms. Muenz will be attending.

Moving on to pages 12 and 13, Ms. Barber seeks clarification for the Magistrate Court Security Fund expenses. She says she thought we were moving for more security and had budgeted \$10,000, but we've not even spent \$1,000 of it yet.

Mr. Klein shares she (Judge Napper) has done a ton of security enhancements through grant funding, including new firearms lockers.

Ms. Barber pointed out that we have a really good team in our court right now, she asks if anyone else has any questions

on this.

Ms. Barber moves to Police Department Expenses, noting wages and salaries, FICA, Medicare and retirement are all increasing significantly, she asks if this is because we have more police than before?

Mr. Klein shares we added one officer and they are the biggest department in town, so when there are enhancements they see the biggest amount of it.

Ms. Barber points out the note says this includes 2025. She asks isn't that what they are working on now?

Mr. Klein answers that is correct, adding the big increase in retirement is budgeting to pay down the PSPRS shortfall.

Ms. Barber asks where in the line items that is reflected.

Mr. Klein answers 10-43-5011 (Police Dept Expenses, Retirement).

Ms. Barber notes the increase is not that much more and is nice that we are able to continue to give raises. She asks if there are anymore comments or questions.

Ms. Moore asks if the \$42,000 on page 14 for vehicles is for a new vehicle.

Mr. Klein confirms yes.

Ms. Barber asks if we had an older vehicle that was refurbished for the new officer to drive.

Mr. Klein says yes, sharing a new vehicle is closer to \$80,000, so all our vehicles are refurbished, and the Chief does a good job at picking vehicles at a good cost with low mileage, and refurbished like new.

Ms. Barber comments he does a good job with his budget.

Moving on to Fire Department Expenses, Ms. Barber highlighted the Volunteer Employee Per Call she is questions the current year budget was 35 and the next year is proposing only 27 why is that.

Mr. Klein answers that there just aren't many people responding to calls. He says another purpose to keep it high was current year it was budgeted for 2 new fire personnel.

Ms. Barber asks if there are any other questions regarding Fire Department Expenses. There were none.

Moving onto Library expenses page 17, Ms. Barber says everything seems on par and asks if there are any questions on this. There were none.

Moving on to Planning and Zoning, Ms. Barber points out the budget notes for the cemetery appraisal and asks why it's being pointed out in this budget part.

Mr. Klein answers it's to cover the appraisal which we should get done next year.

Ms. Barber asks which line reflects the appraisal.

Mr. Klein shares that anywhere that there are budget notes they go with the line item right above the note.

Moving on to Historic Preservation Ms. Barber notes we still have a little under \$4,000 and says she thinks Council should continue to keep that there. Council members express their agreement.

Ms. Muenz shares this month Will purchased his GIS equipment and his training so we will see that get used in the next budget.

Ms. Barber points out that Public Works is split into 6 different departments, asking if there are any questions on the Parks on page 19 & 20. There were none.

Moving onto Water Utility Fund on page 22 Ms. Barber asks for Council input.

Ms. Moore asked about the amount of money coming into water usage fees compared to expenses even when subtracting special projects is about \$100,000 off.

Mr. Klein says that's why we are still subsidizing.

Ms. Moore asks if there was \$45,000 from the parking fund going into it.

Mr. Klein confirms yes.

Ms. Moore continues that she would like to see more, noting that sewer and sanitation are keeping up better than water, which is the worst one as far as paying for itself.

Mr. Klein confirms it is, sharing that the new fees are reflected and are expecting \$194,000 and are pretty close on. He shares there is a big surplus right now and if you look at revenues vs expense the general fund has been giving a lot.

Ms. Barber notes that amount is \$282,000.

Mr. Klein continues that it will go down to cover the shortfall but that is because water has a surplus due to special projects listed that did not get completed. He shares we are going to start working on the Water projects.

Ms. Moore asks if they will be done this year.

Mr. Klein says not this current year.

Ms. Moore asks if the Verde Central siphon line is in here.

Mr. Klein says it is in the budget, in the back of the packet, adding we do have a bid for it and when it's done he believes they will get it started.

Council members expressed their excitement.

Ms. Moore asks what the administrative charges are.

Mr. Klein answers there are certain things that cover all auditing, accounting, computer software and wages.

Ms. Barber interjects asking which page she is on.

Ms. Moore answers it's on page 24.

Mr. Klein continues this has been in the budget as long as any of them have been on Council.

Ms. Moore says she forgot what it is.

Ms. Muenz shares that a lot of things are split up between departments, for example Caselle the utility software is split up between Water, Sewer and Trash because that is what we are using the software for.

Ms. Barber comments that makes sense.

Mr. Klein shares he can provide a spreadsheet that shows all of it.

Ms. Barber says asking questions and getting answers is sometimes better than a whole new set of paperwork. She then points out on page 23, Repair and Maintenance Infrastructure, budget notes list each line item that makes up the total.

Mr. Klein says often times we have the money but it's hard to get people up here. He says we saved a lot of money on the pavement projects but, due to those savings, it means most of the Public Works guys working around the clock on that project, and once it's done, they'll move onto the next.

Ms. Barber points out the note about the seating of a new tank for \$30,000. She believes she shared information via email about new water and infrastructure grants available, sharing, for example Clarkdale received a grant for almost \$1M for a new arsenic treatment facility. She says if we could get more grant money in this next cycle to get a spot and a new tank up there that might make everyone happier, and then defers to Mr. Klein for comment.

Mr. Klein shares we have seven grants right now, and they all take an enormous amount of work. He shares that Clarkdale hired a grant writer specifically. He continues, we can certainly go fishing for grants we just need to make sure we get the right ones. He shares with Council, the sitting of the water tank has taken 3 years to get \$30,000, but it took 3 months to get \$250,000 for Verde Avenue, so some grants are just easier than others.

Ms. Barber asks if there are any questions on previous pages. There were none. She then asks if there were any questions on the Sewer Revenue. There were no questions.

Moving on to Sanitation Revenue, Mr. Barber asks if there are questions or comments.

Ms. Moore asks about the new sanitation truck.

Mr. Klein shares the one place that he had contact with has stopped responding. He says we have the money, have identified the truck, and have reached out to the Co-operative in Texas to see if they can assist.

Ms. Barber introduces HURF.

Mr. Klein shares there is no real change and wants to keep the funding at \$100-115,000, adding that Marty thought the priority was the first section of County for paving.

Ms. Barber comments there's not a road in Jerome right now that doesn't need some help.

Mr. Klein answers, correct, adding we have the Deception grant and are working on the Dundee grant; we have the Verde Avenue grant and are working on the Center Avenue grant. This was based on what they can do for \$100,000.

Ms. Barber says the reason we've been working long and hard on the different Avenues is they need infrastructure of water and sewer under the roads before they get redone. So we're talking start to finish from the underneath to the top. She thanks her fellow Council members for continuing to sit here and do this free of charge.

Ms. Barber asks, regarding HURF revenue, if the state gives Highway User Fund revenue.

Mr. Klein answers that is what the state is giving us based on per capita.

Introducing the Parking Fund, Ms. Barber says having its own line item makes it easier to see the whole fund and how it's divided into the different categories and departments that use it.

Ms. Moore points out where the parking fees are in the report.

Ms. Barber says as long as we continue to keep an eye on the fees.

Ms. Moore shares it's changed a bit because of the ability to use their phones.

Ms. Barber comments that she thought we were trying to morph into more text to park in the future.

Mr. Klein says as the machines break down or become obsolete, they will be replaced with that technology, so at some point they will all be text to park.

Ms. Moore clarifies people will still be able to pay at the police station.

Ms. Barber says if there are no other questions or comments we can move on.

Ms. Moore asks if we are good with the amount it costs to park.

Ms. Barber says this is our next year budget if we want to raise it, but she thinks we should have a lull before it's raised again. She asks how Ms. Sheffield feels about this and if she wants to talk about raising parking rates.

Ms. Sheffield answers not at this time.

Moving on to Fire Department pension and retirement, Ms. Barber says these guys need this; we are lucky to have them, it's a hard job and someone has to do it.

Mr. Klein shares it's a small amount because it's the only paid on call.

Ms. Barber introduces Grants and asks the other council members if they have any questions or comments. They did not.

Mr. Klein shares on the following page expenses you'll see the generators for Town Hall, Spook Hall, and Hotel Jerome.

Ms. Barber says our Fire Station is an emergency shelter with heating and cooling. She continues, if something was to happen, between the Town Hall building and the Fire Station, we could probably shelter the whole town in two buildings. To have this as a back up if needed would be wonderful and is part of the reason for pushing for these generators.

Ms. Moore asks about Hotel Jerome, specifically are there things that can be done there to at least get started or are there projects that we can do within our budget.

Mr. Klein says we can get grants, but in this budget the only two things for Hotel Jerome are the windows and the sale of the cemetery lot.

There was further discussion regarding the Hotel Jerome with suggestions about funding.

Ms. Barber says she would like to propose setting aside around \$3,000 for a video project about the Town. She shares that resident Love Burnheim has been working on a documentary about the rebirth of Jerome in the 70s, adding that a snippet was shared during the Town potluck in March. After giving additional project information she asks how council feels about donating towards a film that has to do with the rebirth of Jerome.

Ms. Sheffield shares the recent history is worthy of preservation. She says she wonders though, if all of the entities are involved, will they all want their own say so in what the film reflects.

Ms. Barber shares further detail about the project and says she would like to donate a couple thousand dollars to see the project finished.

Ms. Moore says if it's a historic documentation then it shouldn't have to go through YouTube.

Mr. Klein shares that a \$2,000 or \$3,000 item you'll just need the council's consensus.

Ms. Sheffield says if there was a specific aspect she is trying to finish then she could come to Council and present it as needing this amount of money for this specific part of the project. She further adds, not having an idea or budget for the project makes it tough because you'll just do it step by step, but if she comes before council about a specific step that needs to be completed then that would be good.

Ms. Barber agrees and says she will get further clarification on the project.

There was then a brief discussion regarding this project.

Ms. Barber then introduces Capital Grant Revenues, asking if there are any questions or if they'd like a summary from Mr. Klein.

Mr. Klein shares that contingencies are the opportunity to say, "I would love this, if we got this". So in this area we do include projects like Hotel Jerome. He shares there are no real changes from last year.

Ms. Barber notes on page 44 the projects listed in the contingencies and says the more we can get done the better, but we'll keep biting off a little every year.

Ms. Moore shares all of the things she remembers being discussed are included in the contingencies fund.

Ms. Barber says this is nothing set in stone yet because we need to have the full seated council to make the decision.

She says we'll talk more when Mr. Dillenberg is better. She asks Mr. Klein what their next steps are.

Mr. Klein shares it will be finalized and be further reviewed in May.

Ms. Moore notes one thing not mentioned is the office for the attorney in conjunction with the court. She says we've talked about an office for a nurse or some kind of monthly visiting nurse, is that being kept in mind as that area is built out.

Mr. Klein shares there is plenty of room for it.

Ms. Barber notes Community Health on page 10 is only \$500 and she thought it was for that.

Mr. Klein shares no that would be in contingency because we'll need more money for it.

Ms. Barber asks about assistance to the community garden. She says once the shed and the garden plans are set, we might need sprinklers for new trees or something.

Mr. Klein shares it would come out of properties and we have funding for that.

Ms. Barber says she and Ms. Moore had discussed possible rainwater harvesting off the new bathrooms.

Mr. Klein says we can get grants for rain barrels.

Ms. Barber asks if we have funding or contingency available for a rainwater harvesting expert come up from Tucson.

Mr. Klein says we can do that.

Ms. Barber comments that she would like to see, in the next 5 years, the town become more sustainable.

7:05PM (1:05:19) 4. ADJOURNMENT

Ms. Moore motions to adjourn the meeting.

Ms. Sheffield seconds the motion.

Ms. Barber calls the question, and the meeting is adjourned at 7:05 p.m.

Motion to adjourn at 7:05 p.m.

COUNCILMEMBER	MOTION	SECOND	AYE	NAY	ABSENT	ABSTAIN
BARBER			X			
DILLENBERG					X	
MOORE	X		X			
SHEFFIELD		X	X			

APPROVE:

ATTEST:

Alex Barber, Mayor

Brett Klein, Town Manager