



TOWN OF JEROME

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MINUTES

**SPECIAL COUNCIL BUDGET WORKSHOP OF THE TOWN OF JEROME
COUNCIL CHAMBERS, JEROME TOWN HALL
600 CLARK STREET, JEROME, ARIZONA
TUESDAY, FEBRUARY 13, 2024, AT 6:30 PM**

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

6:30PM (0:00) 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 Council Members Dr. Jack Dillenberg, Sage Harvey, and Sonia Sheffield.

Staff Present were Town Manager Brett Klein and Deputy Clerk/Finance Director Kristen Muenz.

6:30PM (0:00) 2. NEW BUSINESS

Discussion/Possible Action

A. Council Will Continue Discussions on their FY 2024-2025 Budget Priorities

Staff may present, and Council may provide direction related to personnel and capital improvements, along with all budget funds and functions possibly being discussed.

Mayor Barber introduces new business and defers to Mr. Klein for further introduction.

Mr. Klein says he is following the same budget calendar and meetings that were utilized in the previous year. He says he received positive feedback, and unless anyone has any changes to propose, then early on he likes to have discussion on the two biggest items which are labor and personnel costs and capital items. He shares that there has already been a meeting regarding capital items but has included them as both a refresher and to see if anything else may have come up subsequent to that meeting. If not, then we will keep moving forward with the capital projects and working them into the budget. He shares that will be presented after several more budget meetings and staff presentation to the Council. Mr. Klein says the main focus for this would be the labor related costs. He says outlined in the staff report are some of the factors being considered when taking into account the overall benefits package. He reminds Council of the discussion last year, that if we were members of the Arizona State Retirement System (ASRS) the Town would be paying 12.27% and staff would be paying 12.27% also. He says that is a benefit in some instances and a hindrance in others. He shares staff are pleased with the current 457b plan that has been provided in recent years. He says it was also previously mentioned that there might be an opportunity to explore, as there are ways to buy in to the ASRS, but that would be expenses to both the Town and the employee that are considerable. In lieu of that Mr. Klein proposes raising the amount from 10% to 12%, slightly below ASRS, but as a way to incentivize the younger workforce. He shares that right now about 75% of staff do not contribute to their retirement plan and would never really be able to make the jump to the ASRS. He says 10% is solid and still very good, noting it started at 5% then moved to 8%, and the change from 10% to 12% would only be for those that are going to match that. So, this will incentivize them to take ownership, have some skin in the game, and be thinking about their future retirement and not put the whole burden on the Town. He says that was all he had in terms of retirement.

Moving on to healthcare benefits, Mr. Klein says it was also discussed last year, in terms of insurance percentages. He shares that Clarkdale and Sedona pay 98% of dependent coverage, Most plans are at 80 or 90% and that Camp Verde is working towards that. He shares that we were trying to incrementally work toward it, noting if we take too big of a chunk then it's a pretty big amount for our small budget, however in these years when the insurance premiums are not going up is a good time to do that and to incrementally take this from 65% to 80%, which is still well below our neighboring communities but works toward getting us more competitive.

Mr. Klein says the last aspect is the wage adjustment, sharing the Social Security Administration cost of living increase is 3.2%. He says it's historically lower than actual cost of living, recapping that last year it was 8.7% and staff took the 5% with some other generous benefit enhancements that Council had provided. This year our surrounding communities are trying to get 4.5 – 5.5%, most of them are trying for the 5.5%, adding the surrounding communities are currently working through it right now. Whether Council chooses to accept the recommendation or

modify it is all dependent on ensuring we have a balanced budget and that all other priorities are met.

Dr. Dillenberg shares that it sounds like the right approach.

Ms. Harvey asks if they can see a comparison of what is being paid now to what it will be.

Mr. Klein says yes, we can easily have an overall cost of funding of this proposal by the next budget meeting.

Ms. Harvey and Dr. Dillenberg both express they'd like to see the difference.

Ms. Barber says she thinks everyone, before agreeing with it, would like to see what the overall impact is. She continues, just to throw out apples to apples, according to the latest census report received Jerome has 465 people, she believes we're closer to 400, whereas Cottonwood has 12,000 people in it. Just to show how much smaller we are than our surrounding communities. She says we appreciate our staff; we try to do as much as we can to retain our people with better incentives and this is something we all strive for. She shares she feels like they would definitely like to see the numbers to see if we can afford it or is it something that can be done.

Mr. Klein agrees saying those communities are much larger as can be seen in their tax base, and it is also reflected in the salaries that they pay. He continues, all staff choose to work here, are appreciative of what the council does, and know that the council will do what they can for retention. He shares another element he was looking into while coming up with the total fiscal impact, if the budget could sustain it, was examining the Public Works Department, to potentially bring their wages up a bit.

Ms. Barber asks just Public Works, no other departments?

Mr. Klein answers yes, at this time. He says we did quite a bit with the office staff and restructuring last year, and Will, the Zoning Administrator, is still fairly new and doing a great job. Chief Blair and his staff were examined last year as well, and Public Works is a larger group, other than the Police Department, and now that they're fully staffed it seems fair and time to be their turn to examine and potentially raise their wages.

Ms. Barber and Dr. Dillenberg both express their agreement.

Ms. Sheffield adds if they are fully staffed, we'd like them to stay fully staffed.

Ms. Barber shares her agreement, adding last year she recalled Mr. Boland saying that they were ok. She says we are really lucky to have everyone that we have, so to have department heads say that we're ok, they definitely need to be in the line of getting something this year.

Mr. Klein added that Mr. Boland did not want to get anything without his staff doing so as well.

Ms. Harvey says that's just how Marty is.

Ms. Muenz says he remembered Council trying to give him a raise, he was really grateful, but at the time he didn't feel he was as deserving of it.

Ms. Harvey adds they all work as a team, Public Works helps the Police and Fire Departments when they need help. She shares this last snowstorm they were all out there, Allen Muma was shoveling cinders out of the front loader in blowing snow. I don't know any other Police Chief that would do that. These guys all work together as a team and so they should all be on an even keel.

Council members express their agreement.

Ms. Barber says she doesn't think we should offer one person a raise without the rest, but he is the Department Head. Usually, we do cost of living raises and everyone gets a little bit more. She understands why he wouldn't want to do that because his men and not just him should get the money.

Dr. Dillenberg shares that around Christmas time he likes to give the Public Works guys tips for all the work they do, and he won't take the money. Dr. Dillenberg says he takes his share and gives it to his crew. He wishes there was a way to compensate Mr. Boland or show their appreciation.

Ms. Harvey follows, not to offend him either.

Mr. Klein shares, he also knows he is not water or sewer operator certified and appreciates everything they do for him.

Dr. Dillenberg shares that he is glad that Mr. Boland has a full team now and hopes they are working out and will stay together.

Mr. Klein says it's a great staff and there hasn't been any turnover in many months.

Dr. Dillenberg says just know we are willing to get creative and support all of their great efforts.

Ms. Barber asks if anyone else has anything to add, then defers back to Mr. Klein.

Mr. Klein says prior to the next meeting he will get the total overall fiscal impact. He says it will probably be very similar to last year and will likely be between the 35-45,000 range overall.

Ms. Harvey says she has a handful of questions. She starts on page 4, yay Town Hall lighting and parking improvements finally, but then the bathrooms on First Ave it says they're to be done by March 31st. She says Spring Break starts in the middle of March. She shares her son's wife who is in college, goes on spring break March 12th, adding it starts the second week of March and goes on until about June.

Mr. Klein says he knows his first year they were supposed to be completed by Halloween. It is Muma's project.

Ms. Harvey asks if he just doesn't want to let it go? Then says she'll just leave that one alone then.

Dr. Dillenberg says maybe let him know that we're concerned about the time. He'll do the best he can, but we're concerned about the timing if there's any opportunity for improvement.

Ms. Harvey shares that she knows of at least one person in town that works for a contractor and is looking for work. She says she walked it with him this weekend, adding he might show up to the meeting this evening. He says they might be able to do it as a bid under so that we don't have to worry about going out to bid for it to finish it, if it's too

much for our staff.

Mr. Klein says what's left is staff. He says Chief Blair and Marty both assure that they can do it but are kind of waiting on Mr. Muma.

Dr. Dillenberg asks if we can let him know that we're concerned about the timing with the March date, please. It's not him, it's the timing.

Mr. Klein says yes, he'll push for prior to spring break.

Dr. Dillenberg shares the first week of March would be a great deadline.

Ms. Barber adds that's only a couple of weeks.

Mr. Klein shares that Rusty says he can get it done now.

Ms. Harvey says her other thing is page 5 for Planning and Zoning, the Zoning Code Consultant for a complete write up you have Gallagher Codification, is she on board for that?

Mr. Klein answers yes, she is willing to do as much as possible.

Council members express their thankfulness.

Ms. Harvey says her next question is the sanitation truck listed. She asks where we are at with that.

Mr. Klein says he has hundreds of emails, and they have a place that can do it. He says we were going back and forth with numbers and Marty did take a look at a truck. If Marty had given the blessing on that truck, it would have been good, but it was too heavy, and too small so it wouldn't have been efficient at all. We found another one and are awaiting the quote on that. We've got the money and are just waiting on the truck now. He shares they are so backordered that there are people waiting 2 years for them.

Ms. Harvey says she doesn't know that our truck will last 2 or 3 more years. Then says that's it for her.

Ms. Barber asks if anyone else has any other questions or statements from behind the dais. She says that she had a question mark next to the codification and thanks Ms. Harvey for asking the question.

6:35PM (15:52) 3. ADJOURNMENT

Ms. Harvey makes the motion to adjourn.

Dr. Dillenberg seconded the motion.

Meeting was adjourned at 6:46PM

Motion to adjourn at 6:46PM

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

APPROVE:

ATTEST:

Alex Barber, Mayor

Brett Klein, Town Manager

Date