

**MINUTES OF THE REGULAR MEETING
OF THE COUNCIL FINANCE SUBCOMMITTEE
OF THE TOWN OF CHINO VALLEY**

**Tuesday, March 4, 2014
5:00 P.M.**

The Council Finance Subcommittee of the Town of Chino Valley, Arizona, convened for a regular meeting in the Council Conference Room, located at 202 N. State Route 89, Chino Valley, Arizona.

Councilmember Pat McKee called the meeting to order at 5:05 P.M.

Members present: Councilmember Pat McKee (chair), Councilmember Linda Hatch, Vice-Mayor Darryl Croft.

Staff present: Finance Director Joe Duffy, Town Manager Robert Smith, Public Works Director Ron Grittman

3. APPROVAL OF MINUTES

3a. Consideration and possible action to approve the January 21, 2014 meeting minutes. Vice-Mayor Croft moved, seconded by Councilmember Hatch to approve the January 21, 2014 minutes, passed.

4. OLD BUSINESS – No old business

5. NEW BUSINESS

5a. Review and Discussion of financing options for future infrastructure development, operations, and acquisitions. These projects include the City of Prescott water system, wastewater plant acquisition and extending the water and sewer system along Highway 89.

Finance Director Joe Duffy reported that the enterprise funds are losing money yearly despite rate increase. He discussed the need to add new water and sewer accounts to alleviate the expense on the general fund and explained scenarios the Town is considering undertaking.

The committee confirmed that with the water acquisition the Town would purchase the well behind the Liquor Barn, which has high arsenic levels. The Town would need to continue filtering the arsenic water levels possibly by extending the currently leased filtering system.

Finance Director Duffy reported on two methods of finance, General Obligation Bonds (based on property value and citizen approval) and/or Revenue Bonds (financed through the enterprise cash flow). The committee discussed the revenue bonds and Water Infrastructure Finance Authority (**WIFA**) program for reducing the principal on disadvantaged communities.

The committee discussed purchase of the sewer and water systems, which could tie into the Town's systems and methods of presenting these finance methods to the citizens.

The committee discussed the Town's current debt and borrowing about 12 million dollars from WIFA.

5b. Review and Discussion of Budget Calendar for Fiscal Year 2014/2015 budget.

Web site page posting

Finance Director Joe Duffy presented the budget calendar; the committee reviewed the dates for meetings:

- April 25 revenue manual
- Council budget hearing in April 16 & 17
- additional on April 23
- if needed on May 15

Vice-Mayor Croft moved, seconded by Councilmember Hatch to adjourn, and passed.

6. ADJOURNMENT

Submitted this 19th day of March, 2014

By: *Liz Hart, Town Clerk Assistant*