

MINUTES OF THE WORK-STUDY MEETING OF THE COMMON COUNCIL OF THE TOWN OF STAR VALLEY

**Tuesday, May 6, 2025
3675 East Highway 260, Star Valley, AZ
(Star Valley Town Hall)**

- **CALL TO ORDER**
- **ROLL CALL**

**Present: Vice Mayor McKinney, Council Member Armington, Council Member Binney, Council Member McDaniel, Mayor Davis.
Town Manager Grier, Finance Administrator Ridings, and Town Clerk Chapin
were also present.**

- **PURPOSE OF MEETING:**

1. **Work-Study Meeting. Fiscal year 2025/2026 budget presentation by Town Manager Grier and Finance Administrator Ridings. The Mayor may open the item for public discussion following a presentation from Town staff and a question and answer session with the council.**

Town Manager Grier explained that the purpose of the work-study session is an opportunity for the Town Council to consider the financial data being presented to make policy decisions on town matters for the coming year. A final budget will be adopted at another town council meeting.

Finance Administrator Ridings began the presentation with a comprehensive budget spreadsheet that gave an overview of the current budget and a five-year projection. She reviewed the capital improvement plan, the general fund, the water fund, the highway user fund, Gila County excise tax fund, local transportation assistance fund, and judicial fund. Mayor Davis commented that the state taxes were coming in \$16,000 less than last year and court fines are down but there was a general fund revenue of \$7,249,700 for Fiscal Year 25/26. He also asked if the purchase of another town vehicle was included and Finance Administrator Ridings said it was included in the capital outlay. Council Member McDaniel asked if the town needed a new vehicle and Town Manager Grier said yes as the current vehicle is 20 years old and showing its age. Council Member McDaniel asked if there is a mandatory audit every year and Finance Administrator Ridings said yes.

Finance Administrator Ridings went on to describe the sources of revenue and expenses and noted that there was a 4.5 percent increase on the law enforcement contract. She noted that the projected budget of revenues/expenditures for the 25/26 fiscal year would come in at \$3,125,253 less than last year. Town Manager Grier commented that the water line replacement project was bumped due to the well generator priority and also the PFAS issue. He said the council would have to consider what kind of projects they wanted to do. Perhaps more streets and roads projects? Council Member McDaniel commented that she would like to move aggressively on streets and roads in the coming year. Council Member Binney asked when was the last time the town had a bridge inspected. Mr. Grier responded it has been awhile but the town hasn't received any complaints and recommended accommodating it as a budget line item if the council would like to. Council Member Dueker was in favor of spending money on streets. Mayor Davis asked the Council for their thoughts on spending money on streets and roads and all were in agreement to move forward.

Town Manager Grier said it was important to have a balance in different areas and gave a priority list of categories: law enforcement (safety); street improvement; community garden maintenance, water and board replacements; park improvements; and storage tanks and pump station. Also, PFAS was an issue of the year for the town and we will be receiving a tentative settlement of \$66,000 which goes into the water fund. Mr. Grier went on to explain that three of the RV parks will be added to the water system after the ADEQ pump project is complete. Council Member Dueker asked if there will be a residential fee for the RV parks and Mr. Grier responded that they will have a commercial rate. Council Member Dueker indicated that this was something the council should look into given the number of units in the parks and felt they might be getting a discount compared to regular residential customers. Mr. Grier questioned whether it should be a break even operation as the town gets a lot of grant money but felt this could be discussed at the next council meeting.

Town Manager Grier then talked about another WIFA loan to tackle the water line replacements. Council Member Binney responded that it is not free dollars. Mr. Grier said the town was not in a financially dire position but resources might not be available in three years. Council Member McDaniel agreed a second WIFA loan might be the way to go. Council Member Dueker said it was a good idea and the council should come up with a plan and grid out different areas. Mayor Davis said the council was in agreement to move forward with the WIFA loan. He recommended closing the work study and the council agreed.

APPROVED:

Bobby Davis, Mayor

Date: _____

ATTEST:

Edie Chapin, Town Clerk

CERTIFICATION:

I 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 Star Valley held on this day, the 6th day of May 2025. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 14th day of May 2025.

Del Dupree, Administrative Assistant