

**MINUTES OF THE STUDY SESSION
OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY**

**WEDNESDAY, MAY 17, 2023
12:00 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

Present: Mayor Jack Miller; Vice-Mayor Eric Granillo; Councilmember Annie Perkins; Councilmember Tom Armstrong; Councilmember John McCafferty; Councilmember Sherri Phillips; Councilmember Robert Schacherer

Staff Present: Town Manager Cindy Blackmore; Town Attorney Andrew McGuire (remote); Economic Development Project Manager Maggie Tidaback; Development Services Director Laurie Lineberry; Administrative Services Director Joe Duffy; Human Resources Director Laura Kyriakakis; Police Chief Chuck Wynn; Civilian Operations Supervisor Marrilee Easton; Lieutenant Josh McIntire; Lieutenant Randy Chapman; Public Works Director/Town Engineer Frank Marbury; Community Services Director Cyndi Thomas; Court Administrator Ronda Apolinar; IT Manager Spencer Guest; Audio Visual Technician Lawrence Digges; Deputy Town Clerk Sara Burchill; Town Clerk Erin N. Deskins

- 1) **CALL TO ORDER; ROLL CALL**
- 2) Presentation and discussion regarding the preliminary budget for Fiscal Year 2023/2024.

Cindy Blackmore, Town Manager, presented the following:

- Thanked the staff for their hard work getting the recommended budget put together.
- The recommendations would be based on the priorities set by Council from the last budget retreat.

Joe Duffy, Administrative Services Director, presented the following:

- He had prepared a brief presentation highlighting some specific items that he wanted to give Council more details about.
- The budget was about Council's priorities, including roads, infrastructure, communication, and recreation. Everything in the budget was meant to push those goals forward.
- Council received a budget packet which included a structurally balanced budget detail, budget request summary, personnel request summary, total revenue summary, department summary, and State budget forms.
- The State budget forms would be seen in the next Council meeting to adopt a tentative budget. The tentative budget set the maximum amount the Town could budget for but could be reduced before final approval.
- A structurally balanced budget had been the focus since the current Town Manager was hired, the goal being ongoing expenses never exceeding ongoing revenues. This would

- ensure the Town was in a good, stable, financial position even if the economy went bad.
- Mr. Duffy presented a graph showing revenues, reserves, and expenditures for the General Fund, HURF Fund, Capital Improvement Fund, and Sewer Enterprise Fund. He also explained the Town's position and discussed options and cuts that could be made in each should the need arise.
- The Town budgeted \$7.9 million for sales tax, and projected that it would receive about \$1 million more. The Capital Improvement Fund and state shared revenues were also coming in higher than budgeted. The Town had a \$3 million increase in revenues just in the General Fund.
- Staff recommended taking out a WIFA loan for the wastewater treatment plant design.
- Mr. Duffy reviewed several projects that were currently allocated to the various funds.
- The PSPRS balance was currently \$2.4 million. Mr. Duffy would be asking at the next council meeting to use excess contingency funds (about \$400,000) towards the PSPRS unfunded liability.

Cindy Blackmore presented the following:

- There was \$125,000 for Recreation Amenities. Staff had discussed upgrades to the dog park, an analysis of needs at Center Street Park, and pickleball.
- There was additional one-time roads funding in the budget and staff was requesting to put an additional \$1 million on the Road 1 East project and doing some additional local streets.
- The current police building would be available once the new building was complete. Staff had planned to remodel the old building and move Public Works in. Town Hall needed improvements as well.
- Parks Maintenance did not have a building and staff recommended designing a building for them.
- There were recommendations for several new positions which would be presented by the department directors.

Erin Deskins, Town Clerk, presented the following:

- She was requesting a Records Specialist position.
- This position was required by State Statute. The Deputy Town Clerk was currently filling that role but had a recently increased workload and was not able to get to the records portion of the job.
- This position would ensure that the Town was in compliance with the State regarding the storage and retention of records.
- This position would work with every department in the Town to make sure that a records management program was developed and maintained.
- This position would also take on business licenses from Development Services which should be in the Town Clerk's office as stated in Town Code.

Chuck Wynn, Police Chief, presented the following:

- He was requesting three additional sworn officer positions to get the officers off 12-hour shifts. They had been on 12-hour shifts for a long time and it was causing a lot of issues with burn out and increased use of sick time. In total, light duty and sick time accounted for three full-time people in the last year.
- Calls for service were steadily increasing along with traffic contacts.
- On paper, the department had 30 officers, but two were in the academy, two were on field training, one was on military leave for a year, once officer was approved for retirement at the end of next week, another retirement would be coming in July, and one sergeant accepted a position in probation and was leaving because of the 12-hour shifts.

Marrilee Easton, Civilian Operations Supervisor, presented the following:

- She was asking for a Police Specialist position to bring them back to three positions as they used to have years ago.
- A lot of people had moved to the area, meaning there were more citations, police records, walk-ins, body cam redactions, etc.
- With the new police department, they would like to be able to extend their hours and be open on Fridays.
- Body cam redactions took hours and the evidence technician was not able to do her normal job.
- State and federal agencies were increasing their yearly audits on the PD, which also took more time.
- She was also asking for a part-time Adoption Specialist. The current Adoption Specialist was coming in two and a half to three hours before the doors opened to the public to feed and water the dogs, clean the enclosures, take the animals out for walks, etc. Once the doors opened she was busy with people looking to adopt animals, bringing their own pets in for meet & greets, taking animals to the hospital and all of that took away from the everyday paperwork, answering phones, etc. A part-time specialist would make sure that the phones were covered.
- The shelter had about 10 to 15 volunteers, but there were only about four who came every week.

Frank Marbury, Town Engineer, presented the following:

- He was asking for a Parks Maintenance Worker which was based on national standards for Parks & Recreation which stated there should be eight full-time employees for every 10,000 residents. The Chino Valley population was approximately 13,500 and another 5,000 could be added for the surrounding areas that utilized the parks. Therefore, to be fully staffed they would need approximately 11 full-time employees. They currently had four. They tried supplementing with seasonal workers, but it was hard to find those seasonal workers.
- They were splitting crews so that one crew worked Monday through Thursday and another that worked Wednesday through Saturday. Two employees were needed for Little league, leaving two employees to do everything else.
- The addition of the new PD meant an additional two acres of landscaping to take care of. The managers had requested four positions, but staff was only requesting one position from Council.
- Mr. Marbury was also asking for a custodial worker. The Town currently had two custodians and they were completely busy. Complications like being sick or sick children made it really difficult for the work to be covered.
- The PD would be an additional 15,000 square feet of building to maintain. Standards state there should be a custodian for every 18,000 square feet. The Town had about 100,000 square feet of building.
- Staff was exploring options of contracting out the police station.
- He was also requesting a Fleet Mechanic. There were currently only two mechanics in the shop when there used to be three. Staff would be adding 20 additional vehicles in the next year or two. They were implementing new software for fleet management, and they were constantly having to train staff with the changing atmosphere of vehicles going from turning wrenches to running computers.
- The last position being requested was a Public Works Administrative Assistant. The previous admin was reclassified to an analyst to help with managing new systems, projects, and budgets.
- Since Customer Service was no longer an official department, Public Works needed

someone that could handle taking in maintenance requests, phone calls, permits, etc. They would also need someone to run the front desk once they moved into the old PD building. There would be additional duties in the fleet shop like handling inventory and ordering parts.

Cindy Blackmore, Town Manager, presented the following:

- There were two other positions requested but were not forwarded as recommendations as there would be nowhere to put them and management did not feel the budget could support them.
- Ms. Blackmore stated that she would like to move the Public Information Officer (PIO) from a part-time to a full-time position. This position was about having a bridge between Council, staff, and the community.
- Council had expressed a desire to improve communication and transparency and a full-time PIO would help to accomplish that with a broader community engagement program.
- A PIO was more than social media posts and press releases, but branding and putting out all the information possible.

Council and staff discussed the following:

- There would have to be some remodeling done in Town Hall to make an office for the PIO.
- The plan for the PIO was to recruit for the position as the current PIO was a contract position.
- The full-time PIO would be an additional \$75,000 over what was already budgeted for the contract position. The total cost of a full-time PIO was \$125,000 which included benefits.
- There was sufficient capacity within the ongoing revenues to cover the new position.
- Some councilmembers did not see the need for a full-time PIO. Ms. Blackmore stated that the position was about more than just doing press releases: there needed to be more community engagement (including from making the Council), they would be a representative for the Town, they would help with branding, and they could help with the Police Department and their PIO duties.
- Some councilmembers expressed dissatisfaction with the work currently being done by the PIO and didn't see the value in making it a full-time position. Some argued that branding was already well handled and the Police Department did a good job of getting their information out as well. Councilmembers also compared the work being done by the current PIO versus what the previous PIO was able to accomplish for \$10,000/yr.
- Other councilmembers felt that the Town needed a full-time PIO because the councilmembers could get information, but the citizens were not and a full-time PIO would help accomplish that.
- Josh McIntire, Lieutenant, stated that there was a huge need for a full-time PIO as the Town was missing an opportunity for outreach to the community and more community engagement would lead to more volunteerism. He stated it would be helpful to have someone present at critical incidents to give real-time updates. He and another lieutenant spent a lot of time doing social media and it was overwhelming. One had attended 14 meetings in the last two weeks that could have been attended by the PIO, and Chino Valley was the only municipality that did not have a representative for those meetings. A full-time PIO could also be watching for legislative and bill changes and putting that information out to the public when it might interest them. A full-time PIO would provide more cohesion for the Town.
- Councilmembers continued to discuss the duties and salary involved for a full-time PIO.
- The Classification and Compensation study that was conducted in December gave staff a

median salary of \$82,000/year for a full-time PIO position. The position would be considered a professional exempt position and would need to be available if things happened during the night or on the weekends.

Meeting recessed at 1:03 p.m.

Meeting reconvened at 1:14 p.m.

Council and staff discussed the following:

- It seemed difficult to justify a full-time PIO when HR and IT needed more staff and a part-time PIO, in the past, was able to deliver high quality work. Council suggested a part-time position that could work into a full-time position. Discussion ensued regarding the pros and cons of that scenario.
- Council asked who would cover the position if the PIO was sick or on vacation. The duties would fall back on each department.
- Council moved on to inquire about the new police positions requested. Council and staff discussed the national standards for police officers per 1,000 citizens and how Chino Valley compared to other local police departments, Chino Valley having the most. Prescott and Prescott Valley had nearby departments that they could call for back up, including tribal and college police, whereas Chino Valley would have to call a deputy that may be coming from Ash Fork. Chino Valley had 65 square miles.
- Staff stated that they didn't think all the positions would be filled this year, but if good people walked through the door they wanted to have the ability to hire them. Discussion ensued about what issues the PD was experiencing with the staffing they had now, including open positions, longer shifts, officer safety, and officer satisfaction regarding those issues.
- Calls for service per year were discussed. The PD projected to have the highest numbers over the last five years combined for service calls. Officer initiated activity was also up which suppressed crime. Arrests were also up by 40 this year.
- Overtime costs and how additional positions would reduce those costs was discussed.
- The need for a School Resource Officer was discussed as well as the need to rededicate an officer to the PANT taskforce.
- Council requested biannual reports at council meetings so that they could be aware of the issues before the budget meeting.

Laura Kyriakakis, Human Resources Director, presented the following:

- Staff sent out a survey to 24 Arizona municipalities and received a 67% response rate, which is lower than normal due to the amount of competition for employment.
- The average Cost of Living Adjustment (COLA) was 5.62% and the median was 4%. Staff was recommending a 5% COLA increase.
- The average merit increase was 3.75% and the median was 4%. Staff was recommending up to a 3% merit raise based upon performance.
- Premium increases for health insurance had been discussed, but the reserves with the trust were \$8 million over the recommended \$10 million, so the board recommended that there be no premium increase for the employer and staff was recommending the same for the employees.

Council and staff discussed the following:

- Council wanted to see more recreation in Chino, particularly pickleball. One councilmember mentioned that Prescott had put in eight pickleball courts with lights for \$484,000 which even included engineering tasks as they were built into the side of a hill.

Staff mentioned that was done back in 2021, and Prescott's pickleball association had come up with the majority of the funds, and the City put in about \$300,000 which was budgeted through park impact fees which Chino Valley did not have.

- Chino Valley's Pickleball Association had just received their LLC through the State and had applied for their 501(c)(3). Staff suggested giving the association a year to get their non-profit status so they could help with the money. Staff had included money to do an assessment of what pickleball courts would cost and have a design done. Staff and council discussed having them put out at Old Home Manor.
- Council stated that they didn't see anything in the budget regarding a donation to the Historical Society. Staff stated that a line item could be added to the tentative budget for that.

Meeting recessed at 2:00 p.m.

Meeting reconvened at 2:10 p.m.

Council and staff discussed the following:

- Council asked if the parking lights at Town Hall were tied into the APS covered parking. Staff stated the project was absent of any APS projects, the parking lot needed lights even without the proposed solar from APS. This project would provide lights on the south driveway of Town Hall and replace the existing lights to match the new PD lights. The amount of the project may be reduced based on what action APS took. Council questioned how necessary the lights were since no one was at Town Hall at dark. Staff stated that in the wintertime all meetings ended after the sun was down and the walk to their vehicles was very dark and it was a safety issue.
- A modular office building had been proposed for \$400,000. Council questioned the cost of the item. Staff stated that the last quote they had received six to eight months ago was \$328,000. They had considered a steel office building, but then the issue would be getting the supplies. The streets department was supposed to be out of the current building at the equestrian center at least a year ago.
- Council inquired as to the intent of the old police building. Staff stated that the intent was to remodel the building and use it for Public Works and put HR in the investigation building. The \$600,000 was based on the building being 3,000 square feet at \$200 per square foot. The building needed a new roof and new communication wiring. Staff hoped to keep the bathrooms where they were to avoid higher costs by having to move plumbing.
- Council asked for details on the \$150,000 budgeted for Town Hall Improvements. Staff stated that some of it would be to accommodate staff, and increase security with electronic door locks, and other safety measures by adding some doors. It would also include new flooring and paint.
- Council wanted more details on the request for a mobile message board. Staff had previously been renting a mobile message board for \$150/day for various street projects and special events. It could be used by Economic Development and the Police Department as well. There would still be a need for rentals when multiple signs were needed for things like road closures.
- Staff requested an additional admin vehicle for Town Hall. Council asked if one had been approved last year. Staff stated the vehicle currently at Town Hall was used quite a lot and there was a lot of need for an additional vehicle, particularly when Economic Development needed it for out-of-town business, which happened often. Staff discussed what vehicles were currently on order and the procedures fleet was creating to get the most use out of the Town's current vehicles. Council asked how the Town would get a new vehicle for \$35,000. Staff stated that government agencies received a significant

discount on new vehicles.

- One councilmember stated that he didn't see anything in the budget regarding the purchase of rights-of-way and asked about that. Staff stated that rights-of-way were not being considered at this time. If Council wanted to add that, it would be an addition, or other projects would have to be reprioritized. Council asked how the problem was going to be fixed. Staff stated that the only way to get extra money to roads was to find an additional funding source, or cut money from other projects. Staff suggested building it into next year's CIP.
- Council inquired about the progress of the Senior Center remodel and if it was paid for. It was, in fact, paid for through the CDBG funds and would roll over into the next fiscal year.
- Council inquired about having money for sewer and water expansion. Staff stated that the CIP included projects for sewer and water lines with the sewer integrated water master plan being the first step in getting a real program together to bring priority projects to Council.
- Council asked where a new Town Hall was in planning. Staff stated that it was two fiscal years out. Some councilmembers asked why the Town needed a new Town Hall. Staff stated that Town Hall was out of room for new staff and having one place where the majority of staff was located would provide a better customer service environment so that customers didn't have to go from building to building when they ended up in the wrong place. The plan was currently a place holder in the 5-year CIP, it might not happen in two years.
- Council inquired about spending \$15,000 on a golf cart. The price was based on an online search, but staff would be looking at all options to get it for as cheap as possible. This would be used for running around Town during special events or for quick trips from one campus to another.
- Council inquired about spending \$25,000 at a park on Center and Road 1 West (Cat Park). Staff stated it was part of the \$125,000 earmarked for recreational amenities. Staff wanted to look at that park to see what improvements could be made and take it through the Parks and Recreation Advisory Board. One councilmember had never seen anyone at that park. Staff stated that they had received a lot of feedback that kids frequent that park and need something to do there.
- Staff reviewed the Tax Levy and Tax Rate information for FY23/24 at Council's request.
- The PIO position was discussed again. Council discussed the yearly cost and the addition of a COLA and merit increase next fiscal year. Staff stated that the average burden rate was 39% of the General Fund, which included police officers. Removing police officers, the average burden rate would be closer to 32-35%.
- Council reviewed the personnel requests again and inquired as to why an IT Support Technician and HR Temporary position were not funded. Ms. Blackmore stated that, after speaking with the department heads, it was agreed that these were positions that could be put off until next year. There wasn't space for them, and one department head said that they just wanted to get it on the radar because they knew they would need it sooner rather than later. Staff discussed possibly half funding the IT Support technician so that it could be recruited in the spring, giving the department time to plan for what the employee would do as far as job duties and where their workspace would be. Council agreed that if IT would be working on the new PD building it was certainly needed. Council inquired about the option of a contract position. Spencer Guest, IT Manager, stated that contracts of this nature were usually just for a short amount of time. The other issue with a contract employee was that a lot of information would be shared with them. There needed to be a good trust/working relationship with them.
- Council asked about what items were not funded and staff reviewed those which were listed in the budget provided.

- Council and staff briefly reviewed smaller items in the budget including professional services, IT equipment and network security equipment, and public relations expenses from the Town Manager's office.
- Discussion ensued regarding steps after this meeting and what the Council could plan on seeing in the tentative budget at the next regular council meeting.
- Mr. Duffy reviewed the Town's overall financial position and what would happen if there was a recession.

3) ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Vice-Mayor Eric Granillo to adjourn the meeting at 3:23 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Eric Granillo, Councilmember Annie Perkins, Councilmember Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips, Councilmember Robert Schacherer

7 - 0 PASSED - Unanimously



Jack W. Miller, Mayor

ATTEST:



Erin N. Deskins

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the 17th day of May, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 11th day of July, 2023.

Erin N. Deskins

Erin N. Deskins, Town Clerk