



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

REGULAR MEETING
Tuesday, July 10, 2012
6:00 P.M.

Council Chambers
202 N. State Route 89
Chino Valley, Arizona

AGENDA

- 1) **CALL TO ORDER, INVOCATION; PLEDGE OF ALLEGIANCE; ROLL CALL**
- 2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
 - a) Proclamation declaring the years of 2012-2015 the "Bicentennial Years of the War of 1812," sponsored by the Arizona State Society of United States Daughters of 1812. (Mayor Marley)
 - b) Presentation by Mary Mallory, Prescott Valley Council Member, regarding the 9/11 Ceremony Healing Field of Northern Arizona. (Mayor Marley)
 - c) Annual Report by Ab Jackson, CEO, Chino Valley Area Chamber of Commerce. (Mayor & Council)

3) **CALL TO THE PUBLIC**

Call to the Public is an opportunity for the public to address the Council concerning a subject that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to speaker remarks.

4) **RESPONSE TO THE PUBLIC**

Response to the Public is an opportunity for the Mayor to inform the public about how Town officials addressed matters raised during Call to the Public at a previous meeting.

5) **CURRENT EVENT SUMMARIES AND REPORTS**

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events, or ask a staff member to provide the same. Presentation on information requested by the Mayor and Council will be made and questions answered. No action will be taken.

- a) Report regarding vacancies on several of the Town's boards and committees. (Jami Lewis, Town Clerk)
- b) Report regarding a candidates forum for District #4 Yavapai County Supervisor, to be moderated by the League of Women Voters. (Jami Lewis, Town Clerk)
- c) Report by Mayor Chris Marley regarding the formation of an Ad Hoc Revenue Options Committee. (Mayor Marley)

6) **CONSENT AGENDA**

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

- a) Consideration and possible action to approve Resolution No. 12-996 ordering that an ad valorem tax be fixed, levied and assessed on the assessed value of all real and personal property within the boundaries of the Chino Valley Street Lighting Improvement Districts in amounts specified in the approved Statements and Estimates for fiscal year 2012-2013 for the Town of Chino Valley Street Lighting Improvement Districts. (Robert Smith, Interim Town Manager)
- b) Consideration and possible action to approve annual Intergovernmental Agreement (IGA) between the Town of Chino Valley and Yavapai County for emergency management services; and authorize payment of the annual dues of \$4,651.00. Funds to come from non-departmental fund line item for Yavapai County Emergency Management IGA for Fiscal Year 2012/2013. (Chuck Wynn, Interim Police Chief)
- c) Consideration and possible action to adopt Resolution No. 12-997, formally adopting a local Public Safety Retirement Board. (Cecilia Watts, General Services Director)

7) **ACTION ITEMS**

- a) Presentation by Robin Sobatta, PhD, Chairman of the Department of Business, Embry-Riddle University, and consideration and possible action to approve a Letter of Support regarding the Northern Arizona Unmanned Aircraft System (UAS) activities in support of the State of Arizona UAS Initiative. (Mayor Marley)

Recommended Action: To be determined per Council discussion.

- b) Presentation and discussion regarding the Town's March 2013 election and the Alternative Expenditure Limitation (Home Rule Option) ballot measure. (Jami Lewis, Town Clerk)
- c) Discussion and possible action regarding an amendment to the membership of the Roads and Streets Committee. (Council Appointments Committee)
- d) Consideration and possible action to approve the May 22, 2012 Regular Meeting minutes. (Absent: Councilmember Turner) (Jami Lewis, Town Clerk)

Recommended Action: Approve the May 22, 2012 Regular Meeting minutes.

8) EXECUTIVE SESSION

Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the Town's attorneys on any of the above agenda items pursuant to A.R.S. § 38-431.03(A)(3).

9) ADJOURNMENT

Dated this 5th day of July, 2012.

By: **Jami C. Lewis, Town Clerk**

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 636-1787 (TDD) 48 hours prior to the meeting to request a reasonable accommodation to participate in this meeting. Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/clerk/townagenda.shtml>, and in the Public Library and Town Clerk's Office.

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley Town Hall, Chino Valley Post Office, and Chino Valley Aquatic Center in accordance with the statement filed by the Town Council with the Town Clerk.

Date: _____

Time: _____

By: _____
Jami C. Lewis, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **2. a.**

Meeting Date: 07/10/2012
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Item Type: Presentation Only
Estimated length of Staff Presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

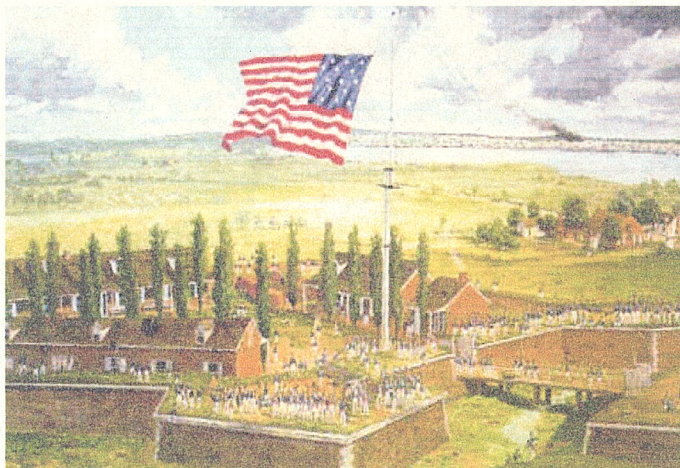
Proclamation declaring the years of 2012-2015 the "Bicentennial Years of the War of 1812," sponsored by the Arizona State Society of United States Daughters of 1812. (Mayor Marley)

SITUATION & ANALYSIS:

The Arizona State Society of United States Daughters of 1812 is asking all municipalities in Arizona to issue a proclamation acknowledging the bicentennial of the War of 1812. In February 2013, they are intending to present a list to their national president of all the cities in Arizona which issued proclamations.

Attachments

Proclamation



Whereas, we gathered here today to celebrate the Bicentennial of the War of 1812, a war which tested the meddle of Americans on both Land and Sea. It is fitting and proper that we recognize the sacrifices of those who fought in the War of 1812 to preserve the blessing of Liberty for future generations of Americans. We remember these brave patriots every time we sing our National Anthem, the Star Spangled Banner, and recall the valor of those who bravely defended Fort McHenry. It is our hope that the proud, spangled banner which waved over Fort McHenry shall never be forgotten, that it may ever wave over this land of the free and home of the brave.

I, _____ Mayor of the Town of
CHINO VALLEY, ARIZONA

therefore, on this day _____ Proclaim with Pride, the
years of 2012 – 2015, the Bicentennial Years of the War of 1812.

Who find rest under thy folds, do pledge our lives, our hearts and our
sacred honor to love, and protect thee, and the liberty of the American
people forever.

United States Daughters of 1812
State of Arizona





TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **2. b.**

Meeting Date: 07/10/2012
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Item Type: Presentation Only
Estimated length of Staff Presentation: None
Physical location of item: Prescott Valley

AGENDA ITEM TITLE:

Presentation by Mary Mallory, Prescott Valley Council Member, regarding the 9/11 Ceremony Healing Field of Northern Arizona. (Mayor Marley)

SITUATION & ANALYSIS:

Prescott Valley Council Member Mary Mallory desires to show a 10 minutes video and speak about the Healing Field of Northern Arizona, an added event to their town's annual 9/11 ceremony. Their goal is to raise up 3000 American flags to remember all those that lost their lives that day, "to never forget" what is given for our freedom, and what is still being given since 11 years ago. The Town of Prescott Valley hopes that this will be a good opportunity for people in the northern area to come together and commemorate this event.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. a.**

Meeting Date: 07/10/2012
Contact Person/Dept: Robert Smith, Town Manager
 Phone: 928-636-2646 x-1201
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: Bright Star Subdivision

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 12-996 ordering that an ad valorem tax be fixed, levied and assessed on the assessed value of all real and personal property within the boundaries of the Chino Valley Street Lighting Improvement Districts in amounts specified in the approved Statements and Estimates for fiscal year 2012-2013 for the Town of Chino Valley Street Lighting Improvement Districts.

RECOMMENDED ACTION:

Approve Resolution No. 12-996 ordering that an ad valorem tax be fixed, levied and assessed on the assessed value of all real and personal property within the boundaries of the Chino Valley Street Lighting Improvement Districts in amounts specified in the approved Statements and Estimates for fiscal year 2012-2013.

SITUATION AND ANALYSIS:

On June 26, 2012, after a public hearing, the Town of Chino Valley Council adopted Resolution No. 12-995, adopting the annual statements and estimates of expenses of the Chino Valley, Arizona Street Lighting Improvement Districts (SLIDs).

14 days following the Public Hearing, the Town Council (as the approving body) must adopt a resolution ordering an ad valorem tax for the three Chino Valley Street Lighting Improvement Districts.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code:

Available:

Funding Source:

This is a revenue line item.

Attachments

Resolution 12-996

RESOLUTION NO. 12-996

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, YAVAPAI COUNTY, ARIZONA, ORDERING THAT AN AD VALOREM TAX BE FIXED, LEVIED AND ASSESSED ON THE ASSESSED VALUE OF ALL THE REAL AND PERSONAL PROPERTY WITHIN THE BOUNDARIES OF THE CHINO VALLEY STREET LIGHTING IMPROVEMENT DISTRICTS IN AMOUNTS SPECIFIED IN THE APPROVED STATEMENTS AND ESTIMATES FOR FISCAL YEAR 2012-2013 FOR THE TOWN OF CHINO VALLEY STREET LIGHTING IMPROVEMENT DISTRICTS

WHEREAS, the provisions of A.R.S. § 48-616 require the governing body to levy taxes upon all property in a municipal street lighting improvement district necessary to pay the annual expenses of said districts; and

WHEREAS, the Mayor and Council of the Town of Chino Valley, having adopted annual statements and estimates of expenses of municipal Street Lighting Improvement Districts as the final budget for each district for fiscal year 2012-2013, after a public hearing on the statements and estimates was held on June 26, 2012; and

WHEREAS, the County of Yavapai is the assessing and collecting authority for the Town of Chino Valley, the Town is required to transmit a certified copy of this Resolution to the Assessor and Board of Supervisors of Yavapai County, Arizona by the third Monday in August;

NOW, THEREFORE, BE IT RESOLVED that for each street lighting improvement district listed on the attached Schedule of Estimated Assessments, a tax rate sufficient to provide funds for the annual expenses of each street lighting improvement district within the Town of Chino Valley, as listed in the attached Schedule, is hereby levied on all property, both real and personal, within the boundaries of said districts, except such property which is, by law, exempt from taxation.

BE IT FURTHER RESOLVED that certified copies of this Resolution shall be delivered to the Yavapai County Board of Supervisors and to the Arizona Department of Revenue before the third Monday in August.

BE IT FURTHER RESOLVED that all resolutions and parts of resolutions in conflict with the provisions of this Resolution or any part of the Code adopted herein by reference, are hereby repealed.

BE IT FURTHER RESOLVED if any section, subsection, sentence, clause, phrase or portion of this Resolution or any part of the Code adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 10th day of July, 2012.

Chris Marley, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

Musgrove Drutz & Kack, PC
Town Attorney

EXHIBIT "A"

TOWN OF CHINO VALLEY, ARIZONA
Street Lighting Improvement Districts**Schedule of Estimated Assessments**

Fiscal Year – 2012/2013

			A	B	C	D	E
Co. Dist. No.	Town ID No.	Town ID Name	2011/2012 Estimated Actual Expenses	2011/2012 Levy Request	2011/2012 Difference on Expenses vs. Levy	2012/2013 Projected Expenses	2012/2013 Levy Request
13004	CVSLID1	Chino Valley, Arizona, CVSLID #1 Lighting Improvement District	\$2,042	\$2,031	\$11	\$1,992	\$2,003
13005	CVSLID2	Chino Valley, Arizona, CVSLID #2 Lighting Improvement District	\$1,048	\$1,050	(\$2)	\$1,024	\$1,022
13006	CVSLID3A	Chino Valley, Arizona, CVSLID #3A Lighting Improvement District	\$ 954	\$ 951	\$3	\$ 930	\$ 933

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. b.**

Meeting Date: 07/10/2012
Contact Person/Dept: Chuck Wynn, Police
 Phone: 928-636-2646 x-1258
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: Town wide

AGENDA ITEM TITLE:

Consideration and possible action to approve annual Intergovernmental Agreement (IGA) between the Town of Chino Valley and Yavapai County for emergency management services; and authorize payment of the annual dues of \$4,651.00.

RECOMMENDED ACTION:

Approve annual Intergovernmental Agreement (IGA) between the Town of Chino Valley and Yavapai County for emergency management services; and authorize payment of the annual dues of \$4,651.00.

SITUATION AND ANALYSIS:

The Town of Chino Valley has entered into an annual intergovernmental agreement with Yavapai County Office of Emergency Management for many years. The County and Town work together in developing plans to handle emergencies and disasters. The County assists the Town with its emergency planning and operations and includes the Town in its own emergency plan. Generally, the police chief and/or public works director work with the County on these matters.

Some benefits provided to the Town during the past year include:

- 1) Notification of hazardous conditions (fire, flooding, wind storms, traffic incidents);
- 2) Updated Disaster Response Plan;
- 3) On call status 24/7;
- 4) Assisted in procuring \$50,000 for Chino PD communications project;
- 5) On call 24/7 alternative communications capability (amateur radio).

The subject agreement is a renewal for fiscal year 2012/2013 and includes the annual contribution by the Town in the amount of \$4,651.00.

Other Pertinent Documents Available Upon Request:

Intergovernmental Agreement for the Establishment of Unified Emergency Management.

Fiscal Impact

Fiscal Impact?: \$4,651

If Yes, Budget Code: 01-95-5554

Available: \$4,651

Funding Source:

Funds to come from non-departmental fund line item for Yavapai County Emergency Management IGA for Fiscal Year 2012/2013.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **6. c.**

Meeting Date: 07/10/2012
Contact Person/Dept: Cecilia Watts, General Services
 Phone: 928-636-2646 x-1202
Item Type: Consent
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to adopt Resolution No. 12-997, formally adopting a local Public Safety Retirement Board.

RECOMMENDED ACTION:

Adopt Resolution No. 12-997, formally adopting a local Public Safety Retirement Board.

SITUATION AND ANALYSIS:

The Town is required, per Arizona State Statute 38-847 to establish a local board with responsibility of oversight of the Public Safety Retirement System. The Board contains 5 members: Council Member Darryl Croft as Chairman, two local citizens, Mike Tobey and Cheri Romley, and two members elected from the membership, Vince Schaan and Brian Sanders. Cecilia Watts acts in the capacity of recording secretary. This Board was loosely created by the Town but had not been formally established. This resolution formally establishes the Board and outlines its responsibilities and authority, in compliance with state statute.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

Resolution 12-997

RESOLUTION NO. 12-997**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, FORMALLY ESTABLISHING A PUBLIC SAFETY RETIREMENT BOARD**

WHEREAS, establishing a Public Safety Retirement Board is mandated by Arizona Revised Statute 38-847;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, COUNTY OF YAVAPAI, ARIZONA, THAT THE TOWN COUNCIL FORMALLY SUPPORTS THE FORMATION OF A LOCAL PUBLIC SAFETY RETIREMENT BOARD AS FOLLOWS:

1. Membership of the Board shall consist of the mayor or his/her designee to serve as Chairman, with two members elected from the Association by secret ballot, and two members of the public.

2. The Board shall consist of five (5) members, initially one member from the public and one association member serving two-year terms and one member from the public and one from the association serving four-year terms. Thereafter terms shall be four years each and shall be appointed by the Mayor and the Common Council on July 1 of even-numbered years. The Chairman shall be the Mayor or the Mayor's designee and be approved by the respective governing board, to serve a four-year term.

3. The local board will meet at a minimum twice annually, with authority and power to discharge the following duties:

- To decide all questions of eligibility and service credits and determine the amounts, manner and time of payment of any benefits under the system;
- To prescribe procedures to be followed by claimants in filing applications for benefits;
- To make a determination as to the right of any claimant to a benefit and to afford any claimant or the board of trustees, or both, a right to a rehearing on the original determination;
- To request and receive from the employers and from members such information as is necessary for the proper administration of the system and action on claims for benefits and to forward such information to the board of trustees;

- To distribute, in such a manner as the local board determines to be appropriate, information explaining the system received from the board of trustees;
- To furnish the employer, the board of trustees and the legislature, on request, with such annual reports with respect to the administration of the system as are reasonable and appropriate;
- To receive and review reports of the financial condition and of the receipts and disbursements of the fund from the board of trustees;
- To appoint medical boards as provided in section 38-859;
- To sue and be sued to effectuate the duties and responsibilities set forth in this statute.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona this 10th day of July, 2012.

Chris Marley, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

Musgrove Drutz & Kack, PC
Town Attorney

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. a.**

Meeting Date: 07/10/2012

Contact Person/Dept: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208

Item Type: Action-Presentation

Estimated length

of staff presentation: 30 minutes

Chino Valley Model Aviators facility at Old Home Manor and

Physical location of item: Granite Creek watercourse

AGENDA ITEM TITLE:

Presentation by Robin Sobatta, PhD, Chairman of the Department of Business, Embry-Riddle University, and consideration and possible action to approve a Letter of Support regarding the Northern Arizona Unmanned Aircraft System (UAS) activities in support of the State of Arizona UAS Initiative. (Mayor Marley)

RECOMMENDED ACTION:

To be determined per Council discussion.

SITUATION AND ANALYSIS:

Dr. Robin Sobatta, PhD, Chairman of the Department of Business, Embry-Riddle University, will present information on the State of Arizona's Unmanned Aircraft System (UAS) Initiative and ERAU's desire to participate in the UAS Initiative with regard to testing, training, and education. She is also requesting that Council approve a Letter of Support for the University's proposed UAS activities.

Other Pertinent Documents Available Upon Request:

Sample letter of support (Council/staff only)

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. b.**

Meeting Date: 07/10/2012
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Item Type: Action
Estimated length of Staff Presentation: None
Physical location of item: Town wide

AGENDA ITEM TITLE:

Presentation and discussion regarding the Town's March 2013 election and the Alternative Expenditure Limitation (Home Rule Option) ballot measure. (Jami Lewis, Town Clerk)

SITUATION & ANALYSIS:

The Town's next Home Rule election is in March 2013. As four of the current council members were not on council or involved in the Town's last Home Rule election in March 2009 and the Home Rule process starts in July-August 2012, staff will present a brief overview of Home Rule, the election calendar, and educational outreach materials for Council, Town staff, and the public.

Attachments

Home Rule Election Calendar

Home Rule Mailer 2009

Home Rule Brochure 2009

HOME RULE ELECTION CALENDAR—MARCH 2013

	TARGET DATE	LEGAL DEADLINE	RESP. PARTY	ACTION STEP
A	July-Sept.		Finance	Finance Department perform calculations needed for Home Rule public hearings and proposal.
B	Prior to Sept. 30		Clerk	Translate HR documents into Spanish
C1		Mid-Oct.	Clerk	Publish 1 st & 2 nd notice of public hearings – Chino Valley Review / website <i>NOTE: PUBLISHING IN THE REVIEW IS OPTIONAL – DUE TO BUDGET SHORTFALL, DID NOT PUBLISH IN REVIEW in 2009</i>
C2		Mid-Oct.	Clerk	Publish 1 st & 2 nd notice of public hearings – Daily Courier <i>NOTE: WE ARE <u>REQUIRED</u> TO PUBLISH IN THE COURIER</i>
D		End Oct.	Council	Hold 1 st & 2 nd public hearings on proposed home rule option
E		End Oct.	Council	Council votes on the proposal/resolution immediately after second hearing in a special meeting. Need 2/3 vote
F1		Immediately following Council vote	Clerk	Publish record of the vote in newspaper and, if approved, the amount of expenditures in excess of the state-imposed limitation and purposes for the excess Publish 1 st & 2 nd notice— Chino Valley Review / website
F2		Immediately following Council vote	Clerk	Publish record of the vote in newspaper and, if approved, the amount of expenditures in excess of the state-imposed limitation and purposes for the excess Publish 1 st thru 4 th notice—Daily Courier
G		Early Nov.	Finance	Submit to Auditor General's Office required information, including resolution, summary and detailed analyses (time starts when Auditor General receives the information)
H		End Nov. (100 days prior to election)	Council	Call election by resolution

	TARGET DATE	LEGAL DEADLINE	RESP. PARTY	ACTION STEP
I	End Nov.		Clerk	Publish Public Service Announcement (Review / website) regarding nomination packets, home rule pamphlet arguments
J1		End Nov.	Clerk	1 st – 4 th publication of Call of Election – Daily Courier
J2		End Nov.	Clerk	1 st & 2 nd publication of Call of Election – Chino Valley Review
K		15 wkg days after AGO receipt	Finance	Receive reviewed detailed and summary analysis worksheet from Auditor General's Office.
L	Early Nov.-		Finance	Submit publicity pamphlet to A.G. for review
M		Early Dec.	Clerk	Receive arguments for or against alternative expenditure limit for publicity pamphlet
N		Early Dec. (90 days prior)	Clerk	Submit language for pamphlet and ballot to printer.
O		Early Feb.	A.G.	Town Council receives estimated state-imposed expenditure limitation for coming fiscal year
P		MAR. 13		PRIMARY ELECTION DAY
Q		6-20 days after election	Council	Canvass vote.
R		Immediately after canvass	Finance	Inform Auditor General's Office and Economic Estimates Commission of the outcome of election
S		Early Apr.	Town	Town Council receives <u>actual</u> state-imposed expenditure limitation

TOWN OF CHINO VALLEY
Alternative Expenditure Limitation
Home Rule Option



Proposition 400

Primary Election
 March 10, 2009

Home Rule is local spending control versus State imposed spending limits regarding budgetary expenditures. Proposition 400 will determine the amount of money your Town government will be able to spend to provide services to the community.

State law requires that the Mayor and Council approve a spending limit for each year's budget which cannot exceed the amount of money the Town receives.

Under Home Rule, the Town would be allowed to spend up to 100% of its revenues (\$16.5 million projected). Under the State-imposed limit, the Town's spending would be limited to 53% of its revenues (\$8.9 million projected). The remaining monies (\$7.6 million) would be held in a bank account and the citizens would not be allowed to spend those funds for local service needs such as police, Senior Center, library, etc. If Home Rule is approved, the Town may budget all of its anticipated revenues and not be subjected to the State-imposed spending limits.



A "YES" vote on Proposition 400 will allow Chino Valley to set its own budget limit based on projected revenues and local service needs for the next four years.

A "NO" vote will require the Town to accept the State-imposed budget limit for at least the next two years, resulting in a severe reduction (47%) in Town services.



A vote for or against Home Rule will NOT change any of your taxes. (NOTE: Chino Valley does NOT impose a property tax.)



Learn More:

- Visit <http://chinoaz.net/clerk/elections.shtml>
- Contact the Town at (928) 636-2646
- Registered voters will receive a Voter Information Pamphlet to be mailed out the week of February 2

PUEBLO DE CHINO VALLEY
Limitación de Gastos Alternativa
Opción de Autonomía

Proposición 400

Elección Primaria
 10 de marzo de 2009

La Opción de Autonomía es un control local de gastos contra los límites de gastos ordenados por el Estado tocante gastos presupuestarios. La Proposición 400 determinará la cantidad de fondos que su gobierno del Pueblo podrá gastar para proveerle servicios a la comunidad.

La ley del Estado requiere que el Alcalde y el Concejo aprueben una limitación de gastos para el presupuesto de cada año cual no puede exceder la cantidad de dinero que recibe el Pueblo.

Bajo la Opción de Autonomía, se le permitirá al Pueblo gastar hasta el 100% de sus ingresos (\$16.5 millones proyectados). Bajo el límite ordenado por el Estado, los gastos del Pueblo se iban a limitar al 53% de sus ingresos (\$8.9 millones proyectados). El dinero que permaneciera (\$7.6 millones) se iban a depositar en una cuenta de un banco y no se les iba a permitir a los ciudadanos gastar esos fondos para las necesidades de servicios locales tal como la policía, centro de las personas de la tercera edad, biblioteca etcétera. Si se aprueba la Opción de Autonomía, el Pueblo podrá presupuestar todos sus ingresos anticipados y no estar sujeto a los límites de gastos ordenados por el Estado.



Un voto de "Sí" por la Proposición 400 le permitirá a Chino Valley fijar su propio límite del presupuesto a base de los ingresos proyectados y las necesidades de servicios locales para los siguientes cuatro años.

Un voto de "NO" va a requerir que el Pueblo acepte el límite del presupuesto ordenado por el Estado por lo menos de los siguientes dos años, resultando en una seria reducción (47%) de los servicios de Pueblo.

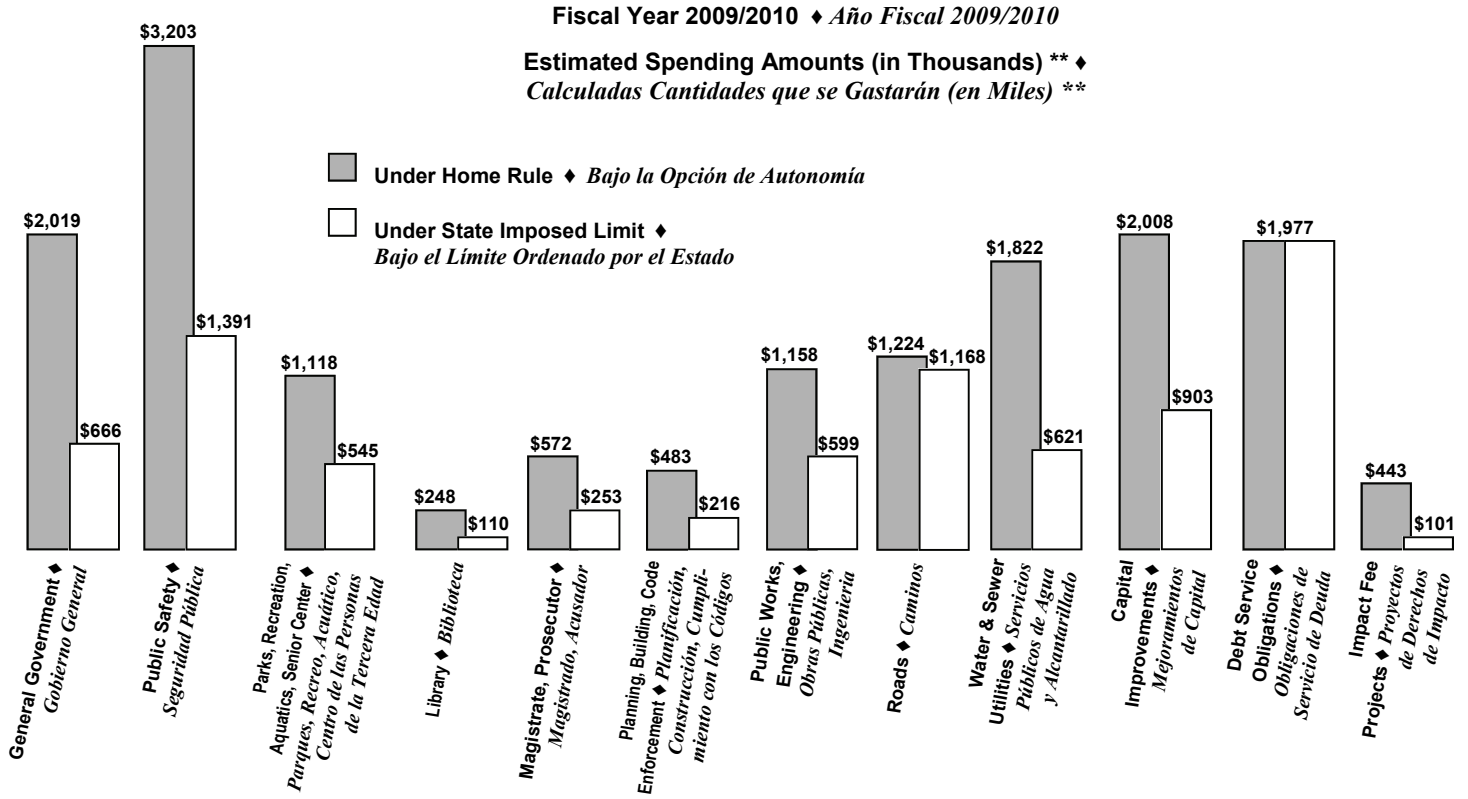


Un voto a favor o en contra de la Opción de Autonomía NO cambiará cualesquier de sus impuestos. (PRESTE ATENCIÓN: Chino Valley NO grava un impuesto sobre la propiedad.)



Interesé Más:

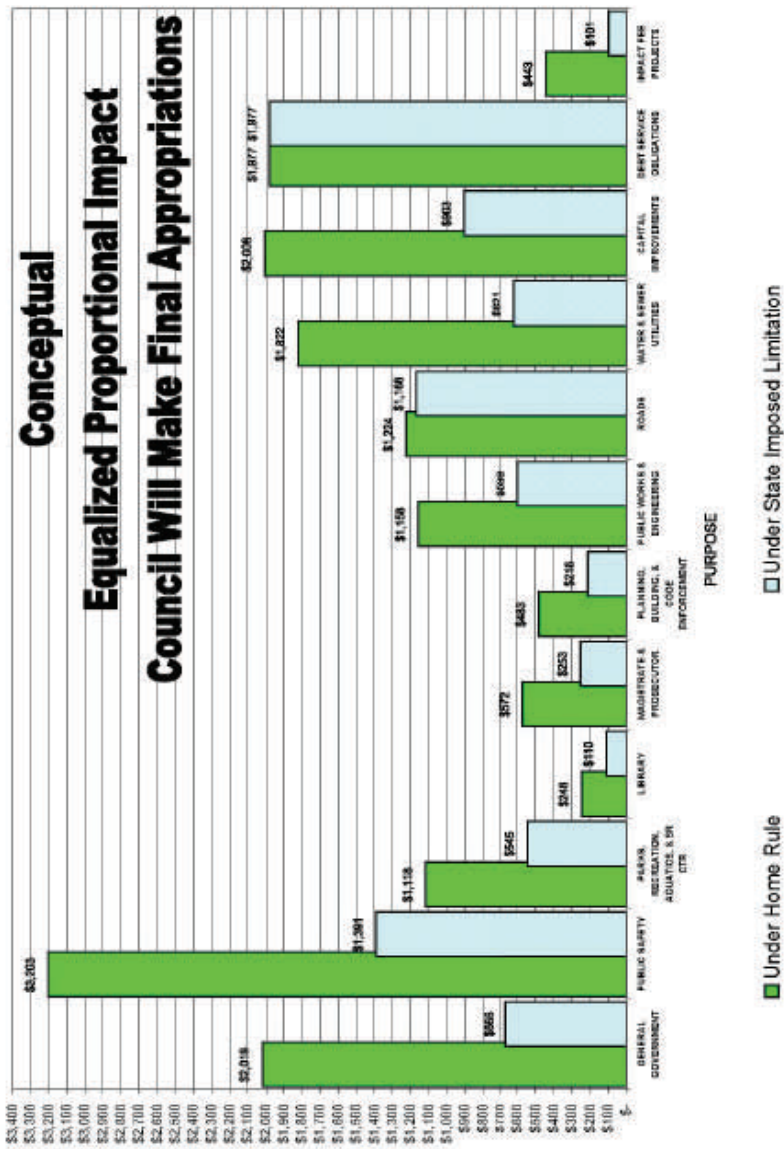
- Visite <http://chinoaz.net/clerk/elections.shtml>
- Comuníquese con el Pueblo al (928) 636-2646
- Los votantes inscritos para votar recibirán un Folleto de Información para los Votantes que se enviará por correo la semana del 2 de febrero



** This comparison is made using estimates based on projections of revenues from all sources (subject to change based on economic conditions).

** Esta comparación se hace usando cálculas basados en proyecciones de ingresos de todas las Fuentes (sujeta a cambiar basada en condiciones economicas).

FY 2009/2010 EXPENDITURE COMPARISON (in Thousands) **



** This comparison is made using raw estimates based on projections, and is not a reflection of final departmental expenditure levels.

PROPOSITION 400 MARCH 10, 2009 BALLOT

ALTERNATIVE EXPENDITURE LIMITATION – HOME RULE OPTION

Q: What is Proposition 400?

A: It relates to the Town's budget. Proposition 400 will determine the amount of revenues the Town government will be able to spend to provide services to the community, including public safety, Library, Recreation, and Senior Center.

Q: Why do Town residents have to vote on this?

A: It is State law. The law requires that the Mayor and Council approve a spending cap/limit for each year's budget. However, it is the voters who decide the method for determining that spending limit. The "default" method is a formula established by the State.

Q: What method does the Town use now?

A: In 2005, voters approved the "Home Rule Option." This option allows the Mayor and Council to determine the Town's spending cap based on current/projected revenues and current service needs. Every four years, the citizens must evaluate whether or not to continue with Home Rule or default back to the State limit. Hence, Proposition 400 will be on the March 10, 2009 ballot.

Q: *Why have Chino Valley voters chosen Home Rule over the State limit?*

A: Home rule allows for greater flexibility in spending. Under Home Rule, the Town may set its spending cap based on actual/projected revenues and local/present needs. The State limit requires the Town to set its spending cap based on revenues received and services provided in 1980 when the Town's population was 2,400, its revenues were \$255,094, and it had 18 square miles, with no municipal water and sewer service, few paved roads, and only the most basic services.

Q: *What is the difference between a "YES" vote and a "NO" vote?*

A: A "YES" vote will allow the Town to set its spending cap based on actual/projected revenues and local/present needs for the next four years. A "NO" vote will require the Town to set its spending cap based on the State limit for at least two years, which will restrict the Town from spending a large portion of its revenues.

AVAILABLE FUNDING 2009-2011

	Fiscal Year 2009-2010	Fiscal Year 2010-2011
Home Rule Option (available funds)	100%	100%
State Limit (available funds)	52.5%	54%

Q: *What effect will this vote have on taxes?*

A: A vote for or against Home Rule will not impact any of you taxes. (NOTE: The Town of Chino Valley does not impose a property tax.)

Q: *How will the current economy affect Home Rule?*

A: Economic conditions will affect the Town's budget in the same way under either formula, since the law requires the Town's budget to remain balanced.

Q: *Where can I learn more?*

A: Visit the Town website at <http://www.chinoaz.net/clerk/elections.shtml> for further information or at http://www.chinoaz.net/gov_tv/index.shtml to view the Home Rule Public Hearings presentation; or contact the Town Clerk or Finance Manager at (928) 636-2646.

Q: *Where can I get voter information?*

A: Some voter information is on the first website above. Registered voters will also receive a voter information pamphlet. You can also obtain voter information from the Yavapai County Elections/Voter Registration Divisions at www.co.yavapai.az.us or 771-3248.

Traditionally, Home Rule propositions in Chino Valley have passed by approximately 75% in favor to 25% opposed, except in 2005, when it passed 54% in favor and 46% opposed. An informal poll revealed that many citizens voted "no" because they did not understand the proposition. We hope the information contained in this and other documents on Home Rule that will be provided over the next few months will make it easier for you to make an informed decision.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. c.**

Meeting Date: 07/10/2012
Contact Person: Jami Lewis, Town Clerk
 Phone: 928-636-2646 x-1208
Item Type: Action
Estimated length of Staff Presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Discussion and possible action regarding an amendment to the membership of the Roads and Streets Committee. (Council Appointments Committee)

SITUATION & ANALYSIS:

The by-laws of the Roads and Streets Committee (RSC) provides for a committee of 9 members. Since the committee's inception, 2 members resigned, leaving 7. Subsequently, the committee's staff liaison and chair asked staff *not* to recruit new applicants to fill the vacancies, as budget cuts from the economic downturn had removed most of the opportunities for which the committee was formed.

At the last Council Appointments Committee meeting on June 19, Vice-Mayor Tenney, who is also on the RSC, asked staff to place an item on a Council agenda to discuss the possibility of reducing the committee's membership.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

Item No. **7. d.**

Meeting Date: 07/10/2012
Contact Person/Dept: Jami Lewis, Town Clerk
Phone: 928-636-2646 x-1208
Item Type: Action

AGENDA ITEM TITLE:

Consideration and possible action to approve the May 22, 2012 Regular Meeting minutes.
(Absent: Councilmember Turner)

RECOMMENDED ACTION:

Approve the May 22, 2012 Regular Meeting minutes.

Attachments

May 22, 2012 minutes

MINUTES OF THE REGULAR COUNCIL MEETING OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

**Tuesday, May 22, 2012
6:00 P.M.**

The Town Council of the Town of Chino Valley, Arizona met for a Regular Meeting in the Chino Valley Council Chambers, located at 202 N. State Route 89, Chino Valley, Arizona, on Tuesday, May 22, 2012.

Mayor Marley called the meeting to order at 6:06 p.m.

Councilmember Lon Turner attended the executive sessions only by conference phone, starting at 8:03 p.m. (item 8a).

Present: Mayor Chris Marley; Vice-Mayor Carl Tenney; Councilmember Mike Best; Councilmember Darryl Croft; Councilmember Dean Echols; Councilmember Linda Hatch

Absent: Councilmember Lon Turner

Staff Present: Interim Town Manager Robert Smith; Town Attorney Tom Kack; Interim Police Chief Chuck Wynn; Magistrate John Walker; Utilities Supervisor Chris Bartels; Building Official Dan Trout; Town Clerk Assistant Liz Hart; Town Clerk Jami Lewis (recorder)

Vice-Mayor Tenney asked for a moment of silence in honor of the Town's former Assistant Library Director Julia Diener who recently passed away. He then gave the invocation, followed by Mayor Marley leading the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Proclamation declaring May 25-26, 2012 as "Poppy Days," sponsored by the Chino Valley American Legion Auxiliary.

Mayor Marley read the proclamation and presented it to Liz Piper, Auxiliary President and Poppy Days Chair, who spoke about Poppy money staying in this area 100 percent.

- b)** Presentation of a patriotic award by Luke Sefton, Northern Arizona Chair of Employers in Support of the Guard and Reserves, to Town Engineer Ron Grittmann and Utilities Supervisor Chris Bartels in recognition of their cooperation with Utilities Tech Roger Strader, a staff member in the National Guard and Military Reserves.

Mr. Sefton introduced Bob Bell, ESGR's Quad City Area Representative, and commended the Town for its record of taking care of its service members during their time of service. He and Staff Sgt. Roger Strader recognized and presented awards to Town Engineer Ron Grittmann and Utilities Supervisor Chris Bartels for their support during Sgt. Strader's service in the National Guard.

3) **CALL TO THE PUBLIC**

Harvey Jones, resident, thanked Dean Echols with the Windmill House for hosting the Town's annual SpringFest event.

4) **RESPONSE TO THE PUBLIC**

Vice-Mayor Tenney stated that there was nothing to report from the previous meeting.

5) **CURRENT EVENT SUMMARIES AND REPORTS**

Councilmember Hatch reported that the Town Magistrate issued an Order with regard to covering Court operations in case of his disability or incapacity.

Mayor Marley reported that the governor signed HB 2826 relative to consolidated elections into law on May 14, 2012; staff will brief Council at the next meeting. Also, through his continuing series in the newspaper on achieving economic stability in town, he was seeing that it was becoming increasingly important to bring the Town's financial condition and proposed solutions to the public's attention.

- a) Status report regarding Resolution No. 12-981, which temporarily reduced impact fees to \$0 and was scheduled to automatically terminate on July 10, 2012. (Mayor Marley and Vice-Mayor Tenney)

Mayor Marley reported that the temporary moratorium on impact fees would terminate on July 10. Extending the moratorium would cause the Town to give up a needed revenue source; however, although reinstating them could dampen building enthusiasm, he hoped the Town's lower property rates would offset that.

6) **CONSENT AGENDA**

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to approve Consent Agenda items 6a, 6b and 6c.

Vote: 6 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve April 24, 2012 Regular Meeting minutes. (Jami Lewis, Town Clerk)
- b) Consideration and possible action to approve Resolution No. 12-992, approving the proposed statements and estimates of expenses of the Town of Chino Valley Street Lighting Improvement Districts for fiscal year 2012/2013, pursuant to Section 48-616, Arizona Revised Statutes, as amended; setting a date for public hearing on the proposed statements and estimates as approved; and providing for notice of the hearing and publication of the proposed statements and estimates of the expenses of the district which shall be provided for by the levy and collection of ad valorem taxes on the assessed value of all the real and personal property in the districts. This action will create a levy to pay for street lighting within street lighting improvement districts in Town. (Robert Smith, Interim Town Manager)

- c) Consideration and possible action to accept Dedication of Public Drainage Way from Dewey J. and Maribel Levie for roadway and drainage improvements for a portion of Assessor's Parcel No. 306-24-777C located at Road 2 North and the Santa Cruz Wash, for the amount of \$4,000. Funds to come from the carryover revenues within the Roads Impact Fee Fund. (Ron Grittman, Town Engineer)

7) **ACTION ITEMS**

- a) Consideration and possible action to approve Resolution No. 12-993 adopting a Tentative Budget for the fiscal year 2012-2013, and proposed expenditure limitation for the same year, in the amount of \$15,260,552. Adoption of this item establishes a tentative budget for the expenditure authorization for the FY 2012-2013. (Robert Smith, Interim Town Manager)

Pat Walker with Pat Walker Consulting, Inc., reported that the Tentative Budget was reached after many discussions with Council and the Council Finance Committee. Once adopted, this total budget amount represented the maximum allowable limit. Council could reduce the limit and transfer within line items, but not raise it. Key elements of the FY 2012-2013 budget were as follows:

2012-2013 Proposed Budget

- Total budget: \$15.2 million, a ½% increase over the prior year.
- Revenue sources: General Fund (local taxes and fees, and intergovernmental revs), utility charges, and fund balance transfers.
- Expenses: The majority went to public safety and general government, which covered a lot of the Town's administrative responsibilities.

General Fund

- Budget: \$6.8 million.
- GF revenues: Intergovernmental (41%), local taxes and fees (38%), other services and charges (9%), fund balances forward (6%), and transfers in (6%).
- Major revenue categories: Local sales tax, state shared revenues, SBA tower lease, transfer from 1% sales tax, and fund balance.
- Local sales taxes: \$2.3 million were projected, a slight increase over last year. Major tax categories were retail, restaurant/bar, hotel/motel, and utilities.
- State shared revenues: \$2.6 million were projected. Sales taxes and income taxes were increasing, while auto lieu tax was a bit lower.
- Interfund transfers: \$418,000 from capital improvement fund, and \$11,500 from police impound fund.
- Expense categories: Public safety (34%), general government (38%), community services (17%), contingency and reserves (5%), development services (5%), and transfers out (1%).
- Total expenditures: \$6.8 million, which also included the salary market study, some personnel cost savings, transfers out for lease payments and grant match, and contingency reserve.
- Overview: Revenues and expenditures were balanced, but the budget was borrowing \$387,000 from carryforward and transfers in.

Special Revenue Funds

- Special revenue funds: \$762,000 for HURF; \$860,000 for grants, including CDBG and miscellaneous grants, which included a large amount for transit; \$17,000 for Court Fund, and fund balances.
- Expenses: Less than \$100,000 in street improvement funds, \$313,000 for CDBG grants, and \$545,000 for miscellaneous grants. The Town will need to look at street improvement funds for the future, as that fund used to carry \$1 million.

Capital Project Funds

- Revenues: Impact fee funds, and capital improvement funds, including a miscellaneous \$2 million in the event the Town would need to issue any debt, and \$1.4 million in 1% sales tax.
- Expenses: \$200,000 for three Police positions, \$219,000 for Aquatic Center, \$363,000 transfer to Water Operating Fund, and \$577,000 to debt service.
- Issues: Starting with FY 2015, there were issues with the amount of transfers coming into this fund and debt service increases.

Enterprise Funds (Water and Sewer)

- Water fund: Transfers in from the capital improvement fund and some fund balance forward were funding a deficit; the budget included no payback on the interfund loan from the GF; and this fund will need a revenue increase to support expenses.
- Sewer fund: Carry forward funds and some transfers in were funding a deficit, and debt service was increasing.

Street Lighting Improvement Districts.

Staff was setting the levy at about \$4,000, which was generated from the ad valorem tax from within those districts.

Next Steps

- Tonight: Adopting the tentative budget and SLIDs will set the Town's maximum expenditure limit.
- June 26, 2012: Public hearing and adoption of budget.
- July 2012: Approve SLID levy resolution, which Council cannot approve until 14 days after final budget approval.

Council asked about possible inaccuracies with the salary survey study process with regard to Court personnel and funding positions for which no salary was determined or if a salary was changed after the budget was adopted. Mr. Smith reported that he spoke with the consultant about the process and ensured that the resulting report was accurate. He reviewed the general process that was followed by Town staff and the consultant. Regarding the Court positions, at the time questionnaires were circulated to staff, one employee was moving from part time to full time with a new title. Staff submitted revised questionnaires and the consultant conducted phone interviews with the Court supervisor, collected further data, and changed the job titles for the three Court positions. Some confusion also arose as the applicant hired for the Deputy Clerk position was already a town employee earning a higher wage than the higher level Senior Clerk position. Ms. Walker added that Council could transfer additional funds needed from contingency or make adjustments before adopting the final budget.

Council asked about a change to the senior nutrition line item, a significant increase under charges for services revenues, the budgeted amount for fines and forfeitures being realistic,

and increases in special revenue funds for miscellaneous grants, animal control, facilities maintenance, and asset replacement. Mr. Smith related that:

- Last year, food expenses were charged from a grant line, whereas next year, staff will spend the money first and then get reimbursed.
- This line included the SBA tower lease.
- He would follow up with the Magistrate on fines and forfeitures.
- Hiring the Resource Development person would result in increased grant revenues. The position's part-time salary was significantly lower than the projected grant amounts.
- He would follow up on animal control and facilities maintenance increases.
- Staff had previously earmarked certain monies for various asset replacements.

Vice-Mayor Tenney stated for the public's benefit that the Town's debt picture was getting serious: being \$437,000 last year, \$850,000 next year, and increasing to \$1 million after that. Fund balances, debt service funds, and capital improvement funds were going down, and the enterprise funds went down a lot in the past year. The Town was still in the black, but was dipping into savings. In the next several years, a \$1 million fund balance would be needed and the Town's whole general fund was only \$6 million. Council had two choices: increase revenues or decrease expenses. As this could include increased sales taxes and/or enacting a property tax, they desired to engage the community in discussions.

Public comment:

Joe Iaccarino, resident, questioned the recent purchase of a boom truck in Texas for \$45,000, as he believed staff could have purchased two such trucks for the same amount in Arizona. Mr. Smith and Councilmember Hatch reported that the Town Engineer went through the procurement process to find the best possible equipment for the best price. As the Town Engineer was out of the office this week, staff could ask him to provide that information. Regarding funding, when the Town obtained a loan to purchase the South Campus facility and later obtained the facility in a trade, the Town was unable to return the loan money and some of it was earmarked for capital vehicle expenditures.

Craig Brown asked if this budget would be on line. Ms. Walker stated that the budget Resolution and exhibit auditor general forms were already online.

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to approve Resolution No. 12-993, adopting a Tentative Budget for the fiscal year 2012-2013, and proposed expenditure limitation for the same year, in the amount of \$15,260,552.

Vote: 6 - 0 PASSED - Unanimously

8) **EXECUTIVE SESSION**

- a) Council may vote to hold an executive session pursuant to A.R.S. § 38-431.03(A)(1) and (A)(4) for discussion or consideration of employment, appointment, or salary for the position of Town Magistrate, and for discussion or consultation with its attorneys in order to consider its position and instruct its attorneys regarding the Town's position regarding the negotiation of a contract for the same. (Mayor Marley and Vice-Mayor Tenney)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to consider item 8a at 6:59 p.m.

Vote: 6 - 0 PASSED - Unanimously

Mayor Mayor Marley reconvened the meeting into open session at 8:40 p.m.

- b)** Consideration and possible action regarding employment, appointment, or salary for the position of Town Magistrate.

Mayor Marley reported that Council was entering into negotiations with the current Town Magistrate for a three-year contract. Further details will be available in late June.

- c)** Council may vote to hold an executive session pursuant to A.R.S. § 38-431.03(A)(1) and (A)(4) for evaluation of the Interim Town Manager, and for discussion or consideration of employment, appointment, or salary for the position of Town Manager, and for discussion or consultation with its attorneys in order to consider its position and instruct its attorneys regarding the Town's position regarding the negotiation of a contract for the same. (Mayor Marley and Vice-Mayor Tenney)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Darryl Croft to consider item 8c at 8:41 p.m.

Vote: 7 - 0 PASSED - Unanimously

Mayor Marley reconvened the meeting into open session at 9:46 p.m.

- d)** Consideration and possible action regarding employment, appointment, or salary for the position of Town Manager.

Mayor Marley reported that Council was entering into negotiations with the current Interim Town Manager for a three-year contract.

- e)** Council may vote to hold an executive session pursuant to A.R.S. § 38-431.03(A)(3) and (A)(4) to obtain legal advice and consider its position and instruct its attorneys regarding issues on water transportation/pipeline taxes due to the Town from the City of Prescott and negotiations to settle issues regarding the same. (Mayor Marley and Vice-Mayor Tenney)

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Dean Echols to consider item 8e at 9:48 p.m.

Vote: 6 - 0 PASSED - Unanimously

Mayor Marley reconvened the meeting at 10:47 p.m.

- f)** Consideration and possible action regarding issues on water transportation/pipeline taxes due to the Town from the City of Prescott and negotiations to settle issues regarding the same.

Mayor Marley reported that Council had instructed its attorney regarding the water tax matter with Prescott.

9) ADJOURNMENT

MOVED by Vice-Mayor Carl Tenney, seconded by Councilmember Linda Hatch to adjourn the meeting at 10:48 p.m.

Vote: 6 - 0 PASSED - Unanimously

ATTEST:

Chris Marley, Mayor

Jami C. Lewis, 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 22nd day of May, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 10th day of July, 2012.

Jami C. Lewis, Town Clerk