

Jack Miller
Mayor

Eric Granillo
Vice -Mayor

Tom Armstrong
Councilmember

John McCafferty
Councilmember

Annie Perkins
Councilmember

Sherri Phillips
Councilmember

Robert Schacherer
Councilmember



TOWN COUNCIL NOTICE & AGENDA

**REGULAR MEETING
TUESDAY, NOVEMBER 14, 2023
6:00 P.M.**

COUNCIL CHAMBERS | 202 N. STATE ROUTE 89 | CHINO VALLEY, ARIZONA 86323

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

1. **CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL**
2. **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
 - a. Presentation and recognition of El Paraiso Restaurant for local business excellence as an Outstanding Community Partner.
 - b. Presentation of Proclamation declaring November 25, 2023 as Small Business Saturday.
3. **CALL TO THE PUBLIC- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.**

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. 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 criticism. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity and disruptive discussions among our audience.
4. **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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

 - a. Status reports by Mayor and Council regarding current events.

- b. Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

5. **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. 2023-1234 regarding the Intergovernmental Agreement with the Arizona Department of Revenue for the administration, collection, audit, and licensing of transaction privilege and affiliated excise taxes.
- b. Consideration and possible action to authorize the Data Access/Exchange Agreement with ADOT to submit and access crash records and data.
- c. Consideration and possible action to approve the September 26, 2023, study session minutes.
- d. Consideration and possible action to approve the September 26, 2023, regular meeting minutes.
- e. Consideration and possible action to approve the October 10, 2023, study session minutes.
- f. Consideration and possible action to approve the October 10, 2023, regular meeting minutes.
- g. Consideration and possible action to approve the October 24, 2023, regular meeting minutes.

6. **ACTION ITEMS**

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a. Consideration and possible action to approve the Financial Report for the three-month period ending September 30, 2023.

7. **ADJOURNMENT**

Dated this 7th day of November, 2023.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request 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/agendacenter>, and in the Town Clerk's Office.

Council meetings are live-streamed on the Town of Chino Valley Website and Facebook page.

CERTIFICATION OF POSTING

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

Date: _____ Time: _____ By: _____
Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting2023

2. b.

Meeting Date: 11/14/2023
Contact Person: Cindy Blackmore, Town Manager
Department: Council
Estimated length of Staff Presentation: 5 minutes
Physical location of item: N/A

AGENDA ITEM TITLE:

Presentation of Proclamation declaring November 25, 2023 as Small Business Saturday.

Attachments

Small Business Saturday Proclamation



PROCLAMATION

Small Business Saturday - November 25, 2023

Whereas, the government of the Town of Chino Valley, Arizona, celebrates our local small businesses and the contributions they make to our local economy and community; and

Whereas, according to the United States Small Business Administration, there are 33 million small businesses in the United States: small businesses represent 99.7% of firms with paid employees, small businesses are responsible for 62.7% of net new jobs created since 1995, and small businesses employ 46.4% of the employees in the private sector in the United States; and

Whereas, 68 cents of every dollar spent at a small business in the United States stays in the local community and every dollar spent at small businesses creates an additional 48 cents in local business activity as a result of employees and local businesses purchasing local goods and services; and

Whereas, 72% of consumers reported that Small Business Saturday 2022, made them want to shop and dine at small, independently-owned retailers and restaurants all year long; and

Whereas, Chino Valley, Arizona supports our local businesses that create jobs, boost our local economy, and preserve our communities; and

Whereas, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

Now, Therefore, I, Jack Miller, Mayor of the Town of Chino Valley, do hereby proclaim November 25, 2023, as **SMALL BUSINESS SATURDAY** and urge the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday and to Shop Small throughout the year.

In Witness Whereof, I have hereunto set my hand and caused the Seal of the Town of Chino Valley to be affixed this 14th day of **November 2023**.



Jack Miller, Mayor

ATTEST: _____
Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting 2023

5. a.

Meeting Date: 11/14/2023
Contact Person: Joe Duffy, Finance Director
Department: Finance
Estimated length of staff presentation: None
Physical location of item: n/a

AGENDA ITEM TITLE:

Consideration and possible action to approve Resolution No. 2023-1234 regarding the Intergovernmental Agreement with the Arizona Department of Revenue for the administration, collection, audit, and licensing of transaction privilege and affiliated excise taxes.

RECOMMENDED ACTION:

Approve Resolution No. 2023-1234 regarding the Intergovernmental Agreement with the Arizona Department of Revenue for the administration, collection, audit, and licensing of transaction privilege and affiliated excise taxes.

SITUATION AND ANALYSIS:

Pursuant to Ariz. Rev. Stat. § 42-6001 *et seq.*, the Arizona Department of Revenue must collect and administer any transaction privilege and affiliated excise taxes imposed by any Arizona municipality and must enter into an intergovernmental agreement with the Town to provide a uniform method of administration, collection, audit, and licensing of such taxes.

Fiscal Impact

Fiscal Impact?: N/A
If Yes, Budget Code:
Available:
Funding Source:

Attachments

Resolution 2023-1234
 Exhibit A - IGA
 Instructions

RESOLUTION NO. 2023-1234

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF CHINO VALLEY AND THE STATE OF ARIZONA DEPARTMENT OF REVENUE FOR THE ADMINISTRATION, COLLECTION, AUDIT, AND LICENSING OF TRANSACTION PRIVILEGE TAXES, USE TAXES, SEVERANCE TAXES, JET FUEL EXCISE AND USE TAXES, AND RENTAL OCCUPANCY TAXES IMPOSED BY THE STATE, CITIES, OR TOWNS.

WHEREAS, pursuant to Ariz. Rev. Stat. § 42-6001 *et seq.*, the Arizona Department of Revenue and the Town of Chino Valley (the “Town”) shall enter into an intergovernmental agreement to provide a uniform method of administration, collection, audit, and licensing of transaction privilege and affiliated excise taxes imposed by the State, cities, or towns; and

WHEREAS, Ariz. Rev. Stat. § 11-952 authorizes two or more public agencies to enter into intergovernmental agreements to contract for services if authorized by their legislative or governing bodies; and

WHEREAS, the Town wishes to enter into an intergovernmental agreement with the Arizona Department of Revenue for the administration, collection, audit, and licensing of transaction privilege and affiliated excise taxes imposed by the State, cities, or towns in accordance with Ariz. Rev. Stat. §§ 11-952 and 42-6001 *et seq.*

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Intergovernmental Agreement between the Town and the Arizona Department of Revenue is hereby approved in substantially the form and substance attached hereto as Exhibit A and incorporated herein by reference.

SECTION 3. The Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized and directed to execute all documents and take all steps necessary to carry out the purpose and intent of this Resolution.

(SIGNATURES ON THE FOLLOWING PAGE)

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, on November 14, 2023.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Resolution No. 2023-1234 was duly passed by the Council of the Town of Chino Valley, Arizona, at a regular meeting held on November 14, 2023, and that quorum was present thereat and that the vote thereon was _____ ayes and _____ nays and _____ abstentions. _____ Council member(s) was/were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT A
TO
RESOLUTION NO. 2023-1234

[Intergovernmental Agreement with the Arizona Department of Revenue]

See the following pages.

INTERGOVERNMENTAL AGREEMENT BETWEEN THE ARIZONA DEPARTMENT OF REVENUE AND THE CITY/TOWN OF _____

THIS INTERGOVERNMENTAL AGREEMENT (“Agreement”) is entered into this _____ day of _____, 2023, by and between the Arizona Department of Revenue (“Department”) and the City/Town of _____, an Arizona municipal corporation (“City/Town”). This Agreement shall supersede and replace all previous intergovernmental agreements, including amendments thereto, entered into by the Department and City/Town regarding the administration, collection, audit, and/or licensing of transaction privilege tax, use tax, severance tax, jet fuel excise and use taxes, and rental occupancy taxes (collectively referred to as “Taxes”) imposed by the State, City/Town, and other Arizona municipalities.

RECITALS

WHEREAS, A.R.S. Title 11, Chapter 7, Article 3 (A.R.S. § 11-952 *et seq.*) authorizes two (2) or more public agencies to enter into intergovernmental agreements to contract for services, if authorized by their legislative or governing bodies.

WHEREAS, A.R.S. § 42-6001 *et seq.* was amended effective January 1, 2015 to provide that the Department shall collect and administer any transaction privilege and affiliated excise taxes imposed by any Arizona municipality and that the Department and each municipality shall enter into an intergovernmental contract or agreement pursuant to A.R.S. § 11-952 to provide a uniform method of administration, collection, audit, and licensing of transaction privilege and affiliated excise taxes imposed by the State and Arizona municipalities.

WHEREAS, City/Town has taken appropriate action by ordinance, resolution, or otherwise, pursuant to the laws applicable to the governing body of City/Town, to approve and authorize City/Town to enter into this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the Department and City/Town enter into this Agreement as follows:

1. Definitions

1.1 A.R.S. means the Arizona Revised Statutes.

1.2 Adoption of an Ordinance means final approval by majority vote of the City/Town council.

- 1.3 **Ambassador Program** means the Department’s provided structure and support of curriculum related to tax administration and compliance education.
- 1.4 **Arizona Management System** means the State’s professional, results-driven management system that focuses on customer value and vital mission outcomes for citizens. The system is based on principles of Lean, a proven people-centered approach that has delivered effective results in both public and private sectors. Lean focuses on customer value, continuous improvement and engaged employees to improve productivity, quality, and service.
- 1.5 **Audit** means an examination and verification of accounts and records to determine taxpayer compliance with A.R.S. Title 42 and the Model City Tax Code, or any other assessment issued pursuant to A.R.S. § 42-1108.
- 1.6 **City Services** means the Department’s team or successor unit thereof that assists Arizona municipalities with administrative functions and all other activities related to transaction privilege tax licensing, collection, and compliance of any kind. In this Agreement, all references to electronic communications with City Services shall be directed to the team’s address at citiesunit@azdor.gov.
- 1.7 **Closing Agreement** means an agreement to settle a tax liability pursuant to A.R.S. § 42-1113.
- 1.8 **Collection** means activities to collect established liabilities for transaction privilege taxes, fees, and related penalties and interest that are due and owing.
- 1.9 **Confidentiality Standards** means the standards set forth in A.R.S. § 42-2001 *et seq.*, Model City Tax Code § 510, Appendix A of this Agreement, and such other written standards mutually agreed to by the Department and City/Town, and which will be incorporated into Appendix A of this Agreement.
- 1.10 **Development Fees** has the same meaning prescribed in A.R.S. § 42-5075(B).
- 1.11 **Desk Review** means any assessment issued pursuant to A.R.S. § 42-1109(B).
- 1.12 **Federal Tax Information (“FTI”)** means Federal income tax returns or return information the Department receives from the Internal Revenue Service, including any information created by the Department derived from that information. Documents obtained from a taxpayer or State income tax returns are not considered Federal Tax Information. The scope of this Agreement does not permit the Department to share FTI with any Arizona municipality.
- 1.13 **Independent Contractor** means any individual or entity with which City/Town may enter into an agreement to perform transaction privilege tax administration, collection, audit, licensing, and any other related duties described in this Agreement or A.R.S. § 42-6001 *et seq.*
- 1.14 **Model City Tax Code** means the document defined in A.R.S. § 42-6051.

- 1.15 Municipal Tax or Municipal Taxes** means collectively the transaction privilege and affiliated excise taxes, including use tax, severance tax, jet fuel excise and use tax, and rental occupancy tax imposed by City/Town in accordance with the Model City Tax Code and similar taxes imposed by City/Town pursuant to a City/Town code section outside the Model City Tax Code that are collected via the standard transaction privilege tax return. Unless the context provides otherwise, this definition includes municipal privilege tax, municipal privilege tax license fees, and all related penalties, interest and other similar charges collected by the Department on behalf of an Arizona municipality.
- 1.16 Options Chart** means any chart contained in a section of the Model City Tax Code which identifies the various approved standard Options adopted by an Arizona municipality.
- 1.17 Primary Point of Contact (“PPOC”)** means a designated City/Town representative with the primary responsibility for communicating with the Department and their respective staff on any matters described within this Agreement. The PPOC must be an individual qualified to receive Tax Information under Section 2.1 of this Agreement and be included on the Master Authorization List referenced in Section 2.3 of this Agreement.
- 1.18 Profile** means a dedicated section of the Model City Tax Code that provides specific information for each Arizona municipality, including contact information, applicable tax rates, and amendments and provisions unique to City/Town.
- 1.19 Standard Audit Life Cycle Process Map** means a document containing the decisions and procedures adopted by the Department and Arizona municipalities from the assignment of audits through final resolution consistent with this Agreement and the Arizona Management System principle of continuous improvement. This document shall be reviewed by the Department and Arizona municipalities as needed, not less than annually, with any changes memorialized in a revised map. In the event of a disagreement regarding proposed changes, the Standard Audit Life Cycle Process Map shall be referred to SMART for resolution.
- 1.20 Standard Authorization List Update Process Map** means a document containing the decisions and procedures adopted by the Department and Arizona municipalities to keep an updated list of current employees and contractors who are authorized to receive Tax Information consistent with this Agreement and with the Arizona Management System principle of continuous improvement. This document shall be reviewed by the Department and Arizona municipalities as needed, not less than annually, with any changes memorialized in a revised map. In the event of a disagreement regarding proposed changes, the Standard Authorization List Update Process Map shall be referred to SMART for resolution.
- 1.21 Standard Inter-Jurisdictional Transfer Process Map** means a document containing the decisions and procedures adopted by the Department and Arizona municipalities to document and authorize the transfer of erroneously reported or

allocated tax from one (1) municipality to another based upon a municipality's request or during the audit process consistent with this Agreement and with the Arizona Management System principle of continuous improvement. This document shall be reviewed by the Department and Arizona municipalities as needed, not less than annually, with any changes memorialized in a revised map. In the event of a disagreement regarding proposed changes, the Standard Inter-Jurisdictional Transfer Process Map shall be referred to SMART for resolution.

- 1.22 State** means the State of Arizona.
- 1.23 State & Municipal Audit Resolution Team ("SMART")** means an advisory committee responsible for resolving issues as set forth in Section 15 of this Agreement.
- 1.24 State Tax or State Taxes** means transaction privilege tax and affiliated excise taxes, including use tax, severance tax, and jet fuel excise and use taxes imposed by the State of Arizona or its counties.
- 1.25 Tax Information** means information deemed confidential taxpayer information protected from disclosure pursuant to A.R.S. § 42-2001 *et seq.* or Model City Tax Code § 510 concerning the business financial affairs or operations of a taxpayer as it relates to Municipal Taxes or State Taxes. Tax Information includes all financial information related to transaction privilege taxes obtained from any source related to an individual taxpayer and all such aggregate financial information related to any group of identified or identifiable taxpayers.
- (a) Examples of Tax Information include without limitation:
- (1) Any information provided by the Department to City/Town derived from any source including tax returns, reports, tax license applications, and the New License Report or License Update Report; and
 - (2) Any information received by, recorded by, prepared by, furnished to, or collected by the Department or City/Town with respect to a transaction privilege tax return or the termination or possible existence of liability of any person for any transaction privilege tax and related penalty or interest, such as the taxpayer's identity; the nature, source, or amount of the taxpayer's income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, taxes withheld, deficiencies, over-assessments, or tax payments; or whether the taxpayer's account was, is being, or will be examined or subject to audit, desk review, investigation, collection, or processing.
- (b) Taxpayer identifying information obtained by City/Town from any source not identified in Section 1.25(a) of this Agreement is not Tax Information for purposes of this Agreement.

- 1.26 Voluntary Disclosure Agreement** means a document used in a voluntary disclosure program designed for eligible taxpayers with exposure for tax liability and/or civil penalties arising from a failure to report and/or pay all Taxes due which allows the taxpayer to come into voluntary compliance.

2. Authorized Access Lists

- 2.1 Statutory Authority:** The disclosure of information relating to State Taxes and Municipal Taxes is governed by A.R.S. § 42-2001 *et seq.*, and, for reporting periods prior to January 1, 2015, by Model City Tax Code § 510.
- 2.2 Qualified Recipients of Information:** The Department and City/Town shall only disclose Tax Information related to State Tax and Municipal Tax pursuant to this Agreement to individuals authorized by law as described in Section 2.1 of this Agreement, including those authorized persons listed on the Authorized Access Lists provided by the Department and Arizona municipalities. Questions related to a listed Department recipient may be directed to City Services at citiesunit@azdor.gov. Questions related to a listed Arizona municipal recipient may be directed to the PPOC of the pertinent Arizona municipality.
- 2.3 Department's Authorized Access List:** Pursuant to Section 2.4(c) of this Agreement, the Department shall maintain, update, and provide a current statewide Master Authorization List of names, job titles, and contact information of the Department staff and Arizona municipal representatives who are authorized by law as described in Section 2.1 of this Agreement to receive State Tax and Municipal Tax information from the Department or Arizona municipalities, as defined in the Standard Authorization List Update Process Map. Updates shall be provided on not less than a monthly basis. The Department shall promptly notify Arizona municipalities of any individual whose authorization to receive State Tax and Municipal Tax information has been revoked for any reason.
- 2.4 City/Town's Authorized Access List:** City/Town shall maintain, update, and provide a current Authorized Access List of names, job titles, and contact information for all persons acting on behalf of City/Town authorized by law as described in Section 2.1 of this Agreement to receive State Tax and Municipal Tax information as defined in the Standard Authorization List Update Process Map.
- (a) City/Town shall indicate one PPOC on the Authorized Access List to resolve any administrative issues with the Authorized Access List. At its discretion, City/Town may also indicate an additional individual as a back-up or alternate PPOC.
 - (b) City/Town shall ensure all personnel on the Authorized Access List meet the requirements indicated in the Confidentiality Standards (Appendix A) including completing all required confidentiality training certification and recertification as required from time to time, within the time required by the Department.

- (c) Upon execution of this Agreement and on the first day of each calendar quarter thereafter, City/Town shall email to City Services at citiesunit@azdor.gov a current Authorized Access List of its staff and representatives authorized to receive State Tax and Municipal Tax information from the Department and Arizona municipalities, including additions and deletions, changes in job titles, and contact information. City/Town's PPOC shall promptly notify the Department of any person whose authorization to receive State Tax and Municipal Tax information is revoked for any reason.
- (d) The Department shall review City/Town's Authorized Access List. If the Department finds that any person on the list has not completed the required confidentiality training in a timely manner or does not meet the Confidentiality Standards in Appendix A of this Agreement, the Department shall notify the City/Town PPOC to resolve the issue. The Department shall not include that person on the Master Authorization List until the issues have been resolved to the satisfaction of the Department.

2.5 Independent Contractors:

- (a) City/Town may at times choose to enter into a contract with an Independent Contractor to perform the transaction privilege tax administration, collection, audit, desk review, licensing, and other duties described in this Agreement or A.R.S. § 42-6001 *et seq.*
- (b) In accordance with A.R.S. §§ 42-1004 and 42-6002, no contract with an Independent Contractor may be entered into on a contingency fee basis for the performance of any transaction privilege tax related functions, including but not limited to license inspections, audits, desk reviews, or collections.
- (c) Within ten (10) business days of ratification of this Agreement, or subsequent execution of such a contract between City/Town and an Independent Contractor, City/Town shall provide a copy of each such contract to the City Services electronically at citiesunit@azdor.gov.
- (d) City/Town shall notify the Department of the expiration, termination, or amendment of any agreement with such Independent Contractors within ten (10) business days of such event.
- (e) In this Agreement it is presumed that any reference to a municipal employee such as a license inspector, auditor, desk reviewer, collector, supervisor, etc., also refers to an Independent Contractor performing that function on behalf of the Department or City/Town.
- (f) An Independent Contractor is subject to all training requirements, authorization limitations, and other privileges and restrictions incorporated into this Agreement or provided in statute in the same form and manner as

such conditions apply to an employee performing the same function on behalf of the Department or City/Town.

- (g) When an Independent Contractor issues any correspondence to a taxpayer on behalf of the Department or City/Town, the Independent Contractor shall expressly identify all of the following on such correspondence: the Independent Contractor's name; the name of the Independent Contractor's firm, if applicable; the Independent Contractor's status as a license inspector, auditor, desk reviewer, or collector acting on behalf of the Department or City/Town; the Independent Contractor's mailing address, telephone number, and e-mail address; and the telephone number and e-mail address of a specific person who is an employee of the Department or City/Town capable of responding to the issues raised in the correspondence for the Department or City/Town.
- (h) The Department and/or City/Town may pursue any remedy authorized by this Agreement or by statute for a violation of this Section by an Independent Contractor.

2.6 Sharing of Authorized Access Lists: The Department shall share the Department's Authorized Access List and the Authorized Access Lists for all Arizona municipalities provided to the Department on the Core SFTP site. The Department shall update the lists on a monthly basis with information provided by each Arizona municipality, or as needed to immediately remove any person whose authorized access has been revoked by the Department or an Arizona municipality.

3. Disclosure of Information by City/Town to the Department or Another Arizona Municipality

3.1 Disclosure and Use of Municipal Tax Information: Any Tax Information released by City/Town to the Department or another Arizona municipality may only be used by persons authorized to receive such Tax Information for tax administration and collection purposes and may not be disclosed to the public in any manner that does not comply with A.R.S. § 42-2003, and/or Model City Tax Code § 510 for reporting periods prior to January 1, 2015. All Tax Information shall be stored and destroyed in accordance with the Confidentiality Standards (Appendix A).

3.2 Municipal Ordinances: City/Town shall provide the Department with a copy of its Municipal Tax Code or any City/Town ordinances imposing the taxes to be collected hereunder within ten (10) calendar days of a request for such information from the Department. This information shall be sent to City Services electronically at citiesunit@azdor.gov.

- (a) Tax Code Changes: City/Town shall provide notice to the Department of any tax code change with a copy of any ordinance adopted by City/Town that imposes or modifies the Municipal Taxes or municipal privilege tax

license fees to be collected hereunder within ten (10) calendar days of adoption of the ordinance. This information shall be sent to City Services electronically at citiesunit@azdor.gov.

- (1) City/Town agrees that any ordinance that changes a tax rate, Option selection, or includes the addition or removal of a unique Model City Tax Code exception shall take effect on the first day of the month that is at least sixty (60) calendar days after the City/Town council adopts the change. City/Town and the Department recognize there may be occasions when the City/Town council establishes an effective date less than sixty (60) calendar days after adoption. If City/Town chooses to propose an ordinance with an effective date that is less than sixty (60) calendar days after adoption, City/Town shall notify the Department as soon as possible after that choice is made.
 - (2) The Department shall incorporate all ordinance changes into the official copy of the Model City Tax Code within ten (10) calendar days of receipt of notice from City/Town. The copy provided to the Department may be an electronic copy but shall reflect the identical language contained in the version adopted by the City/Town and shall contain the required signatures indicating council approval.
 - (3) The Department shall notify City/Town when the tax code change has been incorporated and City/Town is responsible for confirming the change has been correctly entered in the official copy of the Model City Tax Code.
 - (4) Pursuant to A.R.S. § 42-6052, if City/Town fails to notify the Department of a tax code change within ten (10) calendar days after City/Town council approval, the ordinance shall be considered null and void. All tax code changes described in this Section shall have no effect until reflected in the official copy of the Model City Tax Code.
- (b) Annexation Ordinances: Within fifteen (15) calendar days following the adoption of an annexation ordinance, one (1) copy of the ordinance and notification of the effective date of such ordinance shall be sent to the Department via email at GIS@azdor.gov and City Services at citiesunit@azdor.gov. City/Town may provide the Department with a list of businesses subject to Municipal Taxes known to be located in the annexed area.
- (c) Review of the Model City Tax Code: City/Town shall be responsible for reviewing the information contained on its Profile, the Options Charts, tax rates for City/Town, and other information specific to City/Town contained in the official copy of the Model City Tax Code and ensuring it is correct.

City/Town affirms that it has an ongoing obligation to notify City Services of any changes needed to such information at citiesunit@azdor.gov.

- 3.3 Development Fees:** Upon request by the Department to City/Town's PPOC, City/Town shall provide to the Department any information regarding Development Fees imposed by City/Town under A.R.S. § 9-463.05 to assist the Department with the auditing of taxpayers and the ordinary billing and collection of taxes.
- 3.4 Prior Audits:** Upon request by the Department, City/Town shall allow inspections and copies of any City/Town tax audits conducted prior to January 1, 2015.
- 3.5 Other Information:** City/Town shall provide other relevant information necessary for tax administration and collection purposes as requested by the Department.

4. Disclosure of Information by Department to City/Town

- 4.1 Statutory Authority:** The Department may disclose information relating to State Taxes and Municipal Taxes to City/Town pursuant to A.R.S. § 42-2003 if the information relates to a taxpayer who is or may be taxable by a county, city, or town or who may be subject to audit by the Department pursuant to A.R.S. § 42-6002.
- 4.2 Restrictions on Use and Disclosure to Unauthorized Parties:** Any Tax Information disclosed by the Department to City/Town is subject to all restrictions provided for in A.R.S. § 42-2003. Tax Information shall only be used by persons authorized to receive such Tax Information for internal tax administration purposes, including audit, desk review, collection, and licensing activity, and may not be disclosed to the public or any unauthorized party in any manner that does not comply with the Confidentiality Standards (Appendix A).
- 4.3 Liability for Improper Disclosure:** The disclosure of confidential information concerning Arizona taxes is governed by A.R.S. § 42-2001 *et seq.*, which strictly controls the accessibility and use of this information. Individuals who receive confidential information relating to State Taxes and Municipal Taxes from the Department are subject to the penalties provided in A.R.S. § 42-2004 and other applicable statutes if they misuse or improperly disclose this information to unauthorized individuals.
- 4.4 Reporting Potential Disclosure Violations/Incidents:** The Department shall not withhold Tax Information from City/Town provided that City/Town complies with A.R.S. § 42-2001 *et seq.*, and the Confidentiality Standards (Appendix A).
 - (a) If City/Town or the Department has information to suggest City/Town or any of its duly authorized representatives has violated A.R.S. § 42-2001 *et seq.* or the Confidentiality Standards (Appendix A), City/Town or the Department shall immediately notify City Services at citiesunit@azdor.gov, the Department's Disclosure Officer at DisclosureOfficer@azdor.gov, and the Department's Information Security Team at InfoSec@azdor.gov.

- (b) City/Town and the Department shall fully cooperate with the Department's Disclosure Officer and Information Security Team in investigating the alleged violation and shall promptly address any identified issues.
- (c) The Department's Disclosure Officer and Information Security Team:
 - (1) Shall send written notice to City/Town's PPOC detailing the alleged breach as understood by the Department and request a response to the allegation within twenty (20) calendar days of the date of the letter, and
 - (2) May inspect City/Town's records, facilities, and equipment to determine whether there has been a violation, and
 - (3) Shall review the written response from City/Town and consider the information contained therein and all relevant circumstances surrounding the alleged violation prior to issuing any determination, and
 - (4) Shall issue a written determination delivered by certified mail to City/Town regarding the alleged violation within sixty (60) calendar days of the date of City/Town's response letter. If the Department determines that a violation has occurred, the Department shall indicate whether a suspension of information is warranted and the length of the suspension. During the period of suspension, City/Town shall not access information maintained or created by the Department related to City/Town.
- (d) If the Department makes a written determination to suspend sharing of information, City/Town may, within ten (10) calendar days of receiving the written determination, submit a written request to SMART requesting the group review the determination as provided in Section 15 of this Agreement.
- (e) If there is a suspension of Tax Information sharing with City/Town, the Department shall maintain all information collected or created during the suspension period related to City/Town that would otherwise have been shared with City/Town and shall assist City/Town with accessing the accumulated information for City/Town immediately upon termination of the suspension.
- (f) Under no circumstances shall the suspension of any right to receive Tax Information adversely impact the Department's delivery or transfer of any City/Town revenues in any manner.

4.5 Information to be Provided: The Department shall provide information pursuant to A.R.S. § 42-6001(B). The Department shall provide such information as outlined

in Appendix B and elsewhere in this Agreement, which shall only be modified in accordance with Section 4.7 of this Agreement.

- (a) The Department shall not provide Federal Tax Information to City/Town.
- (b) In addition to the information detailed in Appendix B of this Agreement, the Department shall disclose, upon request, the following information to City/Town:
 - (1) Department tax audits, including all information related to all Arizona municipalities included in the tax audit; and
 - (2) Other relevant information necessary for City/Town's tax administration and collection purposes, including all information necessary to verify that City/Town received all revenues collected by the Department on behalf of City/Town.

4.6 Storage and Destruction of Tax Information: All Tax Information provided by the Department to City/Town shall be managed, stored, protected, and destroyed in accordance with the Confidentiality Requirements (Appendix A).

4.7 Specificity of Data: Pursuant to A.R.S. § 42-6001, the Department and City/Town agree that the data fields identified in Appendix B of this Agreement and the JT-1, TPT-2, and TPT-EZ forms in Appendix C of this Agreement (also provided online at www.azdor.gov) meet the specificity requirements of City/Town. The data fields identified in Appendix B and the forms in Appendix C may be revised or replaced only by mutual agreement of the Department and Arizona municipalities, with any unresolved issues being referred to SMART for final determination.

4.8. Notwithstanding any provision to the contrary, nothing in this Section shall prevent the Department from complying with state information security requirements in the situation of a data breach or similar event.

5. Audit

The Department shall administer audit functions with City/Town in accordance with the Standard Audit Life Cycle Process Map and with the following provisions.

5.1 Training: All auditors, desk reviewers, and supervisors shall be trained in accordance with the policies of the Department. Auditors and desk reviewers who have not completed the training may only work in conjunction with a trained auditor or supervisor and cannot be the only auditor or desk reviewer assigned to the audit or desk review. The Department shall do all the following:

- (a) Provide semi-annual audit and desk review training in accordance with A.R.S. § 42-6002(C) and be responsible for the costs of the training, limited to any cost for procuring the site and training materials;

- (b) Notify City/Town of any training sessions at least thirty (30) calendar days before the date of the training session;
- (c) Permit City/Town auditors, desk reviewers, and supervisors to attend any scheduled training as space permits at any designated training location;
- (d) Provide additional training, as needed, to inform auditors, desk reviewers, and supervisors regarding changes in State law, the Model City Tax Code, audit and desk review procedures, or Department policy.

5.2 Conflicts of Interest:

- (a) An auditor, desk reviewer, supervisor, or Independent Contractor trained and authorized to conduct an audit or desk review, in addition to the restrictions provided under A.R.S. Title 38, Chapter 3, Article 8, § 38-501 *et seq.*, shall not conduct any of the following prohibited acts:
 - (1) Represent a taxpayer in any tax matter against the Department or City/Town while employed by or in an Independent Contractor relationship with the Department or City/Town.
 - (2) Attempt to use his/her official position to secure any valuable thing or valuable benefit for himself/herself or his/her family members.
 - (3) Represent a taxpayer before the Department or City/Town concerning any matter in which he/she personally participated for a period of one year after he/she ends employment or the Independent Contractor relationship with the Department or City/Town.
 - (4) Use information he/she acquires in the course of the official duties as an auditor, desk reviewer, supervisor, or Independent Contractor in a manner inconsistent with his/her official duties without prior written approval from the Department.
 - (5) For a period of one (1) calendar year after he/she ends employment by or an Independent Contractor relationship with the Department or City/Town, work in the same firm as a person who represents a taxpayer against the Department or City/Town unless the firm institutes a formal screen or ethical wall to prevent any sharing of information between the person and the remainder of the firm. Documentation of such formal screen or ethical wall shall be provided by the firm to the Department or City/Town upon request.
 - (6) Receive compensation from a source other than City/Town or pursuant to an agreement with City/Town for the performance of any work or transaction performed expressly on behalf of City/Town.

- (7) Make any representation of being an employee or contractor of City/Town or the Department in marketing and promotional materials soliciting work or transactions to be performed on behalf of a taxpayer or potential taxpayer.
- (b) In addition to any other remedies available to the Department and City/Town by statute and under the terms of this Agreement, the Department may revoke an individual's authority to audit or perform desk reviews on behalf of the Department or City/Town and prohibit the use of any auditor, desk reviewer, supervisor, or Independent Contractor who violates this provision.

5.3 Audits and Desk Reviews:

- (a) City/Town may request the Department conduct an audit or desk review of any taxpayer engaged in business in City/Town, including a taxpayer whose business activity is subject to tax by City/Town but is not subject to tax by the State. The Department and Arizona municipalities shall collaboratively establish and maintain minimum justification standards and procedures City/Town shall adhere to when submitting an audit or desk review request.
- (b) City/Town may conduct an audit or desk review of a taxpayer engaged in business only in City/Town. Before commencing such audit, City/Town shall submit a Field Audit Request Form. Before commencing such desk review, City/Town shall submit the request using the Desk Review Approval Excel Sheet. The Department shall provide City/Town with a determination of approval or denial of the request within ten (10) calendar days of the notice from City/Town.
- (c) Except as permitted below, the Department shall conduct all audits and desk reviews of taxpayers having locations in two (2) or more Arizona municipalities. A City/Town auditor may participate in any audit or desk review City/Town requested the Department to perform.
- (d) City/Town shall notify the Department if it wants to conduct an audit or desk review of a taxpayer having locations in two (2) or more Arizona municipalities and whose business activity is subject to tax by City/Town but is not subject to tax by the State. The Department shall authorize such audits or desk reviews, to be overseen by the Department, unless there is already an audit or desk review of the taxpayer in process, scheduled, or planned, or the Department determines the audit or desk review selection is discriminatory, an abuse of process, or poses other similar defects. The Department shall notify City/Town of its determination within ten (10) calendar days. No initial audit or desk review contact may occur between City/Town and a taxpayer until the Department approves the audit or desk review notice.

ADOR-Municipal IGA for TPT Administration

- (e) In the case of taxpayers doing business in more than one (1) Arizona municipality:
 - (1) City/Town may request the Department conduct an audit or desk review of a taxpayer having locations in two (2) or more Arizona municipalities and whose primary business is subject to both Municipal Taxes and State Taxes.
 - (2) City/Town may request authorization from the Department for City/Town to conduct an audit or desk review of a taxpayer having locations in two (2) or more Arizona municipalities and whose primary business is subject to both Municipal Taxes and State Taxes.
 - (3) Requests pursuant to (e)(1) or (e)(2) shall be made using the Department's Field Audit Request Form or the Desk Review Approval Excel Sheet, as appropriate. The Department shall notify City/Town of its decision regarding the request within ten (10) calendar days of receipt of the request.
- (f) The Department may deny, in writing, City/Town's request for the Department to conduct an audit or desk review within ten (10) calendar days of receiving the request for any of the following reasons:
 - (1) An audit or desk review is already in process or is scheduled or planned for the taxpayer within six (6) months of the request;
 - (2) The requested audit or desk review would interfere with strategic tax administration planning;
 - (3) The audit or desk review selection is discriminatory, an abuse of process, or poses other similar defects;
 - (4) The request lacks sufficient information for the Department to determine whether it is appropriate;
 - (5) The Taxpayer was audited within the previous two (2) years;
 - (6) The Department lacks sufficient resources to conduct the audit or desk review;
 - (7) The scope or subject of the audit or desk review does not justify the use of Department resources.
- (g) If the Department denies a request to conduct an audit or desk review for the reasons provided in (f)(6) or (f)(7), and the audit or desk review is not for a taxpayer that only has a business location in City/Town, then City/Town may request to conduct the audit or desk review itself under the

supervision of the Department. No initial audit or desk review contact may occur between City/Town and a taxpayer until City/Town receives written Department approval.

- (h) Any decision by the Department denying City/Town's request to conduct any audit or desk review may be referred to SMART in accordance with Section 15 of this Agreement.
- (i) All audits or desk reviews conducted by City/Town shall be in accordance with standard audit procedures defined in the Department audit manual and the Standard Audit Life Cycle Process Map. All auditors and desk reviewers shall be trained in accordance with Section 5.1 of this Agreement.
- (j) The Department may appoint a Department manager to supervise any audit or desk review conducted by City/Town.
- (k) All audits shall include all taxing jurisdictions in the State regardless of which jurisdiction's auditors participate in the audit. All desk reviews must include all taxing jurisdictions for which there is information provided by the taxpayer.
- (l) The Department shall issue all audit or desk review assessments on behalf of all affected taxing jurisdictions in a single notice to the taxpayer.
- (m) The Department shall issue amendments to audit or desk review assessments on behalf of all affected taxing jurisdictions in a single notice to the taxpayer.

5.4 Claims for Refund:

- (a) When a taxpayer files a request for refund, including refunds requested by filing amended returns, the Department shall process the request and review it for mathematical errors or for the failure of the taxpayer to properly compute the tax based on the taxable income reported on the return or refund request.
- (b) The Department shall notify City/Town of all refund requests that are reviewed and approved involving City/Town's Municipal Taxes within thirty (30) calendar days of processing the refund. City/Town may request an audit of the taxpayer as set forth in Section 5.3 of this Agreement.
- (c) The Department may assign a Department auditor to review requests for refunds. The Department shall notify City/Town of all refunds under review by an auditor pertaining to a taxpayer who engages in business within City/Town within thirty (30) calendar days of initiating the review and may request that City/Town assist with such reviews, with acceptance of such request at the discretion of City/Town. The Department may assign a refund request to a City/Town for review, with acceptance of such assignment at

the discretion of City/Town. The Department may only assign refund requests to City/Town if taxes paid to City/Town are included in the refund request.

- (d) City/Town is responsible for payment of all amounts to be refunded to taxpayers for Municipal Tax incorrectly paid to City/Town. The Department may offset a remittance to City/Town under this Agreement to cover the amounts of allowed Municipal Tax refunds paid by the Department.
- (e) The Department shall issue refund approvals/denials on behalf of all taxing jurisdictions in a single notice to the taxpayer. City/Town may request copies of such determinations.

5.5 Protests: Taxpayer protests of audit assessments, desk review assessments, and refund denials shall be directed to the Department. Protests of audit assessments, desk review assessments, and refund denials shall be administered pursuant to A.R.S. Title 42, Chapter 1, Article 6. The Department shall notify City/Town of any protests within thirty (30) calendar days of receipt of the protest.

5.6 Status Reports: The Department shall keep all Arizona municipalities apprised of the status of each protested matter involving the imposition of Municipal Taxes. City/Town may request to be on a distribution list for monthly status reports by contacting City Services at citiesunit@azdor.gov.

6. Voluntary Disclosure Agreements

The Department may enter into a Voluntary Disclosure Agreement with a taxpayer. A Voluntary Disclosure Agreement may limit the years subject to audit and waive penalties. If the taxpayer discloses to the Department that it owes Municipal Taxes to City/Town, the Department shall notify City/Town of the Department's intent to enter into a Voluntary Disclosure Agreement and the Department shall provide the taxpayer's identity within thirty (30) calendar days of the identity being disclosed to Department. City/Town may subsequently request an audit of a taxpayer subject to a Voluntary Disclosure Agreement pursuant to Section 5.3 of this Agreement.

7. License Compliance

7.1 License Issuance and Renewal: The Department shall issue new municipal privilege tax licenses and shall annually renew such licenses for City/Town Municipal Tax. The Department shall provide City/Town with information about all persons obtaining and renewing municipal privilege tax licenses as set forth in Appendix B of this Agreement.

7.2 License Checks: The Department and City/Town shall coordinate efforts to conduct mutual tax license compliance checks through canvassing and other compliance methods.

- 7.3 Confidentiality:** Any tax license information City/Town obtains from the Department is confidential and may only be disclosed as authorized by A.R.S. § 42-2003. Any tax license information City/Town obtains through its own efforts may be disclosed as allowed by City/Town ordinance or policy.
- 7.4 Changes to License Fees:** Within ten (10) business days following the adoption of an ordinance (or official acknowledgment of an ordinance approved by voters in an election) creating or modifying a municipal privilege tax license fee, one (1) copy of the ordinance and notification of the effective date of such ordinance shall be sent to City Services at citiesunit@azdor.gov. The Department shall not be obligated to begin collection of the new or modified tax license fee any sooner than sixty (60) calendar days after the date the Department received the ordinance from City/Town.

8. Closing Agreements

The Department shall notify City/Town before entering into a Closing Agreement and shall seek a range of settlement authority from City/Town related to the tax levied and imposed by City/Town in accordance with the Standard Audit Life Cycle Process.

9. Responsibility for Representation in Litigation

- 9.1 Administrative Proceedings:** Pursuant to A.R.S. § 42-6002, the Department shall coordinate the litigation and defense of assessments and refund denials in any administrative appeals before the Office of Administrative Hearings or the Director of the Department regardless of the jurisdiction that conducted the audit, desk review, or refund review in accordance with the Standard Audit Life Cycle Process Map. The Department shall diligently defend the interests of City/Town and City/Town shall assist the Department in such representation as requested by either party.
- 9.2 Further Appeals:** The Arizona Attorney General is responsible for defending the assessment or refund denial at the Board of Tax Appeals, the Arizona Tax Court, and all higher courts. City/Town shall assist the Attorney General in such representation and litigation as requested by the Attorney General's Office in accordance with the Standard Audit Life Cycle Process Map.
- 9.3 Mutual Cooperation:** The Department and City/Town agree they shall cooperate in the appeal and litigation processes and shall ensure their auditors, desk reviewers, supervisors, and other necessary employees are available to assist the Department and the Attorney General through informal interviews, providing documents and records, preparing for depositions, attending depositions and trial as witnesses, and assisting in trial/hearing preparation, as needed.
- 9.4 Administrative Decisions:** The Department shall provide a copy of all administrative hearing level decisions regarding State Taxes and Municipal Taxes, including Director's decisions issued by the Department, to City/Town within ten (10) business days after issuance of the decision if City/Town requests to be

included on a distribution list created by the Department for the purposes of disseminating such decisions. City/Town may request to be on the distribution list by contacting City Services at citiesunit@azdor.gov. Administrative decisions contain Tax Information and must be stored and destroyed in accordance with the Confidentiality Standards (Appendix A).

10. Collection of Municipal Taxes

- 10.1 Tax Returns:** Taxpayers who are subject to City/Town Municipal Taxes are required to pay such taxes to the Department utilizing a form prescribed by the Department.
- 10.2 Delinquent Tax Collections:** Pursuant to A.R.S. § 42-6001, the Department shall collect any delinquent Municipal Tax imposed by City/Town recorded on the Department's tax accounting system. In the event this Agreement is terminated, the Department shall continue to collect delinquent Municipal Taxes recorded on the Department's accounting system on behalf of City/Town and distribute any such amounts collected to City/Town.
- 10.3 City/Town Assistance in Delinquent Tax Collections:** To expand the Department's State Tax and Municipal Tax collection efforts by leveraging City/Town resources, City/Town may choose to provide collection efforts by deploying City/Town collectors to work in conjunction with the Department on the following terms:
- (a) **Training:** All City/Town collectors authorized to collect obligations in cooperation with the Department shall be trained in accordance with the policies of the Department. Training shall be provided in the same manner as set forth in Section 5.1 of this Agreement.
 - (b) **Conflict of Interest:** A collector trained and authorized under this provision to perform collections activity shall not conduct any of the following prohibited acts:
 - (1) Represent a taxpayer in any tax matter against the Department or City/Town while employed by City/Town.
 - (2) Attempt to use his/her official position to secure any valuable thing or valuable benefit for himself/herself or his/her family members.
 - (3) Represent a taxpayer before the Department or City/Town concerning any matter in which he/she personally participated for a period of one (1) calendar year after he/she ends employment with City/Town.
 - (4) Use information he/she acquires in the course of the official duties as a collector in a manner inconsistent with his/her official duties without prior written approval from the Department.

- (5) For a period of one (1) calendar year after he/she ends employment with City/Town, work in the same firm as a person who represents a taxpayer against the Department or City/Town unless the firm institutes formal barriers to prevent any sharing of information between the trained collector and the remainder of the firm.
 - (c) **Revocation:** The Department may revoke the authorization of City/Town or of any individual City/Town employee to collect obligations under this Section. A revocation determination may be subject to review by SMART upon request by the individual or City/Town.
- 10.4 State of Arizona Liquor License Affidavit:** City/Town may request that the Department issue a liquor license affidavit. The Department shall respond to the request via secured e-mail to indicate the status of completion of the request with a note stating complete, in-process, or unable to complete.
- 10.5 Uncollectible/Discretionary Write-offs:** The Department shall share the annual list of uncollectible/discretionary write-offs of City/Town's Municipal Taxes prior to the write-off event at the end of the fiscal year. City/Town shall have forty-five (45) calendar days to submit feedback.
- 10.6 Remittance:** All amounts collected by the Department for City/Town's Municipal Taxes under this Agreement shall be remitted to City/Town weekly on the basis of actual collections. To the extent possible, the Department shall initiate the electronic payment by Noon on the Monday after the end of the week in which the collections were received by the Department. If the Monday falls on a holiday, payment will be initiated by Noon on the Tuesday after the end of the week in which the collections were received by the Department. Remittance shall be made in the form of immediately available funds transferred electronically to the bank account designated by City/Town.
- 10.7 Abatement:** Pursuant to A.R.S. § 42-1004, the Department, with the approval of the Attorney General, may abate tax under certain circumstances including Municipal Taxes. During the ordinary course of business, the Department may determine that certain taxpayer accounts shall be closed or cancelled. The Department shall seek input from City/Town or SMART before abating Municipal Taxes or closing accounts with Municipal Taxes due. The Department may request a telephonic meeting of SMART if time or circumstances require immediate action.
- 10.8 Funds Owed to City/Town:** At all times and under all circumstances, payments remitted by a taxpayer to the Department for City/Town Municipal Taxes shall be considered property of City/Town. The Department may not retain or fail to remit such funds to City/Town for any reason not specifically set forth in this Agreement including, but not limited to, during the course of a dispute between City/Town and the Department.

10.9 Adjustments to Reported Taxes: If the Department determines that a payment remitted by a taxpayer incorrectly identifies the city or town to which the payment should be made, the Department may temporarily hold the payment until the distribution of the payment is corrected to ensure the appropriate city or town receives the payment. If a payment by the Department has been made to an incorrect City/Town, the Department and affected Arizona municipalities shall follow the Standard Inter-Jurisdictional Transfer Process Map.

10.10 Collection Reports: The Department shall keep all Arizona municipalities apprised of the status of every open case in a collection status involving the imposition of Municipal Taxes. City/Town may request to be on a distribution list for monthly status reports by contacting Cities Collections at citiescollection@azdor.gov.

11. Taxpayer Rulings and Uniformity

The Department shall be responsible for issuing the official responses to taxpayer ruling requests and requests for interpretation of the Model City Tax Code. City/Town acknowledges that pursuant to A.R.S. § 42-6005(B), when the state statutes and Model City Tax Code are the same and where the Department has issued written guidance, the Department's interpretation is binding on Arizona municipalities and interpretation of Model City Tax Code. The Department acknowledges that in all other situations, interpretation of the Model City Tax Code is the sole purview of Municipal Tax Code Commission or its designee. This Section is not intended to affect procedures for appeals and litigation as outlined in Section 5.5 and Section 9 of this Agreement.

12. Financing Collection of Taxes

The costs incurred by the Department in administering this Agreement shall be financed through the State general fund appropriation to the Department. This provision does not relieve City/Town of any financial obligation imposed by statute.

13. Inter-Jurisdictional Transfers ("IJTs")

The Department shall administer Inter-Jurisdictional Transfers of Municipal Tax monies in accordance with the Standard Inter-Jurisdictional Transfer Process Map. The affected Arizona municipalities shall agree on any amounts to be transferred before notifying the Department of such amounts to be transferred under this Section.

14. Education and Outreach Efforts

To further its focus on serving taxpayers and its commitment to funding Arizona's future through enhanced customer service, continuous improvement, and innovation, the Department is expanding its outreach and education program to connect with all citizens of Arizona by strategically working with taxpayer and industry groups, tax practitioners, and Arizona's municipalities to ensure consistent tax education is widely available.

Any City/Town may further this mission, at its own expense, in providing education and outreach to taxpayers. Education and outreach programs and content shall be consistent with applicable law and the Department's written guidance.

Increased education and outreach efforts undertaken by the Department and Arizona municipalities will ensure collaborative partnerships beneficial to both parties, emphasize an ongoing two-way exchange of information, enhance communication on issues of common interest, and promote cooperation in areas of overlapping special projects. Therefore, upon request, City/Town shall provide information to the Department concerning such education and outreach efforts.

The Department shall implement an Ambassador Program, whereby the Department provides curriculum, structure, and support for education related to tax administration and compliance. City/Town shall be provided a standard work process when participating in Department-led educational events.

15. State & Municipal Audit Resolution Team ("SMART")

15.1 Members: The SMART committee shall consist of four (4) primary (voting) members representing municipal taxing jurisdictions and four (4) primary (voting) members representing the Department. There shall also be two (2) alternate members representing each party, who are non-voting representatives unless required to vote due to the absence, recusal, or disqualification of a primary (voting) member. All primary and alternate members are required to attend all meetings unless excused.

15.2 Selection: The Director of the Department shall appoint Department employees to serve as primary and alternate members representing the Department. Arizona municipalities shall collectively appoint municipal employees to serve as primary and alternate members representing the Arizona municipalities. The members representing either party may be changed at any time following the standard work process agreed upon by both parties.

15.3 Meetings: SMART shall meet monthly unless there is no business to be conducted. Additional meetings can be scheduled as necessary to timely discuss issues presented.

15.4 Issues: The Department or City/Town may refer issues to SMART for resolution including but not limited to:

- (a) Decisions by the Department to not audit a taxpayer;
- (b) Amendments to Department audit procedures or manuals;
- (c) Closing Agreements or a range of settlement authority;
- (d) Abatement or account closure in collections;

- (e) Suspension of disclosure of Tax Information to City/Town;
- (f) Disagreements regarding proposed changes to the process maps defined in Sections 1.19, 1.20, and 1.21 of this Agreement;
- (g) Revocation of collection authority; and
- (h) Other issues as authorized by the Director of the Department or agreed upon by the parties, subject to the limitations described in Section 29 of this Agreement.

15.5 Recommendations: SMART shall make recommendations to the Director of the Department or Director's designee. If the recommendation is approved by at least five (5) members of SMART, the Director shall accept the recommendation of SMART. If SMART cannot reach a recommendation agreeable to at least five (5) members of the group, the Director or Director's designee may act as they deem to be in the best interests of all parties. Notwithstanding the above, upon request by City/Town, the Director shall submit their decision to the Attorney General's Office for review.

15.6 Voting: Any voting member of the committee may request the vote be held by secret ballot.

15.7 Procedures: SMART shall develop procedures concerning the operation of the committee consistent with this Agreement.

16. Funding of Additional Auditors by City/Town

16.1 Funding: At the sole discretion of City/Town, City/Town may contribute funding to the Department to pay for additional auditors to assist the Department in the performance of audits of Municipal Tax owed to City/Town. Such additional auditors funded by City/Town shall at all times be deemed to be employees of the Department and under no circumstances shall be deemed to be employees or agents of City/Town. It is the Parties' intention that any City/Town funding provided pursuant to this Section shall be used to increase the resources and capabilities of the Department to perform Municipal Tax audits and not to subsidize or replace State funding required for audit and collection of taxes.

16.2 Use of Funds: City/Town funding for additional auditors under this Section shall be used to fund the auditors' salaries and related expenses and shall not be used to pay for Department office space, utilities, equipment, supplies, or similar kinds of overhead.

16.3 Pool of Funds: The Department may pool any City/Town funding with any other similar funding provided by other Arizona municipalities to pay for additional auditors dedicated to serving those jurisdictions. The Department shall separately account for such funds in its annual budget.

- 16.4 Accounting:** The Department shall provide an annual accounting to City/Town, by August 31 each year describing how City/Town funding was used during the prior fiscal year.

17. Satellite Offices for Department Auditors

- 17.1 Funding:** City/Town, at its own expense and at its sole discretion, may provide one (1) or more satellite offices and associated amenities for use by Department employees to provide audit and/or customer service to taxpayers. Use of such facilities by Department employees shall be at the sole discretion of the Department. Nothing in this Section shall require the Department to make use of such facilities provided by City/Town.
- 17.2 Requirements:** Any Department employee using a City/Town satellite office must meet reasonable requirements of City/Town related to the use of the facility. City/Town shall be responsible for notifying the Department of any concerns and the Department shall be responsible for taking appropriate actions to resolve those concerns.
- 17.3 Termination:** Once a satellite office is established, City/Town shall provide at least one hundred eighty (180) calendar days' written notice to the Department prior to the termination or relocation of a satellite office. The Department may discontinue the use of a satellite office at any time upon notice to City/Town and shall promptly remove all Department property.
- 17.4 License:** All requirements of City/Town and the Department related to the satellite office shall be outlined in a mutually acceptable form of license and subject to separate approval.
- 17.5 Workers' Compensation for Satellite Offices and Certain Site Visits:** If employees of City/Town or Department are working at the facility of the other public agency pursuant to this Agreement, it is agreed that:
- (a) Each employee will be deemed an employee of both public agencies for the purposes of A.R.S. § 23-1022(D) and Arizona workers' compensation laws.
 - (b) Each employee's primary employer (*i.e.*, the State of Arizona for a Department employee, and City/Town for a City/Town employee or Independent Contractor) shall be solely liable for the payment of workers' compensation benefits.
 - (c) Each public agency for which employees of City/Town or Department are working at the facility of the other public agency under this Agreement shall post a notice complying with A.R.S. § 23-1022(E).
 - (d) In all circumstances other than as provided in the foregoing, nothing in this Agreement shall be construed to result in any person being the officer,

agent, employee, or servant of either party when such person, absent this Agreement and the performance thereof, would not in law have such status.

18. Non-availability of Funds

Every payment obligation of the Department and City/Town pursuant to this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation, except for the rendering of funds to City/Town paid by a taxpayer for Municipal Taxes or municipal privilege tax license fees of City/Town. If funds are not appropriated, allocated, and available, or if the appropriation is changed resulting in funds no longer being available for the continuance of this Agreement, this Agreement may be terminated at the end of the period for which funds are available. No liability shall accrue to the State or City/Town, as applicable, in the event this provision is exercised and the State or City/Town, as applicable, shall not be obligated or liable for any future payments or for any damages as a result of termination under this Section. The termination of this Agreement shall not entitle the Department to retain any Municipal Tax collected on behalf of City/Town pursuant to this Agreement.

19. Waiver

Nothing in this Agreement should be interpreted as City/Town relinquishing its legal rights under the Arizona Constitution or other applicable law, nor that City/Town is conceding the administration and collection of its Municipal Tax is not of a local interest or should not be under local control.

20. Cancellation

The requirements of A.R.S. § 38-511 apply to this Agreement. The Department or City/Town may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the Department or City/Town is, at any time while this Agreement or any extension is in effect, an employee, agent, or consultant of the other party with respect to the subject matter of this Agreement. The obligation of the Department to remit City/Town taxes shall survive cancellation.

21. Notice

- (a) When any Notice to City/Town is required under the terms of this Agreement, such Notice shall be sent by electronic correspondence to:

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- (b) When any Notice to the Department is required under the terms of this Agreement, such Notice shall be sent by electronic correspondence to City Services at citiesunit@azdor.gov.

22. Non-discrimination

ADOR and City/Town shall comply with Executive Order 2023-01, which prohibits discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status, by persons performing state contracts or subcontracts. ADOR and City/Town also agree to comply with Executive Orders 2003-22 and 2009-09 as amended by Executive Order 2023-01, all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act of 1990. ADOR and the City/Town shall also comply with Executive Order 2023-09 prohibiting race-based hair discrimination.

23. Compliance with Immigration Laws and A.R.S. § 41-4401

23.1 The Department and City/Town shall comply with all Federal immigration laws and regulations relating to employees and warrants compliance with A.R.S. § 23-214 which reads in part: “After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program.”

23.2 A breach of compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and may be grounds for the immediate termination of this Agreement.

23.3 The Department and City/Town retain the legal right to confirm the authorized presence and work authorization of any employee who works under this Agreement to ensure the Department and City/Town are complying with the applicable Federal immigration laws and regulations, and State statutes as set forth above.

24. Audit of Records

City/Town and the Department shall retain all data, books, and other records (“Records”) relating to this Agreement for at least six (6) years

(a) after termination of this Agreement, and

(b) following each annual renewal thereof.

All Records shall be subject to inspection by the Department at reasonable times. Upon request, the Department and City/Town shall produce any or all such records. This Agreement is subject to A.R.S. § 35-214 and A.R.S. § 35-215.

25. Amendments

Any amendments to the enumerated provisions or Appendices A, B, and C of this Agreement must be executed in writing in accordance with the provisions of this

Agreement. The Standard Process Maps described within certain enumerated provisions are not themselves part of this Agreement.

26. Mutual Cooperation

In the event of a disagreement between the parties regarding the terms, provisions, and requirements of this Agreement, or in the event of the occurrence of any circumstances bearing upon or affecting this Agreement, parties hereby agree to mutually cooperate to resolve the said disagreement or deal with the said circumstance.

27. Arbitration

To the extent required by A.R.S. § 12-1518 and as provided for in A.R.S. § 12-133, the parties agree to resolve any dispute arising out of this Agreement by arbitration. The parties agree that any lawsuit filed by City/Town relating to the issues outlined in Section 19 of this Agreement is not considered to be a dispute arising out of this Agreement.

28. Implementation

The implementation and execution of the provisions of this Agreement shall be the responsibility of the Director of the Department or his/her designee and the Mayor of City/Town, his/her designee, or another party with designated authority pursuant to applicable law or City/Town charter to act on behalf of City/Town.

29. Limitations

Nothing in this Agreement shall be construed as limiting or expanding the statutory responsibilities of the parties in performing functions beyond those granted to them by law, or as requiring the parties to expend any sum in excess of their appropriations.

30. Duration

30.1 The term of this Agreement shall commence from the latest date as indicated in Section 33 of this Agreement and continue in force through December 31st of the following calendar year unless canceled or terminated as provided herein. The term of this Agreement shall automatically be extended for successive one (1) year terms commencing on January 1st and ending on December 31st of each year thereafter unless canceled or terminated as provided herein.

30.2 Amendments to this Agreement that are negotiated and agreed to by a simple majority of the review committee referenced in Section 30.9 of this Agreement shall thereafter be executed by the parties hereto by a separate signed amendment and incorporated herein to be effective during the term of this Agreement and any extensions.

30.3 This Agreement may be canceled or terminated effective on December 31st of any year by either party by providing written notice no later than sixty (60) calendar days prior to the expiration of the term then in effect.

- 30.4** This Agreement shall expire on December 31st of any year the Department is subject to sunset review by the legislature. Upon expiration, cancellation, or termination, any subsequent Agreement must be ratified through signature by both parties.
- 30.5** If State legislation enacted subsequent to the date of this Agreement substantially affects the performance of this Agreement by either party or substantially diminishes the benefits either party would receive under this Agreement, either party may then terminate this Agreement by giving at least thirty (30) calendar days' notice to the other party. The termination shall become effective immediately upon the expiration of the notice period unless otherwise agreed to by the parties.
- 30.6** Notwithstanding any provision to the contrary herein, both parties may by mutual agreement provide for the termination of this Agreement upon such terms and at such time as is mutually agreeable to them.
- 30.7** Any notice of termination shall be mailed and served on the other party in accordance with Section 21 of this Agreement.
- 30.8** In the event of a partial or complete termination of this Agreement, if the parties have shared or exchanged property the parties will return the property to its original owner or dispose of it in a manner required by the original owner as described in this Agreement.
- 30.9** During the term of this Agreement, the terms and conditions of this Agreement shall undergo an annual review to be initiated no later than June 1st of each year. The review shall be performed by a committee made up of equal parts representatives of the Department and representatives of the municipal taxing jurisdictions entering into an IGA with the Department for the administration and collection of Municipal Taxes.

31. Choice of Law

The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Agreement, and any disputes arising from this Agreement.

32. Entire Agreement

This document, including the specific appendices attached hereto, and any approved subcontracts, amendments, and modifications made thereto, shall constitute the entire Agreement between the parties and shall supersede all other understandings, oral or written.

33. Signature Authority

ADOR-Municipal IGA for TPT Administration

33.1 By signing below, the signer certifies he or she has the authority to enter into this Agreement on behalf of his or her respective party, and he or she has read the foregoing and agrees to accept the provisions herein on said party's behalf.

33.2 This Agreement may be executed in counterpart.

For the Department:

For City/Town:

Signature		Date	Signature		Date
Robert Woods, Director					
Typed Name and Title			Typed Name and Title		
Arizona Department of Revenue					
Entity Name			Entity Name		
1600 W. Monroe St.					
Address			Address		
Phoenix	Arizona	85007			
City	State	Zip			
RESERVED FOR THE ATTORNEY GENERAL:			RESERVED FOR CITY/TOWN ATTORNEY:		
This agreement between public agencies has been reviewed pursuant to A.R.S. § 11-952 by the undersigned Assistant Attorney General who has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the Arizona Department of Revenue represented by the Attorney General. KRIS MAYES The Attorney General BY: _____ Signature Assistant Attorney General Date: _____			This agreement between public agencies has been reviewed pursuant to A.R.S. § 11-952 by the undersigned City/Town Attorney who has determined, on behalf of the City/Town only, that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the City/Town. APPROVED AS TO FORM AND AUTHORITY: BY: _____ CITY/TOWN ATTORNEY Date: _____		

APPENDIX A

ARIZONA DEPARTMENT OF REVENUE CONFIDENTIALITY REQUIREMENTS

1. Confidential Information

- 1.1 “Confidential Information” is defined in A.R.S. § 42-2001. Confidential Information may not be disclosed except as provided by statute. A.R.S. §§ 42-2001 through 42-2004.
- 1.2 “Tax Information” as defined in this Agreement is Confidential Information.
- 1.3 **Disclosure of aggregated financial information.** Under no circumstance shall aggregated financial information related to transaction privilege taxes allow any person who is not authorized to receive Tax Information to identify or discover the financial information of an individual taxpayer.
 - (a) Except as provided in Section 1.3(b) of this Appendix, City/Town will disclose aggregated financial information in accordance with the Department’s standard:
 - (1) City/Town shall only disclose aggregated financial information from not less than ten (10) taxpayers within the political boundaries of City/Town.
 - (2) No individual taxpayer’s financial information should be discernible due to its relative size compared to other members of the aggregated group. For example, if one of the taxpayers in the data set represents 90% or more of the data point, then that data point must not be disclosed, regardless of the number of taxpayers.
 - (b) City/Town may disclose its aggregated financial information from less than ten (10) taxpayers provided City/Town first determines the aggregated data could not potentially reveal the financial information of an individual taxpayer. Such a determination shall take all the following into consideration:
 - (1) *Ownership.* All taxpayers with common ownership entities shall be considered a single taxpayer for aggregation purposes; and
 - (2) *Proportionality.* No individual taxpayer’s financial information should be discernible due to its relative size compared to other members of the aggregated group; and

- (3) Any other factor that might allow any person who is not authorized to receive Tax Information to identify or discover the financial information of an individual taxpayer.

2. **Protecting Information**

- 2.1 City/Town must identify all places, both physical and logical, where City/Town receives, processes, and stores Tax Information and create a plan to adequately secure those areas.
- 2.2 Tax Information must be protected during transmission, storage, use, and destruction. City/Town must have written policies, standards, and procedures to document how it protects its information systems, including Tax Information so that it conforms to the State of Arizona statutes A.R.S. §§ 42-2001 through 42-2004 and policies, standards, and procedures found on the Arizona Strategic Enterprise Technology (“ASET”) website at aset.az.gov/resources/policies-standards-and-procedures or ASET’s successor agency or website and Arizona Department of Homeland Security’s website at <https://azdohs.gov/information-security-policies-standards-and-procedures>.
- 2.3 Department staff and authorized City/Town staff are prohibited from inspecting Tax Information unless they have a business reason. Browsing through Tax Information concerning friends, neighbors, family members, or people in the news is strictly prohibited.
- 2.4 All removable media, including paper and CDs, containing Tax Information must be secured when not in use and after normal business hours by placing all materials in a locked drawer or cabinet. During use, Tax Information must be protected so that it is not visible to members of the public or anyone without a business need for the information.
- 2.5 All individuals accessing or storing Tax Information from an alternative work site must enter into a signed agreement that specifies how the Tax Information will be protected while at that site. Only trusted employees shall be permitted to access Tax Information from alternative sites. Tax Information may not be accessed while in public places such as restaurants, lounges, or pools.
- 2.6 Tax Information may not be discussed in elevators, restrooms, the cafeteria, or other public areas. Terminals should be placed in such a manner that prohibits public viewing of Tax Information.
- 2.7 When transporting confidential materials, the materials should be covered so that others cannot see the Tax Information. When sending Tax Information by fax, a cover sheet should always be used.
- 2.8 Any person with unsupervised access to Tax Information shall receive training on the confidentiality laws and requirements to protect such information before being given access to such information and annually thereafter. They must sign

certificates after the training acknowledging that they understand their responsibilities. City/Town must keep records to document this training and certification and submit a copy of the certification to the Department.

3. Disclosure of Information

- 3.1 Tax Information may only be disclosed as permitted by A.R.S. § 42-2003.
- 3.2 Tax Information is protected by statute and, therefore, shall not be disclosed in response to a public records request except as authorized by law. A state agency, including political subdivisions (City/Town), may deny inspection of public records if the records are deemed confidential by statute. *Berry v. State*, 145 Ariz. 12, 13 699 P.2d 387, 388 (App. 1985).
- 3.3 A taxpayer may designate a person to whom Tax Information may be disclosed by completing an [Arizona Department of Revenue Form 285](#) or [Form 285B](#), or such other form that contains the authorizing information included in those forms. City/Town may contact the Department's Disclosure Officer at DisclosureOfficer@azdor.gov if there are any questions concerning this requirement.

4. Retention and Disposal of Information

- 4.1 All records received from the Department must be kept for the duration of the records retention period as listed in the official records retention schedules approved by the Secretary of State Library Archives and Public Records Division ("LAPR") published on the LAPR website.
 - (a) The Department's custom records retention schedule is published on the LAPR website at apps.azlibrary.gov/records/schedules.aspx.
 - (b) In the event of a legal hold (such as a litigation hold or investigative hold), Department and/or City/Town may be required to retain records beyond the retention period.
- 4.2 The Department and City/Town shall follow the legal requirements for reporting the disposition and destruction of records to the Arizona State Library Archives, & Public Records Division under A.R.S. § 41-151.19. Certificate of Records Destruction Forms are found at: azlibrary.gov/arm/forms.
- 4.3 All removable media containing Tax Information must be returned to the Department or sanitized before disposal or release from the control of City/Town.
- 4.4 Tax Information must be destroyed by shredding or burning the materials when the retention period has been met and no legal holds are in place. Tax Information may not be disposed of by placing the materials in the garbage or recycle bins. Destruction of Tax Information may be performed by a third-party vendor.

City/Town must take appropriate actions to protect the Tax Information in transit and storage before it is destroyed, such as periodic inspections of the vendor.

- 4.5 Computer system components and devices, such as copiers and scanners, which have been used to store or process Tax Information may not be repurposed for non-tax administration uses unless the memory or hard drive of the device is sanitized to ensure under no circumstances Tax Information can be restored or recovered.

5. **Information Security**

- 5.1 Systems containing Tax Information must be protected in accordance with the State of Arizona Policies, Standards, and Procedures that govern State data found at <https://azdohs.gov/information-security-policies-standards-and-procedures>, particularly Policies and Standards 8000-8410 and the Arizona NIST Security Baseline Controls.
- 5.2 City/Town is responsible for creating architectural diagrams of any systems connecting to the Department's systems and depicting the flow of State Tax Information. Architectural diagrams for systems connecting to the ADOR shall be shared with the ADOR and updated after any architectural changes.
- 5.3 Incident Reporting. City/Town is required to notify the Department in the event of a suspected or actual unauthorized disclosure of Tax Information, data loss, breach, or other security concern regarding Tax Information by reporting the incident to the Department's: 1) City Services Manager by email at citiesunit@azdor.gov, 2) Disclosure Officer by email at DisclosureOfficer@azdor.gov, and 3) Chief Information Security Officer's Information Security Team by email at InfoSec@azdor.gov.
- 5.4 The Department may send employees or auditors to inspect any of City/Town information systems and/or facilities used to process, store, or transmit any Department data at any time to ensure that Department information is adequately protected. City/Town shall provide audit records and evidence of system and application hardening to the department's information security team upon request. Hardening evidence can include, but is not limited to: RiskSense, CIS benchmarks, SCSEMs, STIGs, or other security best practices. If City/Town hires a third-party for any system or information support, all security provisions apply.

6. **Wireless Access (if accessing State Confidential Information from a wireless network)**

City/Town must:

- 6.1 Establish restrictions, configuration/connection requirements, and implementation guidance for wireless access.
- 6.2 Authorize wireless access to the information system prior to allowing such connections.

- 6.3 Employ a wireless intrusion detection system to identify rogue wireless devices and to detect attack attempts and potential compromises/breaches to the information system.

APPENDIX B

REQUIRED REPORTS AND DATA FIELDS

At a minimum, the Department of Revenue shall provide the following reports which display all of fields identified below, per report:

NEW LICENSE REPORT and LICENSE UPDATE REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- Update Date
- ID Type
- ID
- Account ID
- Entity Name
- Ownership Type
- License ID
- OTO/Applied For indicator
- Bankruptcy Indicator
- Filing Frequency
- Issue Date
- Account Start Date
- Business Start Date
- Arizona Start Date
- Doc Loc Nbr
- Accounting Method
- Close Date
- Close Code
- Business Description
- NAICS1
- NAICS2
- NAICS3
- NAICS4
- Mailing Street1
- Mailing Street2
- Mailing Street3
- Mailing City
- Mailing State
- Mailing ZIP
- Mailing Country
- Mailing Phone Number
- Mailing Address Add date
- Mailing Address End Date

ADOR-Municipal IGA for TPT Administration

- Audit Street1
- Audit Street 2
- Audit Street 3
- Audit City
- Audit State
- Audit Zip
- Audit Country
- Audit Phone Number
- Audit Address Add Date
- Audit Address End Date
- Location Code
- Business Codes
- Location Name (DBA)
- Number of Units
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- Location Phone Number
- Location Start Date
- Location End Date
- Primary Location Street 1
- Primary Location Street 2
- Primary Location Street 3
- Primary Location City
- Primary Location State
- Primary Location Zip Code
- Primary Location Country
- Primary Location Phone Number
- Primary Location Start Date
- Primary Location End Date
- Owner Name
- Owner Title
- Owner Name 2
- Owner Title 2
- Owner Name 3
- Owner Title 3

CITY PAYMENT JOURNAL

- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period

ADOR-Municipal IGA for TPT Administration

- Period End Date
- Payment received date
- Return received date
- Payment process date
- Return process date
- Filing Frequency
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- NAICS
- Business Code
- Doc Loc Nbr
- Pmt Loc Nbr
- Gross Receipts
- Total Deductions
- Tax or Fee Collected
- P & I Collected
- Audit Collections
- Tran Type
- Tran Subtype
- Rev Type

CITY PAYMENT JOURNAL SUMMARY

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Business Code
- Number of Accounts
- Collections

NO MONEY REPORT

- Region Code
- GL Accounting Period
- Period End Date
- Payment received date
- Return received date

ADOR-Municipal IGA for TPT Administration

- Payment process date
- Return process date
- Filing Frequency
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Location Street 1
- Location Street 2
- Location Street 3
- Location City
- Location State
- Location Zip
- Location Country
- NAICS
- Business Code
- Doc Loc Nbr
- Pmt Loc Nbr
- Gross Receipts
- Total Deductions
- Tax or Fee Collected
- P & I Collected
- Audit Collections
- Tran Type
- Tran Subtype

DEDUCTION REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Business Code
- Doc Loc Nbr
- Deduction Code
- Deduction Amount
- Tran Type
- Tran Subtype
- Rev Type

FUND DISTRIBUTION REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Period End Date
- Payment Received Date
- Return Received Date
- Payment Processed Date
- Return Processed Date
- License ID
- Entity Name
- Location Code
- Location Name (DBA)
- Business Code
- Doc Loc Nbr
- Fund Allocation Code
- Amount Distributed

FUND DISTRIBUTION SUMMARY REPORT

- Region Code
- Run Date
- Report Start Date
- Report End Date
- GL Accounting Period
- Fund Allocation Code
- Amount Distributed

APPENDIX C**REQUIRED FORMS****1. JT-1 Joint Tax Application for a TPT License**

[ADOR Form 10196](#)

2. TPT-2 Transaction Privilege, Use and Severance Tax Return (filing periods beginning on or AFTER June 1, 2016)

[ADOR Form 11249](#)

3. TPT-EZ Transaction Privilege, Use and Severance Tax Return

[ADOR Form 11263](#)



2023 Intergovernmental (IGA) Instructions

The final version of the 2023 Intergovernmental Agreement between the Arizona Department of Revenue and your city/town is attached and ready for signature. The standardized agreement is applicable to all Arizona municipalities and the Department. Alterations or edits to the Agreement are not permitted.

Please take a few moments to review these instructions.

Actions for Cities/Towns

1. Complete page 2, "Primary Point of Contact for Information Security Concerns," (PPOC) providing, at minimum, one person's contact information for your city/town. This information allows ADOR to quickly identify an appropriate person(s) for conveying important information, which may include non tax-related matters.
2. **Email** the completed PPOC page to the City Services team at citiesunit@azdor.gov.
3. Next, fill in the following information on ALL copies of the 2023 IGA document:
 - Enter your city/town name in the appropriate title field on page 1.
 - Enter the date of Council action and your city/town name in paragraph 1 on page 1.
 - Enter the assigned city/town employee name and email address in Section 21 of page 24. The employee you identify should be the individual who is most commonly responsible for tax administration matters.
 - Enter identifying information for the appointed city/town representatives who are authorized to sign the IGA in Section 33.3 of page 28.
4. Present the completed IGA, including all Appendices, to your city/town council for approval and signature for your next available Council agenda. Digital or handwritten signatures are permissible and must be included on ALL copies of page 28.
5. Once Council has approved the IGA, return, at minimum, two (2) signed, printed copies to ADOR by **mail** to the following address:

Arizona Department of Revenue

ATTN: KIMBERLY GALLEN/JOSEPHINE POSTON
 OUTREACH DISTRICT: CITY SERVICES TEAM
 1600 W MONROE STREET
 PHOENIX, AZ 85007

Actions for ADOR

1. City Services receives the IGAs and reviews the documents for completeness. The team may contact the city/town IGA point person identified in Section 21 on page 24 to request correction(s).
2. City Services delivers the IGAs to the ADOR Director and Attorney General for review and signature.
3. ADOR retains one (1) fully-executed copy of the 2023 IGA.
4. ADOR returns one (1) fully-executed copy of the 2023 IGA to the sending city/town's IGA point person.



Primary Point of Contact for Information Security Concerns

-REQUIRED-

[Town of Chino Valley](#)
City/Town

[Erin Deskins](#)
Name

[Town Clerk](#)
Title

edeskins@chinoaz.net
E-mail address

[928-636-3131](tel:928-636-3131)
Phone number

-OPTIONAL-

City/Town

Name

Title

E-mail address

Phone number



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting 2023

5. b.

Meeting Date: 11/14/2023
Contact Person: Marrilee Easton, Civilian Officer
Department: Police
Estimated length of staff presentation: None
Physical location of item: n/a

AGENDA ITEM TITLE:

Consideration and possible action to approve an agreement with the Arizona Department of Transportation for the Chino Valley Police Department to access and exchange crash records and data.

RECOMMENDED ACTION:

Approve the agreement with the Arizona Department of Transportation for the Chino Valley Police Department to access and exchange crash records and data.

SITUATION AND ANALYSIS:

If approved, the proposed Data Access/Exchange Agreement between the Town and the Arizona Department of Transportation (ADOT File No. 23-0009316-I) will allow the Chino Valley Police Department to access and exchange crash records and data with ADOT's ALISS and/or AIDW ACIS Database. A copy of the agreement is attached for Council's review. If approved, it will be sent to ADOT for finalized signatures.

Fiscal Impact

Fiscal Impact?: No
If Yes, Budget Code:
Available:
Funding Source:

Attachments

Data Access/Exchange Agreement

Our True North: *Safely Home*

Transportation Systems Management and Operations

Katie Hobbs, Governor

Jennifer Toth, Director

Greg Byres, Deputy Director for Transportation

Brent Cain, Division Director

DATA ACCESS / EXCHANGE AGREEMENT

ADOT File No: 23-0009316-I

Date:

Name of Department: Town of Chino Valley

Doing Business As: Chino Valley Police Department

Business Address: 220 N. State Route 89
Chino Valley, AZ 86323

Mailing Address: Same as above

Telephone Number: 928.636.4223

Chino Valley Police Department (AGENCY) hereby requests authorization for connectivity to the Arizona Department of Transportation's (ADOT or State) (check all that apply):

- ☒ ALISS Database to submit electronic crash records.
- ☐ ALISS Database to access and retrieve crash data.
- ☒ ACIS to query, analyze and retrieve crash data.

ADOT is authorized to enter into this Agreement pursuant to Arizona Revised Statutes ("A.R.S.") § 28-363 and § 28-401.

Chino Valley Police Department (AGENCY) is authorized to enter into this Agreement pursuant to A.R.S. § 9-240.

The AGENCY (as defined below) hereby requests authorization for connectivity to the ALISS Database and/or AIDW ACIS of the Arizona Department of Transportation, Transportation Systems Management and Operations Division (TSMO). The AGENCY's specific access capabilities are set forth and further described in the attached Addendum, which shall be considered a part of this Agreement between the AGENCY and ADOT.

The AGENCY understands and agrees that it shall only access the ALISS Database and/or the AIDW ACIS in accordance with the terms and conditions set forth herein. If at any time ADOT believes the AGENCY is using such access in an unauthorized or unlawful manner, ADOT reserves the right, in its sole discretion, to immediately terminate this Agreement.

This Agreement complies with GITA Statewide Standard P740-S741, Standard 4.7.3.

Definitions

"ACIS" means the Arizona Crash Information System.

"ADOT" means the Arizona Department of Transportation.

"AGENCY" means **Chino Valley Police Department.**

"Agreement" means this Data Access Exchange Agreement.

"ALISS" means the Accident Location, Identification and Surveillance System.

"Authorized individuals" means those persons who are employed or contracted by AGENCY to perform the activities authorized hereunder.

"Connectivity" means to make and/or maintain a computer connection with ADOT for the purpose of performing the activities authorized under this Agreement.

"Encrypt" means to scramble computerized information to secure data by using special algorithms for transmission or other purposes.

"Parties" means ADOT and the AGENCY, collectively.

"Party" means ADOT or the AGENCY, as the case may be.

"Personal Information" means information that identifies an individual, including without limitation an individual's name, photograph, social security number, driver license number, physical description, race, ethnic origin, sexual orientation, income, blood type, DNA code, fingerprints, marital status, religion, home address, home telephone number, education, financial matters, and medical or employment history readily identifiable to a specific individual but does not include information on vehicular accidents, driving violations, and driver's status.

"RACF" means Resource Access Control Facility, which is a software security product that protects information by controlling access to it.

"Secure location" means an area designated specifically for authorized individuals to access ADOT's database(s) and to which all unauthorized individuals shall be prohibited from entering.

"Sensitive Information" means any state information either in detail or aggregate that may be prejudicial or harmful to the state and its citizens.

Location of Activities

AGENCY may conduct authorized activities only at those locations which have been pre-approved by ADOT such as their place of business that adheres to the other guidelines outlined in this Agreement. ADOT reserves the right, in its sole discretion, to disapprove of location.

DAE 23-0009316-I

Equipment

AGENCY shall obtain computer equipment and software that is compatible with the information systems and connectivity requirements of ADOT, and which will allow access only to the specific database(s) listed in the Addendum to this Agreement.

Data Security

AGENCY shall provide a secure location for all computer equipment used to access ADOT's database(s).

AGENCY shall provide access to ADOT's ALISS Database and/or ACIS only to AGENCY personnel or contractors who are authorized individuals, and to no one else. If at any time ADOT believes that an authorized individual is using such access inappropriately, ADOT reserves the right to immediately terminate that individual's database access and/or to terminate AGENCY authorization under this Agreement.

AGENCY shall comply with all ADOT policies, procedures and directives regarding security and database access, including any future amendments thereto. All subcontractors utilized to perform the activities authorized by this Agreement must abide by the same security and access requirements as AGENCY.

AGENCY must disclose and obtain ADOT approval of any existing and/or contemplated strategic alliances, partnerships, Intergovernmental Agreements or subcontracting arrangements that AGENCY has or will enter into which involve the processing and/or use of ADOT data acquired pursuant to this Agreement.

AGENCY, its officers, agents, employees, contractors and representatives shall not, without the prior written approval of ADOT, disclose, distribute, or utilize in any manner not expressly authorized under this Agreement, any personal or sensitive information which is connected or otherwise associated with or accessed pursuant to this Agreement, either during the term of this Agreement or subsequent to any termination of this Agreement.

AGENCY shall maintain all hard copy information and electronic data related to this Agreement in a secure location at all times.

Data Privacy

AGENCY shall not utilize its computer connections with ADOT for any purpose other than the purpose(s) specified in the Addendum to this Agreement.

Network Security

AGENCY understands and agrees that any and all personal or sensitive information that it stores or transmits over external or public computer networks, such as the Internet, must be encrypted.

AGENCY computers that are permanently or intermittently connected to internal computer networks must have an ADOT approved, password-based, access control system in order to access ADOT's database(s). This requirement applies to computers with direct connections to data centers, as well as AGENCY "wide area network." Regardless of the network connections, all AGENCY computers which are used to access ADOT information must employ approved, password-based, access control systems.

All in-bound connections to AGENCY computers from external networks must also be protected. All access control systems must utilize user-identifications (i.e. RACF ID's) and passwords unique to each user, as well as user-privilege restriction mechanisms. Password sharing is prohibited.

DAE 23-0009316-I

Non-exclusivity

This Agreement shall not preclude ADOT from entering into the same or similar Agreement with other public or private entities, including those performing identical or similar functions as AGENCY.

Notification

AGENCY shall assign a contact person for problem resolution and notification of procedural changes. AGENCY shall advise ADOT within two business days of any change in its designated contact person. All notices or demands upon either Party shall be in writing and an original shall be delivered electronically, in person, or sent by mail, addressed as follows:

To ADOT at:

ADOT Crash Records Section
Custodian of State Crash Records
1615 W. Jackson Street, Mail Drop 064R
Phoenix, AZ 85007
Fax: 602.712.3488
Email: AZCrashFacts@azdot.gov

To AGENCY at:

Chino Valley Police Department
ATTN: Marrilee Easton
220 N. State Route 89
Chino Valley, AZ 86323
928.636.4223
measton@chinoaz.net

Records

The AGENCY shall maintain a log or register of all ADOT records it requests and all ADOT records it obtains by virtue of the access provided herein. The AGENCY shall retain this log or register either manually or electronically for a period of five years after the date of request and receipt of the records. All other books, papers, records, data, and accounting records relating to this Agreement ("Records") shall be maintained by AGENCY for a period of five years, or such greater or lesser time as may be required by federal or state law, rule, or the ADOT Records Retention Schedule. The Records shall be subject to inspection and audit by ADOT for five years after termination or completion of this Agreement. The Records shall be produced at the offices designated by ADOT.

It is further agreed that ownership of all records relating to this Agreement resides exclusively with ADOT, except for data retrieved pursuant to this Agreement.

Compliance

AGENCY shall comply with all of the terms set forth in this Agreement, together with all applicable state statutes, rules, and regulations. AGENCY shall also comply with all relevant ADOT policies, procedures and directives that ADOT provides to AGENCY throughout the course of this Agreement. All AGENCY subcontractors are held to the same compliance standards, and any failure to comply on the part of the subcontractor will be deemed a failure on the part of AGENCY.

Non-compliance

If AGENCY fails to comply with the terms of this Agreement, or with any applicable law, rule or regulation, ADOT reserves the right to take any remedial action that it deems necessary and appropriate, including without limitation the suspension, cancellation, revocation, or termination of this Agreement. In case of a violation of law, the Agreement shall immediately terminate.

Amendment and Modification of Agreement

AGENCY shall review and approve in writing any modification of the Agreement. Upon the amendment of any applicable law, rule or regulation, the Agreement shall automatically be modified to reflect such amendment. Any modification of the Agreement shall be incorporated herein and shall be subject to all other provisions of

DAE 23-0009316-I

this Agreement. AGENCY may submit a written request to ADOT if there are any changes it desires be made to the Agreement, and such a request shall be approved or denied at ADOT's sole discretion.

Termination

Either Party may terminate this Agreement for convenience or cause upon 30 days prior written notice to the other Party. Upon any termination of this Agreement, AGENCY shall, at ADOT's request, remove and deliver to TSMO all electronic data stored on any electronic storage devices and shall immediately return all other data and information received in connection herewith to ADOT.

Waiver/Severability

AGENCY agrees that a waiver of any provision of this Agreement shall not act as a waiver of any other provision of this Agreement. If a provision of this Agreement is for any reason declared invalid, illegal, or unenforceable, that declaration shall not affect the remainder of the provisions of the Agreement.

Duration

This Agreement shall commence upon approval by the Division Director and execution by both Parties, and shall thereafter continue in effect for a term of five years, unless previously terminated or canceled as provided herein. Prior to expiration of this five year period, the Parties may mutually agree to extend the term of the Agreement for three, five-year extensions by entering into an amendment to this Agreement.

Liability

The AGENCY shall indemnify, defend, and hold harmless the State, any of its departments, agencies, officers or employees (collectively referred to in this paragraph as the "State") from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including reasonable attorneys' fees and/or litigation expenses (collectively referred to in this paragraph as the "Claims"), which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the AGENCY, its employees, officers, directors, agents, representatives, or contractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement. The AGENCY's obligations under this paragraph shall not extend to any Claims to the extent caused by the negligence of the State, except the obligation shall apply to any negligence of the AGENCY which may be legally imputed to the State by virtue of this Agreement or the State's ownership of the databases. The AGENCY's obligations under this paragraph shall survive the termination of this Agreement.

Limitation of Liability

ADOT (a) makes no warranty, express or implied, with respect to information provided under this Agreement, including but not limited to, implied warranties of merchantability and fitness for any particular use; (b) assumes no liability for any direct, indirect, or consequential damages arising from any use of any part of this Agreement; (c) assumes no liability for any errors or omissions within the Data Access Exchange. Parties hereby waive, relinquish, and release the State of Arizona and ADOT from any claim for damage or injury arising from any use of the Data Access Exchange or any information derived from it.

Mandatory Provisions for Arizona State Agencies

None of the provisions of the Agreement may be waived, changed or altered except with the mutual written consent of both Parties.

DAE 23-0009316-I

Except as permitted by law and provided by this Agreement, ADOT is not authorized to indemnify the AGENCY.

The AGENCY acknowledges and will comply with Title VI of the Civil Rights Act Of 1964.

This Agreement shall be governed by and construed in accordance with Arizona laws.

This Agreement may be cancelled in accordance with A.R.S. § 38-511.

This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09, as amended by Executive Order 2023-01, issued by the Governor of the State of Arizona and incorporated in this Agreement by reference regarding "Non-Discrimination."

Non-Availability of Funds: Every payment obligation of ADOT under this Agreement is conditioned upon the availability of funds allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

In the event of any controversy, which may arise out of this Agreement, the Parties agree to abide by arbitration as is set forth for public works contracts if required by A.R.S. § 12-1518.

The Parties shall comply with the applicable requirements of A.R.S. § 41-4401.

The Parties shall certify that all contractors comply with the applicable requirements of A.R.S. §§ 35-393.01 and 35-394.

The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.

Joint Venturer – Except as otherwise provided by law, in the performance of duties and activities under this Agreement, the Parties hereto will be acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of each other. The officers, employees, agents, or subcontractors of one Party shall not be deemed or construed to be the employees or agents of the other Party. Each Party shall remain responsible for the supervision of their respective staff and students and shall maintain adequate insurance coverage as required by law.

AGENCY assigns to ADOT any claim for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to AGENCY toward fulfillment of this Agreement.

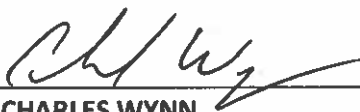
The Parties may execute this Agreement in two or more counterparts, each of which shall be deemed an original and together which shall constitute one and the same document.

Certification

On behalf of AGENCY identified below, the undersigned hereby request approval of this Agreement. The undersigned certifies that all of the information set forth herein by AGENCY is true and accurate, and that any records or information obtained from ADOT's database(s) and system(s) pursuant to this Agreement will be used solely for the purpose(s) specified in the Addendum to this Agreement, and for no other purposes. The undersigned further certifies that the undersigned have the authority to execute this Agreement on behalf of AGENCY. The undersigned understands that the AGENCY must abide by the provisions of this Agreement if approved by the Division Director and executed by both Parties.

DAE 23-0009316-I

CHINO VALLEY POLICE DEPARTMENT

By  on 10/30/23
CHARLES WYNN Date
Chief of Police

FOR ADOT USE ONLY

Received by _____ on _____.
TIMOTHY JORDAN Date
AzTraCS Program Coordinator

AUTHORIZATION

On behalf of the Arizona Department of Transportation, the authorization requested by **Chino Valley Police Department** pursuant to this Agreement (including the attached Addendum) is hereby approved.

ARIZONA DEPARTMENT OF TRANSPORTATION

Transportation Systems Management and Operations

By _____ on _____.
BRENT A. CAIN, PE Date
Division Director

DAE 23-0009316-I

AGREEMENT ADDENDUM

THIS ADDENDUM is made and entered into pursuant to A.R.S. §§28-401 et seq. and with GITA Statewide Standard P740-S741, Standard 4.7.3, as part of the foregoing Data Access / Exchange Agreement between the Arizona Department of Transportation (ADOT) and the **Chino Valley Police Department** (AGENCY).

Subject to ADOT's right to terminate as set forth in this Agreement:

- I. ADOT <grants/~~does not grant~~> AGENCY authorization to access its ALISS Database via approved direct program-to-program interactions over an approved persistent connection and to thereby submit electronic crash records information contained in such databases according to the terms and conditions stated in this Agreement. Electronic crash records shall be submitted no more than once per day.
- II. ADOT <grants/~~does not grant~~> AGENCY authorization to access its ALISS Database via an approved secure gateway and with two-factor authentication to retrieve pertinent crash records data including vehicle information according to the terms and conditions stated in this Agreement.
- III. ADOT <grants/~~does not grant~~> AGENCY authorization to access its ACIS via an approved secure gateway and with user identifications and passwords unique to each user to run queries and retrieve crash data strictly for the purposes of safety analysis and in accordance with the terms and conditions stated in this Agreement. Data query and retrieval may be done on an as-needed basis.

The foregoing Agreement and Addendum are mutually agreed to:

CHINO VALLEY POLICE DEPARTMENT**ARIZONA DEPARTMENT OF TRANSPORTATION**

Transportation Systems Management and Operations

By  on 10/30/23
CHARLES WYNN Date
 Chief of Police

By _____ on _____
BRENT A. CAIN, PE Date
 Division Director



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting2023

5. c.

Meeting Date: 11/14/2023

Contact Person: Erin Deskins, Town Clerk

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the September 26, 2023, study session minutes.

RECOMMENDED ACTION:

Approve the September 26, 2023, study session minutes.

Attachments

September 26, 2023 Study Session Minutes

DRAFT

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

**TUESDAY, SEPTEMBER 26, 2023
6:00 P.M.**

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

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

Absent: Mayor Jack Miller

Staff Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Human Resources Director
Present: Laura Kyriakakis; Police Chief Chuck Wynn; Deputy Police Chief Josh McIntire; Lieutenant Randy Chapman; Public Works Director/Town Engineer Frank Marbury; Assistant Development Services Director Will Dingee at 5:33 p.m.; Community Services Director Cyndi Thomas; IT Manager Spencer Guest; Town Clerk Erin N. Deskins

1) CALL TO ORDER; ROLL CALL

Vice-Mayor Granillo called the meeting to order at 5:00 p.m.

2) Presentation and discussion regarding Chino Valley Police Department statistics.

Josh McIntire, Deputy Police Chief, presented the following:

- He would be covering a lot of statistics over the last year.

Staffing

- The department had allocated 35 sworn positions with 31 filled [this included administrative, detectives, school resource officers (SROs), and patrol]. One lateral officer would be signing a conditional offer next week. There were nine applicants that met the minimum qualifications to test for new hire testing, which would be happening Saturday and would hopefully produce a few applicants to attend the next academy starting on January 7th.
- While the Town had 22 patrol officers on paper, it wasn't actually the case as there were two cadets at the academy, two officers were in field training and would not be solo until October 2023, two officers were on modified duty assignment and two more were waiting for surgery in October (one four month recovery, and one five to six month

recovery), one officer was deployed overseas until April of 2024. This left just 12 officers for patrol (not counting SROs). Minimum staffing required three officers per shift. The officers were currently working two days on, two days off, three days on, two days off, etc. It worked out so that the officers had every other weekend off, allowing them more time with family, which they seemed to appreciate.

- The department had two retirements in the last six months. Another was scheduled for December of 2023, and another scheduled for August of 2024. There was the potential for six more retirements by 2028, but not necessarily that they would.
- Light/modified duty had a jump of 1,784 hours between 2021 and 2022. 2023 so far was at 1,515 hours.
- On 12-hour shifts, the department required 12 officers minimum. This would allow for four squads consisting of three officers (one sergeant, one field training officer, one officer). Vacation days were often denied or employees had to shift trade. Training was difficult to schedule, so the department had supplemented with video training, which wasn't ideal.
- In order to move to 10-hour shifts, the department would need 18 officers to comprise six squads. As this is, again, minimum staffing requirements, no days off would be approved and an officer being out for an injury would require going back to 12-hour shifts, and sick calls would require overtime.

Use of Force (UOF) Incidents

- The department had recently updated their UOF policy. Previously, UOF was defined as anything outside of normal handcuffing which included twisting an arm when resisting handcuffing, drawing a weapon, even at low-ready, or threat of using a taser. 2021 had five incidents, 2022 had 12 incidents (only two were hands-on), and 2023 had three incidents.
- No incidents since 2021 resulted in disciplinary action as all had been found to be justified.

Total Reports Taken per Fiscal Year

- The department was projected to take 13,000 reports by July 2024 which was up from 9,756 FY2020-2021 with increases every year.

Traffic Offenses

- Driving behaviors were getting progressively worse, increasing citation writing and traffic contacts and would continue to go up as traffic increased.
- Provided a breakdown of the numbers per year including stops, citations, speed related incidents, and warnings. The department kept a good balance between warnings and citations as they preferred to educate citizens to drive safely.

Other Traffic Statistics

- Provided a breakdown of the numbers per year including collision fatalities, injuries, non-injuries, hit & run, and DUI arrests.

Other Statistics

- Total arrests had gone up, especially in the juvenile population. Staff felt that was due to an increased police presence in the schools where they caught kids with vape pens, THC, and other minor drug offenses.
- Provided a breakdown of domestic violence calls per year which did not include calls labeled as disorderly conduct or criminal damage per domestic violence.
- Provided a breakdown on criminal damage, vandalism, and property damage calls.

- Provided a breakdown of drug arrests per year made in just the Town of Chino Valley.
- Provided a breakdown of assaults reported per year outside of domestic violence.
- Provided a breakdown of burglaries reported per year.
 - These numbers were not as bad as other jurisdictions. The PD spent a lot of time during holidays and nights driving from street to street advising residents to close their garage doors and lock their vehicles.

Randy Chapman, Lieutenant, presented the following:

- Provided a breakdown of animal control statistics including impounds, animals adopted, animals returned, animals euthanized, etc.
- Provided a breakdown of SRO statistics including calls for service at the schools.
- Provided a breakdown of investigations. Staff determined that the numbers on this subject were not accurate due to a problem in the system where it was not tracking investigation cases. Staff began tracking investigations more thoroughly and would have accurate numbers moving forward.
- Listed various events and charities that the department is involved in including Big Brothers & Big Sisters, Shop with a Cop, National Night Out, etc.
- Listed the various services the department contracts out such as dispatch services, reporting system, in-car computers, and department policies.

Chuck Wynn, Police Chief, presented the following:

- The department had long wanted to be accredited, but there were standards that the old building had been unable to meet. With the construction of the new building, the department was moving forward with the accreditation process.
 - This process would be conducted by outside agencies in a five-step process over two years. However, staff was hopeful to beat the two-year mark as they already had best practice policies in place.
 - There were 174 standards. Not all would be met as the department did not have a dispatch center, but the standards would be compared against department policy and tweaks would be made where needed.
 - This would be a continuous process to make sure the department continues to meet the current best practices and standards.
 - The cost would be \$500 for the first year and \$250 per year thereafter.
 - National accreditations were also available. However, those cost a few thousand dollars and would require the department to meet standards that applied to places like New York and California. The selected accreditation was designed specifically for Arizona agencies.

Josh McIntire, Deputy Police Chief, presented the following:

- The accreditation process would be lengthy and time-consuming but rewarding for the Town. Just compiling the data for this presentation took over 37 hours.

Council and staff discussed the following:

- Council inquired if the department tracked the percentage of cases that the District Attorney (DA) declined to prosecute.
 - Staff stated that they did not have a process to do that, but with the issue that staff found on the inaccuracies of tracking investigations, they would have a process for that going forward.
 - Staff stated that there were cases where the department felt it should be prosecuted, and the DA's office decided not to, but the department's investigators were tenacious and often pushed to persuade their judgment toward prosecuting. If

the departments continued to disagree, they had meetings to discuss the issues and decide together whether to proceed. It was not a problem for the department.

- Council commended the department's Use of Force policy and protocol.
 - Staff gave more detail on their incident reviews, which they did on all high liability items such as pursuits and vehicle accidents involving a patrol vehicle or officer on duty.
- Council inquired as to what the department's number one concern was for the community.
 - Staff stated that patience was an issue. People seemed to be more aggressive while driving and more violent at home due to people being frustrated with what was happening locally and throughout the country.

3) ADJOURNMENT

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Tom Armstrong to adjourn the study session at 5:48 p.m.

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

6 - 0 PASSED - Unanimously

Eric Granillo, Vice-Mayor

ATTEST:

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 _____ day of _____, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2023.

Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting2023

5. d.

Meeting Date: 11/14/2023

Contact Person: Erin Deskins, Town Clerk

Department: Town Clerk

Item Type:

AGENDA ITEM TITLE:

Consideration and possible action to approve the September 26, 2023, regular meeting minutes.

RECOMMENDED ACTION:

Approve the September 26, 2023, regular meeting minutes.

Attachments

September 26, 2023 Regular Meeting Minutes

DRAFT

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

TUESDAY, SEPTEMBER 26, 2023
6:00 P.M.

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

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

Absent: Mayor Jack Miller

Staff Present: Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Officer Douglas Hawk (Sgt at Arms); Administrative Services Director Joe Duffy; Public Works Director/Town Engineer Frank Marbury; Development Services Director Laurie Lineberry; Assistant Development Services Director Will Dingee; Senior Planner Jessica Barragan; Community Services Director Cyndi Thomas; IT Manager Spencer Guest; Town Clerk Erin N. Deskins

1) CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

Vice-Mayor Granillo called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

3) CALL TO THE PUBLIC- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. 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 criticism. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity and disruptive discussions among our audience.

4) **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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a) Status reports by Mayor and Council regarding current events.

Councilmember Armstrong presented the following:

- He was invited to attend the Town of Kingman's 53rd Annual Andy Devine Days Celebration. It was a great event. He was honored to attend.

- b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Cindy Blackmore, Town Manager, presented the following:

- Tuesday, October 3rd would be the Town's annual National Night Out event which would include a concert from a national country artist.

5) **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.

Councilmember Armstrong requested to pull item 5(a) from the Consent Agenda.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Tom Armstrong to approve Consent Agenda items b and c.

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

6 - 0 PASSED - Unanimously

- a) Consideration and possible action to adopt the Notice of Intention and set a public hearing to consider adding or increasing water and wastewater fees pursuant to A.R.S. § 9-499.15.

Erin Deskins, Town Clerk, presented the following:

- After reviewing the calendar on this item staff realized that the proposed date for the public hearing was close to the Thanksgiving holiday, so staff was recommending it be set for Tuesday, December 12, 2023, at 6:00 p.m. rather than the date recommended in the packet.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember John McCafferty to set a public hearing on the Notice of Intention to increase water and wastewater fees for December 12, 2023, at 6:00 p.m.

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

6 - 0 PASSED - Unanimously

- b) Consideration and possible action to approve the December 8, 2020, special meeting minutes.
- c) Consideration and possible action to approve the August 22, 2023, regular meeting minutes.

6) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a) Public hearing, consideration, and possible action to approve Ordinance No. 2023-935 to rezone approximately five acres of land from Agricultural Residential 5-Acre (AR-5) to Single Family Residential 2-Acre (SR-2) located at 833 W Road 1 South, Chino Valley, Arizona.

Recommended Action: i) Hold a Public Hearing ii) Approve Ordinance No. 2023-935

Will Dingee, Assistant Development Services Director, presented the following:

- This was a requested rezone from AR-5 to SR-2. The applicant was in attendance to answer questions.
- The property had SR-1 and SR-2 parcels to the north, AR-5 parcels to the south and east, and SR-2 parcels to the west.
- The property directly to the west was rezoned from AR-5 to SR-2 at the beginning of the year.
- The applicant intended to retain at least two acres and sell off two to three acres to her northern neighbor to be absorbed into his acreage.
- The request was in conformance with the 2014 General Plan.
- The Planning Commission forwarded a recommendation of approval subject to the conditions in attachment A.

Council and staff discussed the following:

- Councilmember Perkins recused herself from this item.

Vice-Mayor Granillo opened the Public Hearing.

Erin Deskins, Town Clerk, stated that there were no requests to speak on this item.

Vice-Mayor Granillo closed the Public Hearing.

MOVED by Councilmember Tom Armstrong, seconded by Vice-Mayor Eric Granillo to approve Ordinance No. 2023-935.

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

5 - 0 PASSED

- b)** Public hearing, consideration, and possible action to rezone approximately 4.52 acres of land from Commercial Light (CL) to Multiple Family Residential (MR) for an existing apartment complex located at 1555 S State Route 89, Chino Valley, Arizona.

Recommended Action: i) Hold a Public Hearing ii) Approve Ordinance No. 2023-936

Will Dingee, Assistant Development Services Director, presented the following:

- This was a request to rezone the already established Antelope Valley Apartments.
- The property was currently zoned Commercial Light. When they were constructed the CL zoning allowed for apartments, but that was no longer the case. Under the current zoning code they would need a conditional use permit (CUP) or hard zoning to multi-family. Staff recommended MR over a CUP because financing could get difficult with CUPs.
- The property was 4.5 acres in size with 64 apartment units on site and no proposal for expansion and surrounded by Commercial Heavy and residential zoning.
- The 2014 General Plan designated the area as commercial/multi-family.
- The Planning Commission forwarded a recommendation of approval subject to the Conditions in Attachment A.

Council and staff discussed the following:

- Council inquired if this was just a housekeeping matter.
 - Staff stated that it was as the property was currently considered a non-conforming use.

Vice-Mayor Granillo opened the Public Hearing.

Erin Deskins, Town Clerk, indicated that there were no requests to speak on this item.

Vice-Mayor Granillo closed the Public Hearing.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember Sherri Phillips to approve Ordinance No. 2023-936.

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

6 - 0 PASSED - Unanimously

- c) Public hearing, consideration, and possible action to rezone approximately 14 acres of land from Agricultural Residential 5-Acre (AR-5) to Single Family Residential 1-Acre (SR-1) located approximately 1,000 feet north of the intersection of N Road 1 West and W Road 4 North on the west side.

Recommended Action: i) Hold a Public Hearing ii) Approve Ordinance No. 2023-937

Will Dingee, Assistant Development Services Director, presented the following:

- This was a request to rezone a property located between North Road 4 ½ West and Road 4 North. The applicant was in attendance to answer questions.
- The property was 14 acres with the intent of developing a subdivision with 12 one-acre lots.
- The property was surrounded by different zoning districts, including AR-5, SR-1, CL, and SR-0.16.
- The property was designated medium density/residential two acres or less and SR-1 was in conformance per the 2014 General Plan.
- Staff provided a conceptual lot layout proposed by the applicant for 12 site-built homes. Each home would have its own well and septic as the closest water and sewer was on the east side of the highway near Perkinsville and North Road 1 East.
- The applicant would construct a new east/west road terminating in a cul-de-sac and would be responsible for proportional road improvements to North Road 1 West.
- The Planning Commission forwarded a recommendation of approval subject to the Conditions of Approval in Attachment A.

Council and staff discussed the following:

- Council inquired about the northernmost water from Appaloosa Meadows.
 - Staff had not looked into it as they were a private water provider.
- Council requested clarification on the proposed road.
 - Staff stated the easement would be 50' in width and the improvements would be 24' width.
 - Council hoped the applicant would look into improving the single ingress/egress.
- Council inquired as to when condition number seven regarding the 5-year development timeline would start.
 - Staff stated it would start when zoning was approved.

Vice-Mayor Granillo opened the Public Hearing.

Carol Webber presented the following:

- She lived off Road 5 downstream of the proposed development. Her property was rated at a 4/10 for flood risk and was now at 7/10. She attributed the change to the development of Heritage Pointe and she was afraid that this subdivision would add to it.

She believed that Town's needed to grow or would die, but worried that the growth was not measured enough.

Rose Miserentino presented the following:

- She had been a resident for 30 years and was just down the street from the planned subdivision. She was an equestrian and wondered how the Town was going to stay rural on one-acre lots. She felt a subdivision like this should go somewhere that was not zoned five-acre minimums.

Vice-Mayor Granillo closed the Public Hearing.

Council and staff discussed the following:

- Council inquired about the concern about flooding and what the Town does to mitigate flow to properties downstream.
 - Staff stated that the rate of flow should be the same post-development as it was pre-development per Town code. Rate of flow would be restricted to historic levels. The water might not be fully retained, but detained.
- Council inquired if staff had seen an increase in rate of flow heading north.
 - Staff stated there was a significant storm in the spring where they saw some overland flow and the Appaloosa detention pond filled and overflowed. They were fairly uncommon events, but staff could not quantify whether it was a 50-year or 100-year storm.
- Council inquired if detention ponds would be more efficient than drainage tracks.
 - Staff stated those issues would be looked at during the technical portion of the review between preliminary and final plats.
- One councilmember hoped that the applicant would take into effect some of the statements that had been made during the meeting.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember John McCafferty to approve Ordinance No. 2023-937

AYE: Councilmember Annie Perkins, Councilmember Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips

NAY: Vice-Mayor Eric Granillo, Councilmember Robert Schacherer

4 - 2 PASSED

- d) Consideration and possible action to approve a Cooperative Purchasing Agreement with Sunland Asphalt and Construction, LLC., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Sunland Asphalt and Construction, LLC, for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

Frank Marbury, Town Engineer, presented the following:

- Although there were nine separate contracts it was really one consideration.
- These were job order contracts that the City of Prescott had put through the procurement process and approved. The Town was able to utilize the cooperative language for the Town's own contracts.
- The contracts were with four vertical contractors and five horizontal contractors. Mr. Marbury was on the committee that helped review the horizontal contracts.
- Andrew McGuire, Town Attorney, stated that a job order contract was defined as a qualifications based indefinite delivery contract. The selection was not based on the low-bid, but rather qualifications. Job orders would then come back under the main contract.
- The Town had already used this process with Shasta Pools.
- Council would be considering the master contracts today and any job order over \$50,000 would come back to Council for approval. This would save staff months in the competitive bidding-process.
 - Staff would choose a contractor, negotiate price, and, once acceptable to staff, would bring the item to Council for review and approval. If staff was unable to agree on a price with the vendor they could break off negotiations and move to the next vendor or move to a standard bid process.
- The term of the contracts was a two-year initial contract with annual renewals for three more years. Staff was looking for a limit amount of \$500,000 per job order, however, state statute allowed up to \$1 million per job order. The City of Prescott set a \$3 million fiscal year limit on horizontal job order contracts and no limit on vertical.
- Some potential contracts included remodeling the old police building (including construction and drawings), remodeling Town Hall, the new parks shop building, parking lot projects, etc.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember John McCafferty to approve Cooperative Purchasing Agreement items d through l, with a \$1 million cap per agreement.

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

6 - 0 PASSED - Unanimously

- e) Consideration and possible action to approve a Cooperative Purchasing Agreement with J. Banicki Construction, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with J. Banicki Construction, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

- f) Consideration and possible action to approve a Cooperative Purchasing Agreement with Combs Construction Company, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Combs Construction Company, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

- g) Consideration and possible action to approve a Cooperative Purchasing Agreement with Fann Contracting, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Fann Contracting, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

- h) Consideration and possible action to approve a Cooperative Purchasing Agreement with Cactus Asphalt, a division of Cactus Transport, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Cactus Asphalt, a division of Cactus Transport, Inc., for job order contracting services on public works/horizontal construction projects for an amount not to exceed \$500,000.

- i) Consideration and possible action to approve a Cooperative Purchasing Agreement with Ridgeline Builders, LLC, for job order contracting townwide construction services for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Ridgeline Builders, LLC, for job order contracting townwide construction services for an amount not to exceed \$500,000.

- j) Consideration and possible action to approve a Cooperative Purchasing Agreement with Kinney Construction, LLC, for job order contracting townwide construction services for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Kinney Construction, LLC, for job order contracting townwide construction services for an amount not to exceed \$500,000.

- k) Consideration and possible action to approve a Cooperative Purchasing Agreement with Haley Construction Company for job order contracting townwide construction services for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Haley Construction Company for job order contracting townwide construction services for an amount not to exceed \$500,000.

- I) Consideration and possible action to approve a Cooperative Purchasing Agreement with Fann Contracting, Inc., for job order contracting townwide construction services for an amount not to exceed \$500,000.

Recommended Action: Approve the Cooperative Purchasing Agreement with Fann Contracting, Inc., for job order contracting townwide construction services for an amount not to exceed \$500,000.

7) **ADJOURNMENT**

MOVED by Councilmember Sherri Phillips, seconded by Councilmember Tom Armstrong to adjourn the meeting at 6:33 p.m.

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

6 - 0 PASSED - Unanimously

Eric Granillo, Vice-Mayor

ATTEST:

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 _____ day of _____, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2023.

Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting2023

5. e.

Meeting Date: 11/14/2023

Contact Person: Erin Deskins, Town Clerk

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the October 10, 2023, study session minutes.

RECOMMENDED ACTION:

Approve the October 10, 2023, study session minutes.

Attachments

October 10, 2023 Study Session Minutes

DRAFT

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

**TUESDAY, OCTOBER 10, 2023
5:00 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

Absent: Councilmember Robert Schacherer

Staff Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Development Services

Present: Director Laurie Lineberry; Public Works Director/Town Engineer Frank Marbury; Community Services Director Cyndi Thomas; Audio Visual Technician Lawrence Digges; Town Clerk Erin N. Deskins

1) CALL TO ORDER; ROLL CALL

Mayor Miller called the meeting to order at 5:00 p.m.

2) Presentation and discussion regarding the introduction of Town Street Maintenance and Cross Section Maps.

Frank Marbury, Town Engineer, presented the following:

- Council may have seen the maps before as they had been presented to the Roads & Streets Committee and some Council meetings in the past.
- This was proposal was an effort to better inform the citizens of which roads the Town maintained.
- Staff was proposing to accept the map as the official street map of the Town of Chino Valley. If adopted a street would have to come to Council for approval to be added to the map for Town maintenance. This would require standard improvements such as paving and drainage.
 - This process had previously been done for the Heritage Pointe subdivision.
- The green streets were currently maintained by the Town, the pink streets were not maintained. Right-of-way (ROW) was not always present in either classification.
 - Gave details of some of the issues with various roads in Town where ROW was dedicated but never fully developed, ROW was acquired for sewer lines and some parts of the road were in that ROW and sometimes it wasn't, etc.

Council and staff discussed the following:

- Council inquired if any of the pink streets were privately owned.
 - Staff stated that some of them were. Most of them were simply easements, most of them did not have ROW.
- Some Councilmembers requested a printed map they could study and bring back to make comments on.
- Council inquired if staff could tell them why the pink roads weren't maintained.
 - Staff stated the short answer was because the Town had never maintained them before. Some citizens would mention to staff that the Town used to give them a courtesy blade every now and then but if it wasn't supposed to be maintained the Town should never have been there in the first place.
 - Council stated that a lot of the roads weren't even there.
 - Staff stated that they could label the roads that were on the map but not there, and the roads that were there but not dedicated.
 - Council stated that would help them to know what was going on with the roads because the current map didn't tell them much.
 - Staff stated that it would take a while to produce that map. The question of whether there was ROW was a much bigger issue and the Town might not have the staff to handle a map detailing those issues.
- One councilmember was surprised that the Town did not maintain Commercial Way or Industrial Drive.
- Council inquired if there were citizens who asked the Town to assume responsibility for unmaintained roads and if there was a reason why the Town would or would not pursue that action.
 - Staff stated that citizens have made those requests. Part of the reason for this Study Session was to determine what pink roads, if any, the Council would like to turn green.
 - Council inquired if staff had recommendations on which roads they should look at.
 - Staff stated the proposed map was the recommendation.
- One councilmember said they'd like to see dedicated roads maintained by the Town.
- Andrew McGuire, Town Attorney, stated that if an unmaintained road hadn't been constructed to the Town standard the Town has not accepted the road and therefore not responsible for maintaining it.
 - Staff stated there were a lot of roads like this from the 1990s where they assume the Town told people they had to dedicate a portion of the ROW before they would issue a building permit. So they gave up 25 feet of ROW to get a building permit, but the road may or may not connect to anything and was never required to be improved to any standard.
- Council inquired if the Town had the manpower and funds to take on the additional roads, or if the Town was obligated to bring the roads into maintenance.
 - Staff stated the Town was not obligated.
 - Andrew McGuire, Town Attorney, stated that it was pretty common to have platted subdivisions that were never developed and never had the improvements to roads done. If the Town were to try building infrastructure without the plans for the subdivision they'd be doing a redesign.
- Staff stated they often get calls from citizens asking why their road isn't being maintained when it was only an easement, but had a street sign was because Town Code allowed for citizens to get a street sign it had at least three addressable parcels, but it did not have to be Town maintained.
- Council inquired if any of the pink roads were up to standard that the Town had not assumed responsibility for.

- Staff stated that none of them were.
- One councilmember clarified that until roads were brought up to standard the Town should not consider assuming responsibility for them.
 - Staff stated that was their recommendation, barring some sort of topographic or geologic anomaly that prevented the ability for the road to be brought to standard, but Council could vote otherwise.

Frank Marbury, Town Engineer, presented the following:

- Presented a proposed map and street section diagram as standards for developers.
 - Most of the roads between Road 1 East and Road 1 West were more of an urban section with curbs and gutters.
 - The lower traffic streets would include a bike lane and regular sidewalks. Higher traffic areas would include a multi-use path to get bicycles off the road where it was safer. If Perkinsville ever finished building, a multi-use path would be in front of that subdivision.
 - Beyond Road 1 East and Road 1 West were the rural sections which were a typical road with five-foot shoulders giving room for vehicles to get off the road if needed, room for trash cans, and pedestrians.
 - Some sections of road were not fully dedicated to one road type or the other depending on how they build out in the future.
 - Staff would include these maps along with the Town Maintenance maps to have documentation of Council accepting both.

3) ADJOURNMENT

Mayor Miller adjourned the meeting at 5:26 p.m.

Jack W. Miller, Mayor

ATTEST:

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 _____ day of _____, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2023.

Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting2023

5. f.

Meeting Date: 11/14/2023

Contact Person: Erin Deskins, Town Clerk

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the October 10, 2023, regular meeting minutes.

RECOMMENDED ACTION:

Approve the October 10, 2023, regular meeting minutes.

Attachments

October 10, 2023 Regular Meeting Minutes

DRAFT

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

**TUESDAY, OCTOBER 10, 2023
6:00 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

Absent: Councilmember Robert Schacherer

Staff Present: Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Officer Steve Sellers (Sgt. at Arms); Development Services Director Laurie Lineberry; Public Works Director/Town Engineer Frank Marbury; Economic Development Manager Maggie Tidaback; Community Services Director Cyndi Thomas; Audio Visual Technician Lawrence Digges; Town Clerk Erin N. Deskins

1) CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Miller called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

- a)** Presentation and discussion regarding an update on the Mayoral Youth Council program.

Maggie Tidaback, Economic Development Manager, presented the following:

- This topic had been discussed over the last year and staff was excited to get young people engaged in Chino Valley.
- The program was a leadership program to get young people engaged in civil engagement and report back to Council with what they hear from the community via meetings they will hold every few months.
- Staff would be starting with a pilot program with six students from grades 9-12.
- The application process would begin in the first quarter of 2024.
- One of the activities the kids would be involved in was attending the League of Arizona Cities & Towns Conference.
- The benefits for the children included:
 - Resume building (college applications)
 - Graduates would have a special graduation ceremony with the mayor.
 - Real-time interaction in the community

- Establishes a network that benefits the community's future.

Council and staff discussed the following:

- Council inquired how long the kids would be in the program.
 - Staff stated it was a one-year term.

3) CALL TO THE PUBLIC- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. 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 criticism. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity and disruptive discussions among our audience.

Les Oster presented the following:

- He had some questions about how much water the mine would use and how Road 5 would fare when it was not designed for large truck traffic. He was concerned about the blind drives, intersections, and the propensity for accidents along Highway 89. He also had concerns about the noise and blasting coming from the mine and how people were going to sleep. He was also concerned about home devaluation. He stated that there should be a noise ordinance. He wanted to know who was going to be in control of the operation, the Town or the County.

Jerri Bullins presented the following:

- She presented a picture to Council of the proposed mine from her front porch as a demonstration of how personal the issue was to her. Her address did not fall within the Town boundaries, but the address stated Chino Valley and she always considered herself a resident of Chino Valley and her daughter graduated from Chino Valley High School. When she read the article in the paper quoting the Mayor as saying it wasn't the Town's fight, she was deeply hurt. She understood the logic, but it still made them feel as though they didn't matter. She argued that it was Chino Valley's fight. She attended the meeting that included a presentation recommending increasing water and wastewater rates for high users and asking Town residents to conserve water when just across Reed Road a mine would have full access to the same water source 24/7 for 20 years with no penalty, extra cost, or liability for damages.

Guy Rogenson presented the following:

- He also had a Chino Valley address but was not a resident. He owned a rescue ranch at the base of Sullivan Buttes. The proposed mine was 15,860 feet as the crow flies from his residence. He asked what Chino Valley wanted to be. He was in a unique position as he was in that business. He knew of another municipality that was challenged with a mining operation which would have occurred in the county, but the municipality was able to block it because the operation would have had to use their roads to move the aggregate. He wanted to know who the district supervisor was. He wondered if the Town had been offered incentives by the mine company for roads. He inquired if the Town had thought about developing the area for trails like Prescott had done. He asked

when Town leadership was notified of the operation. He inquired if the Economic Development Manager supported the project.

Vickie Niesley presented the following:

- She was also not a Town resident. Regarding the mine, she understood that the Council's hands were tied, but her hands were tied too, and she needed the Town's help. She was requesting that the Council look into A.R.S. 11-812 regarding mining laws and work with legislators to work on the laws and make a difference. She stated that she wasn't against mining, she just didn't want it in her back yard.

4) **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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a) Status reports by Mayor and Council regarding current events.

Councilmember Perkins presented the following:

- She had an update for the 9/11 Memorial Foundation.
- The airplane sign had been corrected and replaced.
- The car show held during Territorial Days raised over \$2,000 for the foundation.
- They were currently working with Fire Chief Freitag to establish a memorial for the Granite Hotshots at Station 62 on Road 3 North.

Councilmember Armstrong presented the following:

- He had attended the airshow, Grinder, and Harvest Fest. All the events were great and had a good turnout.

- b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Cindy Blackmore, Town Manager, presented the following:

- The overlay on Road 2 North was complete.
- Town-wide road striping project was currently underway.
- Wanted to recognize the success of recent events and how hard staff had worked on them including National Night Out, Chino Grander, Harvest Fest, and Chino Grand Prix.
- The Forest Service gave notice that they would be doing prescribed burns that would be seen from Chino Valley. Citizens could view their plans on their website. The Town would be sharing information regarding the burns on the Town website as it became available.
- The Town Clerk would be holding a Potential Candidate Open House for anyone wanting to run for a Council seat to get more information on that process. Anyone interested could register by calling or emailing the Clerk's office at 928-636-3130 or clerks@chinoaz.net.

5) 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.

MOVED by Vice-Mayor Eric Granillo, seconded by Councilmember Tom Armstrong to approve Consent Agenda items a, b, c, d, and e.

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

6 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve a cooperative purchasing agreement with San Tan Auto Partners, LLC, dba San Tan Ford, to purchase a 2024 Ford F250 support truck for the Streets Division for \$54,062.67.
- b) Consideration and possible action to approve a cooperative purchasing agreement with San Tan Auto Partners, LLC, dba San Tan Ford, to purchase a 2024 Ford F550 dump truck for the Streets Division for \$82,631.91.
- c) Consideration and possible action to approve the September 12, 2023, study session minutes.
- d) Consideration and possible action to approve the September 12, 2023, regular meeting minutes.
- e) Consideration and possible action to approve the September 19, 2023, study session minutes.

6) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

7) ADJOURNMENT

MOVED by Councilmember Sherri Phillips, seconded by Vice-Mayor Eric Granillo to adjourn the meeting at 6:20 p.m.

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

6 - 0 PASSED - Unanimously

Jack W. Miller, Mayor

ATTEST:

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 _____ day of _____, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2023.

Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting2023

5. g.

Meeting Date: 11/14/2023

Contact Person: Erin Deskins, Town Clerk

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the October 24, 2023, regular meeting minutes.

RECOMMENDED ACTION:

Approve the October 24, 2023, regular meeting minutes.

Attachments

October 24, 2023 Regular Meeting Minutes

DRAFT

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

**TUESDAY, OCTOBER 24, 2023
6:00 P.M.**

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

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

Absent: Vice-Mayor Eric Granillo

Staff Present: Town Manager Cindy Blackmore; Town Attorney Andrew McGuire - remote; Officer Sean Snyder (Sgt. at Arms); Assistant to the Town Manager Terri Denemy; Development Services Director Laurie Lineberry; Assistant Development Services Director Will Dingee; Senior Planner Jessica Barragan; Administrative Services Director Joe Duffy; Public Works Director/Town Engineer Frank Marbury; Audio Visual Technician Lawrence Digges; Deputy Town Clerk Sara Burchill; Town Clerk Erin N. Deskins

1) **CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL**

Mayor Miller called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

3) **CALL TO THE PUBLIC- Individuals requesting to speak, please complete a Speaker Comment Card and return to the Clerk.**

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is at the discretion of the Council and not required by law. Individuals are limited to speak for three (3) minutes, yielding of time will not be permitted. 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 criticism. Disrespectful behavior will not be tolerated; this includes loud outbursts, profanity and disruptive discussions among our audience.

Vickie Niesley presented the following:

- She discussed the aggregate mine off Road 5 North. One of her neighbors lived on top of the hill near the mine and was very ill. She was concerned for him because of his location, and he was trying but had been unable to sell his home to be closer to medical services because of the mine. She was also concerned about access for emergency vehicles as some areas of the road were only 12 feet wide.

Jerri Bullins presented the following:

- She discussed why Town residents, and the Council should care about the mine. She stated it would bear the Town's name. She discussed the potential road damage, traffic, and safety issues. She stated that a lot of attention had recently been given to Road 5 North and would quickly be damaged by the aggregate loaded trucks. There was no roundabout on Road 5 North which would make the area dangerous with large mining trucks. She questioned where the trucks would go when that road flooded during monsoons. She offered various routes the trucks might take which would affect many residential streets used by pedestrians, bicyclists, and school children. She had read about the widening of State Route 89, from Road 3 North to Road 5 North and questioned where trucks would go during that construction. She stated there would be expensive road damage, the cost of which would be passed on to residents.

Jim Bonetti presented the following:

- He had been in touch with the Town since June to get a neighbor to mow his weeds that were now six feet high. Development Services said the neighbor would be getting a citation tomorrow, but he questioned how long the neighbor would have to get the job done from that point, and what effect the citation would have. He was hoping the Town would modify the rules as he stated they weren't working. He was hoping someone would put pressure on the neighbor to take care of the problem.

Paul Lenhardt presented the following:

- He discussed the mine and how it would affect the Town residents. He stated the residents would be exposed to crystalline silica and he outlined the health dangers produced by such mines. He discussed the roads that would be used for the mine and how the increased traffic would affect the air quality of nearby residents. He discussed noise and nuisance concerns for the nearby residents as the mine planned to operate 24 hours per day. He suggested steps the Town could take to prevent or curtail the mine.

Chris Johnson presented the following:

- He was a resident of Chino and his primary occupation was as an environmental engineer for mining companies and his specialty was dust. He was currently responsible for 27 mine sites. One of his most important jobs was to help the industry work with the public to provide wind screening, high pressure water spray on equipment, surfactants for water spray, etc. He was offering himself to the public and Council if there was something he could do to be of help.

4) 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. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a) Status reports by Mayor and Council regarding current events.

Councilmember Armstrong presented the following:

- He had just attended the Rural Transportation Summit in Yuma. Chino remained a priority, and the Central Yavapai Metropolitan Planning Organization was putting forth its first project to the state for completion to be the widening of Highway 89 from Road 3 North to Road 5 North including a safe intersection at Road 5 North.
- He asked everyone to exit the south entrance after the meeting to view the new flag memorial.

Councilmember McCafferty presented the following:

- He was happy to see Terri Denemy, Assistant to the Town Manager, was back to work.

- b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Cindy Blackmore, Town Manager, presented the following:

- The Town Clerk would be hosting a Potential Candidate Open House on Wednesday, October 25th at 5:30 p.m.
- There would be a meeting with Attorney General Mayes on Friday, October 27th at Heritage Middle School from 5:30 to 7 p.m. regarding the proposed mine.
- The Town's Trick or Treat event would be held at Memory Park on October 28th from 2:00 to 6:00 p.m.

5) 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.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember John McCafferty to approve Consent Agenda item a.

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

6 - 0 PASSED - Unanimously

- a) Consideration and possible action to acknowledge scrivener's correction on Council minutes dated August 22, 2023, pursuant to Town Code § 10.20 Authority to Correct Scrivener's Errors.

6) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a) Public hearing, consideration, and possible action regarding the "Homestead" Subdivision Preliminary Plat located at the Northeast corner of West Road 3 South and South Road 1 West from applicant Jay Bates, on behalf of Right Homes.

Recommended Action:

- i) Hold Public Hearing
- ii) Approve the Homestead Subdivision Preliminary Plat with conditions in Attachment 1

Jessica Barragan, Senior Planner, presented the following:

- This item was brought to the Council earlier in the year with a recommendation of approval from the Planning & Zoning (P&Z) Commission. The Council's motion to approve the preliminary plat received a tie vote and therefore died.
- The applicant was in attendance and returning with minor changes to increase landscaping along Road 1 West, and providing evidence of the Assured Water Supply Certificate.
- The 20-acre property was located on the northeast intersection of West Road 3 South and South Road 1 West and was just south of an existing slaughterhouse.
- The property was rezoned in January of this year from AR5 to SR1 under Ordinance No. 2023-931.
- The surrounding area was AR5 with Yavapai County to the west and multiple family residential and mobile home park to the north.
- The project was 15 one-acre parcels to be serviced by well and septic.
- Notices were posted and sent by mail to the properties surrounding the site within a 400-foot radius.
- The applicant would include odor and noise disclaimers to be acknowledged by buyers regarding the slaughterhouse to the north.
- P&Z forwarded a recommendation of approval in October of this year, subject to the conditions of approval provided by staff.
- Staff supported P& Z's recommendation.
- Conditions included adhering to town codes and rules, disclaimers, waiver of claims, technical review prior to bringing the final plat to the Council, and slaughterhouse disclaimers to be signed by new buyers.

Council and staff discussed the following:

- Council inquired if the south boundary would be a dedicated easement?
 - Staff stated that was part of Public Work's comments.
 - The dedication was for the potential for a future road, but there were no plans at this time to make connections. The dedication would give the Town the opportunity for future use.

- Council inquired if one way in and out was unusual.
 - Staff stated that it was not unusual for a development with a small number of lots such as this one. Staff would always prefer to have two entrances, no matter the size, because there was always the potential for a blocked entrance. Several other areas around Town were like this. Usually more than 30 lots require two ways in and out as Fire Code would then be applicable.
- Council inquired about the utility poles along the entrance and whether they should be underground?
 - Staff stated this question had come up at P&Z, but staff was not sure, at the time, if they were transmission lines. They did turn out to be transmission lines, and they would only be required to be moved if they interfered with the roadway improvements. Transmission lines were very expensive to move and that would be the developer's expense (either to redesign the entrance, or to work with APS to relocate the polls).

Council, staff, and Jim Holt, Water Resources Manager for the applicant, discussed the following:

- Council inquired about the Assured Water Supply certificate.
 - Mr. Holt stated that it had been acquired.
- Council inquired about the results of water quality testing.
 - Mr. Holt stated that the water quality was good, except that arsenic was at 11 ppb and the EPA limit was 10 ppb. Mr. Holt stated the developer would test each well during drilling and if there were any overages of arsenic or other chemicals, the lot would receive a whole house filtration system. The condition was in the CC&Rs. Any stipulations for certification would need to be followed as well.
 - Staff stated that Mark Holmes, Town Water Consultant, was under the assumption that the state was aware of the arsenic, and required treatment if it exceeded 10 ppb. Mr. Holmes also thought there was a requirement from the state that an HOA would need to be formed to perform an annual inspection and certification of the treatment systems as long as they exceeded the limits. Staff would verify that information.
- Council inquired if a disclaimer could be added about the high arsenic levels and that the builder would be complying with all ADWR recommendations.
 - Andrew McGuire stated that the Council could make that stipulation.
 - Staff stated that the applicant confirmed that he would be installing filtration systems on each of the homes and that it would be stipulated in the final plat.

Mayor Miller opened the Public Hearing

Jim Bonetti presented the following:

- He was concerned about the project's proximity to a slaughterhouse and thought it was misplaced as it would smell bad. He wondered if the homeowners would be charged for cleaning the water.

Chris Johnson presented the following:

- Regarding the slaughterhouse, he knew of an Arizona company in Phoenix that had special fogging systems to stop the smell and it was very effective. He had done some testing on such systems that showed really good results.

Jay Bates, applicant, presented the following:

- He had failed to mention that when they did the test on the well and then put it through

the filtration system, it mitigated the arsenic to zero. The filtration systems would be put on all the houses, regardless of testing, at no cost to the owners.

Mayor Miller closed the Public Hearing.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember John McCafferty to approve the Homestead Subdivision Preliminary Plat with the conditions in attachment 1 and that the installation of whole home water filtration systems will be stipulated on the final plat.

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

6 - 0 PASSED - Unanimously

- b) Public hearing, consideration, and possible action regarding application from Maria Danielle Burgess, Circle K, for a new Series 010 Liquor License located at 828 East Road 4 South, Chino Valley.

Recommended Action:

- (i) Hold Public Hearing
- (ii) Recommend approval for a new Series 010 Liquor License for Circle K

Erin Deskins, Town Clerk, presented the following:

- This application had been applied for through the state, was non-transferable, and would allow a retail store to sell beer and wine.
- The police, fire, and planning departments had all reviewed the application and offered no comments.
- Staff posted the vacant lot with the necessary notices to meet the required 20-day period and had not received any written arguments in favor of or in opposition to the application.
- Tom Myers was a representative for Circle K and was available via Zoom for any questions from Council.

Council and staff discussed the following:

- One Councilmember inquired as to how many liquor licenses the Town had.
 - Staff did not know that information off-hand.
 - The Councilmember stated that there were 24 in a five-mile stretch from Lucy's to Gabby's, seven of them being carry-out.
 - The Councilmember asked if there was a limit as to how many licenses the Town could have.
 - Staff stated that would be up to the State as the State actually issued the licenses. The Town Council was a recommending body to the liquor board. There was no limit the Town had.

Mayor Miller opened the Public Hearing.

There were no requests to speak on this item.

Mayor Miller closed the Public Hearing.

MOVED by Councilmember Tom Armstrong, seconded by Councilmember John McCafferty to approve the Series 010 Liquor License.

AYE: Mayor Jack Miller, Councilmember Annie Perkins, Councilmember Tom Armstrong, Councilmember John McCafferty, Councilmember Sherri Phillips

NAY: Councilmember Robert Schacherer

5 - 1 PASSED

7) **ADJOURNMENT**

MOVED by Councilmember Sherri Phillips, seconded by Councilmember Tom Armstrong to adjourn the meeting at 6:38 p.m.

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

6 - 0 PASSED - Unanimously

Jack W. Miller, Mayor

ATTEST:

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 _____ day of _____, 2023. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2023.

Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting 2023

6. a.

Meeting Date: 11/14/2023
Contact Person: Joe Duffy, Finance Director
Department: Finance
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve the Financial Report for the three-month period ending September 30, 2023.

RECOMMENDED ACTION:

Approve the Financial Report for the three-month period ending September 30, 2023.

SITUATION AND ANALYSIS:

The Finance Department prepares Quarterly Financial Reports for the Mayor, Council, Staff, and Community. Upon Council approval, the reports will be posted on the Town's website. The report includes the following sections:

Revenue and Expense Summary - This section details the Revenues and Expenditures of each fund. Comparing the year-to-date figures to the current year's annual budget and the prior year's month-to-date figures.

Major Revenue Summary - This section details the year-to-date figures for the Town's eight major revenue sources that account for 75% of the Town's Revenue.

Other Information - This section details other pertinent financial and statistical information including the amount of Contingencies Fund that has been allocated this fiscal year and a debt summary.

The Administrative Services Director will supplement these reports with periodic presentations and other information throughout the fiscal year.

Fiscal Impact

Fiscal Impact?: No

If Yes, Budget Code:

Available:

Funding Source:

Attachments

September 2023 report

Town of Chino Valley

Arizona

Financial Report



To The Town Council

For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*

* Tentative and Preliminary prior to annual audit

Town of Chino Valley						
Revenue and Expense Summary						
For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*						
	Actual Year to Date FY 2022-23	Actual Year to Date FY 2023-24	Amount	% FY 2023-24/ FY 2022-23	Annual Budget FY 2023/24	% of Budget YTD
GENERAL FUND						
General Fund Revenues by Category						
Franchise Taxes	\$ 14,036	\$ 86,715	\$ 72,679	518%	\$ 454,000	19%
Tax Revenues	\$ 2,184,473	\$ 2,252,219	\$ 67,746	3%	\$ 9,157,100	25%
Licenses & Permits	\$ 116,955	\$ 87,598	\$ (29,357)	-25%	\$ 687,500	13%
Intergovernmental	\$ 1,338,943	\$ 1,689,577	\$ 350,634	26%	\$ 6,997,800	24%
Charges for Services	\$ 24,559	\$ 33,672	\$ 9,113	37%	\$ 109,100	31%
Fines and Forfeitures	\$ 31,283	\$ 30,813	\$ (470)	-2%	\$ 170,500	18%
Other Revenues	\$ 9,293	\$ 1,907	\$ (7,386)	-79%	\$ 6,000	32%
Contributions and Donations	\$ -	\$ -	\$ -	0%	\$ 1,000	0%
Investment Earnings	\$ 35,092	\$ 182,337	\$ 147,245	420%	\$ 500,000	36%
Transfers In	\$ 100,000	\$ 100,000	\$ -	0%	\$ 400,000	25%
Total Revenues	\$ 3,854,634	\$ 4,464,838	\$ 610,204	16%	\$ 18,483,000	24%
Total revenues for the General Fund are up \$610,204 or 16% over the previous fiscal year. Tax Revenues are up 3% primary due to increased sales tax collections. Intergovernmental Revenues are up 26% due to increased distributions for State Shared Income Tax. Investment Earning are up due to higher interest earnings.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*						
	Actual Year to Date FY 2022-23	Actual Year to Date FY 2023-24	Amount	% FY 2023-24/ FY 2022-23	Annual Budget FY 2023/24	% of Budget YTD
General Fund Expenditures by Department						
Prosecutor	\$ 28,282	\$ 26,011	\$ (2,271)	-8%	\$ 156,200	17%
Town Clerk	\$ 82,851	\$ 66,791	\$ (16,060)	-19%	\$ 407,000	16%
Town Manager	\$ 149,866	\$ 148,721	\$ (1,145)	-1%	\$ 743,600	20%
Human Recourses	\$ 74,902	\$ 81,447	\$ 6,545	9%	\$ 446,800	18%
Municipal Court	\$ 77,796	\$ 82,322	\$ 4,526	6%	\$ 396,500	21%
Finance	\$ 123,587	\$ 146,797	\$ 23,210	19%	\$ 560,000	26%
Management Information Systems	\$ 84,029	\$ 68,802	\$ (15,227)	-18%	\$ 663,000	10%
Mayor and Council	\$ 23,896	\$ 25,547	\$ 1,651	7%	\$ 83,600	31%
Planning	\$ 109,419	\$ 120,558	\$ 11,139	10%	\$ 612,500	20%
Building Inspection	\$ 95,407	\$ 69,520	\$ (25,887)	-27%	\$ 481,100	14%
Code Enforcement		\$ 34,177	\$ 34,177		\$ 204,800	17%
Police	\$ 934,503	\$ 1,078,927	\$ 144,424	15%	\$ 5,094,000	21%
Animal Control	\$ 48,785	\$ 49,114	\$ 329	1%	\$ 272,200	18%
Recreation	\$ 55,508	\$ 74,791	\$ 19,283	35%	\$ 344,700	22%
Library	\$ 94,959	\$ 102,402	\$ 7,443	8%	\$ 482,900	21%
Senior Center	\$ 97,637	\$ 110,915	\$ 13,278	14%	\$ 480,500	23%
Parks Maintenance	\$ 151,641	\$ 260,684	\$ 109,043	72%	\$ 834,200	31%
Aquatic Center	\$ 65,737	\$ 135,544	\$ 69,807	106%	\$ 258,900	52%
Facilities Maintenance	\$ 135,091	\$ 194,066	\$ 58,975	44%	\$ 1,066,700	18%
Fleet Maintenance	\$ 61,111	\$ 84,464	\$ 23,353	38%	\$ 623,600	14%
Engineering	\$ 130,670	\$ 105,837	\$ (24,833)	-19%	\$ 768,300	14%
Non Departmental	\$ 1,374,593	\$ 1,305,138	\$ (69,455)	-5%	\$ 5,961,200	22%
Total Expenditures	\$ 4,000,270	\$ 4,372,574	\$ 372,304	9%	\$ 20,942,300	21%
Total Revenue Over (Under) Total Expenditures	\$ (145,636)	\$ 92,264	\$ 237,900		\$ (2,459,300)	
GENERAL FUND (Continued)						
Total General Fund Expenditures are up \$372,304 or 9% compared to last fiscal year due to the budgeted increase in several departments. The Non-Departmental includes the \$1,000,0000 PSPRS contribution. Each department should be under 25% of budget. Through September, on average, the departments are at 21%.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*						
	Actual Year to Date FY 2022-23	Actual Year to Date FY 2023-24	Amount	% FY 2023-24/ FY 2022-23	Annual Budget FY 2023/24	% of Budget YTD
HIGHWAY USER REVENUE FUND (HURF)						
Total Revenues	\$ 324,502	\$ 360,442	\$ 35,940	11%	\$ 1,412,500	26%
Expenditures						
Road Maintenance	\$ 190,347	\$ 203,784	\$ 13,437	7%	\$ 2,000,400	10%
Transfers to CIP Roads	\$ 50,000	\$ 50,000			\$ 200,000	25%
Total Expenditures	\$ 240,347	\$ 253,784	\$ 13,437	6%	\$ 2,200,400	12%
Total Revenue Over (Under) Total Expenditures	\$ 84,155	\$ 106,658	\$ 22,503		\$ (787,900)	
Total HURF Revenues are up 11% over the prior fiscal year. Road Maintenance operating expenses are up by 7% compared to prior fiscal year due to budgeted increases.						
WATER ENTERPRISE FUND						
Total Revenues	\$ 293,579	\$ 252,891	\$ (40,688)	-14%	\$ 1,021,000	25%
Expenditures						
Water Utility Operations	\$ 202,134	\$ 155,997	\$ (46,137)		\$ 911,700	
Debt Service/Reserve	\$ -	\$ -	\$ -		\$ 33,800	
Total Expenditures	\$ 202,134	\$ 155,997	\$ (46,137)	-23%	\$ 945,500	16%
Total Revenue Over (Under) Total Expenditures	\$ 91,445	\$ 96,894	\$ 5,449		\$ 75,500	
Total Water Enterprise Fund Revenues are down due to a decrease in water buy in fees. Total expenditures are down 23%.						
SEWER ENTERPRISE FUND						
Total Revenue	\$ 518,429	\$ 467,369	\$ (51,060)	-10%	\$ 2,134,500	22%
Expenditures						
Sewer	\$ 252,419	\$ 199,273	\$ (53,146)		\$ 1,386,100	
Debt Service/Reserve/Capital	\$ -	\$ -	\$ -		\$ 874,800	
Total Expenditures	\$ 252,419	\$ 199,273	\$ (53,146)	-21%	\$ 2,260,900	9%
Total Revenue Over (Under) Total Expenditures	\$ 266,010	\$ 268,096	\$ 2,086		\$ (126,400)	
Total Sewer Enterprise Fund Revenues are down due to a decrease in Sewer Buy In Fees. Total expenditures are down 21%.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*						
	Actual Year to Date FY 2022-23	Actual Year to Date FY 2023-24	Amount	% FY 2023-24/ FY 2022-23	Annual Budget FY 2023/24	% of Budget YTD
CAPITAL IMPROVEMENT FUND - General						
Sales Tax Revenue	\$ 727,158	\$ 750,740	\$ 23,582	3%	\$ 3,057,000	
Misc. Capital Projects					\$ 2,000,000	
Transfer From General Fund					\$ 600,000	
Yavapai Drainage District					\$ 130,000	
Total Revenues	\$ 727,158	\$ 750,740	\$ 23,582	3%	\$ 5,787,000	13%
Yavapai Drainage District	\$ -		\$ -		\$ 200,000	
Police Building	\$ 1,174,075	\$ -			\$ -	
Capital Improvements	\$ 66,369	\$ 56,641	\$ (9,728)		\$ 5,007,000	
Transfers	\$ 446,124	\$ 567,000	\$ 120,876		\$ 2,268,000	
Total Expenditures	\$ 1,686,568	\$ 623,641	\$ 111,148	7%	\$ 7,475,000	8%
Total Revenue Over (Under) Total Expenditures	\$ (959,410)	\$ 127,099	\$ (87,566)		\$ (1,688,000)	
Capital Improvement Fund Tax Revenues are up 3% over last fiscal year. Expenditures are up 22% due to the increased budgeted transfers to the Sewer Enterprise Fund.						
CAPITAL IMPROVEMENT FUND - Roads						
Transfer From General Fund	\$ 775,000	\$ 625,000	\$ (150,000)		\$ 2,500,000	
Transfer From HURF	\$ 50,000	\$ 50,000	\$ -		\$ 200,000	
Total Revenues	\$ 825,000	\$ 675,000	\$ (150,000)		\$ 2,700,000	25%
Rodeo Drive @ OHM	\$ 381,643	\$ -	\$ (381,643)		\$ -	
Fiscal Year 2023 Street Improv	\$ -	\$ 1,058,284	\$ 1,058,284		\$ 2,163,000	
Reconstruct Local Steets	\$ 36,840	\$ -	\$ (36,840)		\$ 1,000,000	
Road 1 East Jun to Perkins			\$ -		\$ 1,500,000	
Design North Reed Road					\$ 100,000	
Total Expenditures	\$ 418,483	\$ 1,058,284	\$ 639,801		\$ 4,763,000	22%
Total Revenue Over (Under) Total Expenditures	\$ 406,517	\$ (383,284)	\$ (789,801)		\$ (2,063,000)	
The Capital Improvement Fund for Roads keeps track of major road projects to be completed each year. Funding is transferred into the fund from the General Fund and HURF Fund monthly.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*						
	Actual Year to Date FY 2022-23	Actual Year to Date FY 2023-24	Amount	% FY 2023-24/ FY 2022-23	Annual Budget FY 2023/24	% of Budget YTD
CAPITAL IMPROVEMENT FUND - Water						
OHM Land Sales	\$ -	\$ -	\$ -		\$ 2,000,000	
Transfer From Water Enterprise	\$ 25,000	\$ 12,500	\$ (12,500)		\$ 50,000	
Total Revenues	\$ 25,000	\$ 12,500	\$ (12,500)		\$ 2,050,000	1%
OHM Capital Projects			\$ -		\$ 2,000,000	
New Well and Pump					\$ 100,000	
Equipment Polebarn		\$ 5,000			\$ -	
New Fill Station		\$ 8,517	\$ 8,517		\$ 100,000	
Total Expenditures	\$ -	\$ 13,517	\$ 8,517		\$ 2,200,000	1%
Total Revenue Over (Under) Total Expenditures	\$ 25,000	\$ (1,017)	\$ (21,017)		\$ (150,000)	
The Capital Improvement Fund for Water keeps track of major water projects to be completed each year. Funding is transferred into the fund form the Water Enterprise Fund monthly.						
CAPITAL IMPROVEMENT FUND - Sewer						
WIFA Loan Proceeds			\$ -		\$ 1,000,000	
Transfer From Sewer Enterprise	\$ 62,500	\$ -	\$ (62,500)		\$ -	
Total Revenues	\$ 62,500	\$ -	\$ (62,500)		\$ 1,000,000	0%
WTP Equilization Basin	\$ 23,126	\$ -	\$ (23,126)		\$ -	
I&I Collection Study					\$ 100,000	
Equipment Pole Barn		\$ 5,000			\$ -	
Driveway Rock					\$ 25,000	
Plant Expansion Engineering					\$ 900,000	
Total Expenditures	\$ 23,126	\$ 5,000	\$ (23,126)		\$ 1,025,000	0%
Total Revenue Over (Under) Total Expenditures	\$ 39,374	\$ (5,000)	\$ (39,374)		\$ (25,000)	
The Capital Improvement Fund for Sewer keeps track of major sewer projects to be completed each year. Funding is transferred into the fund monthly. Items marked with an * will be funded by the WIFA repair and replacement account.						

Town of Chino Valley						
Revenue and Expense Summary						
For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*						
	Actual Year to Date FY 2022-23	Actual Year to Date FY 2023-24	Amount	% FY 2023-24/ FY 2022-23	Annual Budget FY 2023/24	% of Budget YTD
OTHER MINOR FUNDS						
Other Minor Funds -Revenues						
CDBG Grant			\$ -		\$ 349,000	
Grants Fund	\$ 31,154	\$ 34,570	\$ 3,415		\$ 3,500,000	
Special Revenue Fund Court	\$ 5,524	\$ 5,393	\$ (131)		\$ 25,500	
Capital Asset Replacement	\$ 63,129	\$ 2,663	\$ (60,466)		\$ 505,000	
Special Revenue Fund PD	\$ 4,685	\$ 900	\$ (3,785)		\$ 12,000	
AZ Cares Fund Program	\$ 250,000	\$ -	\$ (250,000)		\$ -	
CVSLID Districts	\$ 16	\$ 15	\$ (1)		\$ 4,100	
Total Revenues	\$ 354,509	\$ 43,541	\$ (310,968)	-88%	\$ 4,395,600	1%
CDBG Grant			\$ -		\$ 348,000	
Grants Funds	\$ 18,162	\$ 13,469	\$ (4,693)		\$ 3,500,000	
Special Revenue Fund - Court	\$ 3,779	\$ 2,935	\$ (844)		\$ 8,500	
Capital Replacement Fund	\$ -		\$ -		\$ 88,000	
Special Revenue Fund PD	\$ 1,350		\$ (1,350)		\$ 8,000	
Az Cares Fund Expenditures	\$ 6,810	\$ 1,135,835	\$ 1,129,025		\$ 3,800,000	
CVSLID Districts	\$ 1,003	\$ 1,064	\$ 61		\$ 4,000	
Total Expenditures	\$ 31,104	\$ 1,153,303	\$ 1,122,199	3608%	\$ 7,756,500	15%
Total Revenue Over (Under) Total Expenditures	\$ 323,404	\$ (1,109,763)	\$ (1,433,167)		\$ (3,360,900)	
TOTAL ALL FUNDS						
Total Revenue All Funds	\$ 6,985,311	\$ 7,027,321	\$ 42,010	1%	\$ 38,983,600	18%
Total Expenditures All Funds	\$ 6,854,451	\$ 7,835,373	\$ 2,144,997	31%	\$ 49,568,600	16%
Total Revenue Over (Under) Total Expenditures All Funds	\$ 130,859	\$ (808,053)	\$ (2,102,987)		\$ (10,585,000)	
(1) Budget does not include Carryover Amounts from Prior Fiscal Years						
(2) Year to date amounts include actual expenditures paid to date.						

Town of Chino Valley
Major Revenue Summary
For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*

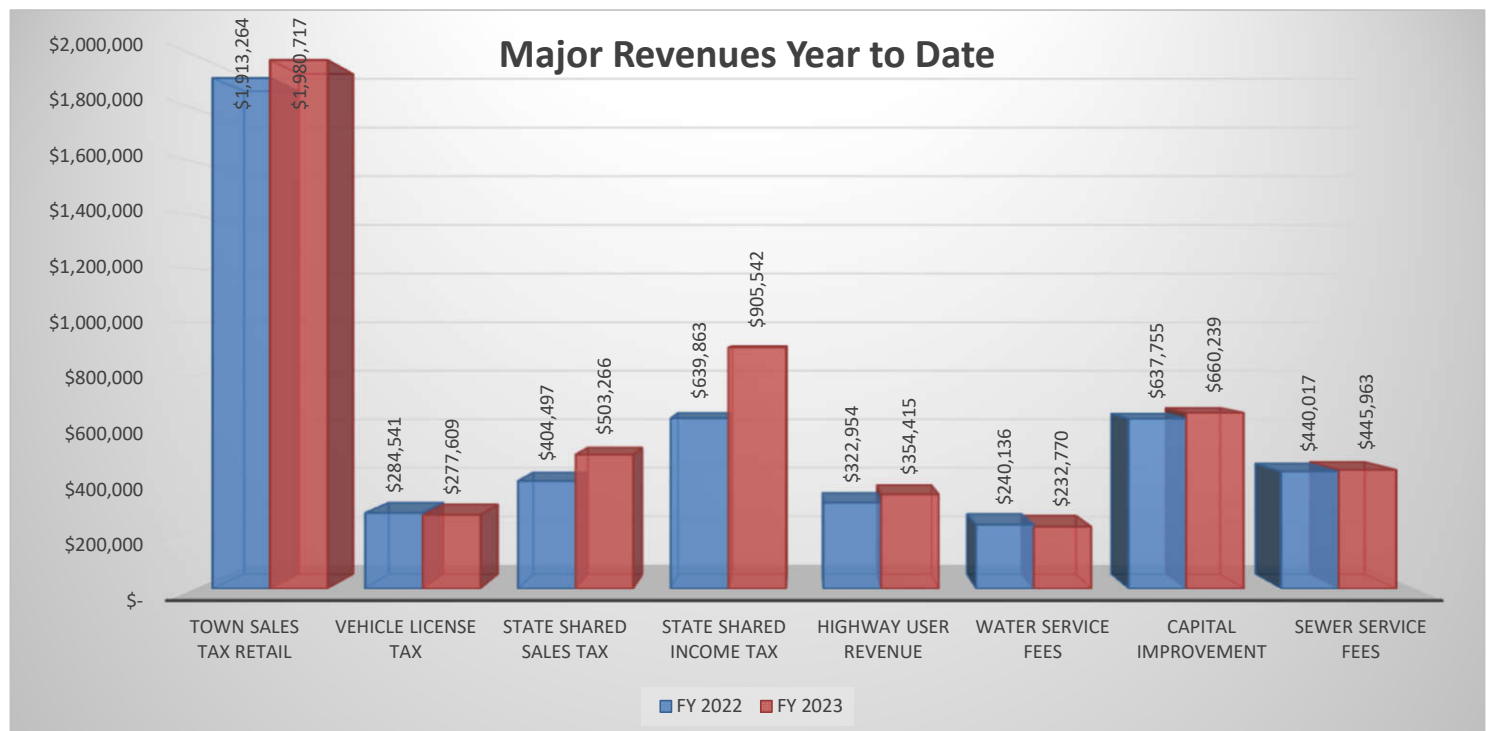
					Actual vs Prior Year	
	Actual Year to Date FY 2022-23	Annual Budget FY 2023-24	Actual Year to Date FY 2023-24	% of Budget YTD	Amount	%
Town Sales Tax Retail	\$ 1,913,264	\$ 8,007,000	\$ 1,980,717	25%	\$ 67,453	4%
Vehicle License Tax	\$ 284,541	\$ 1,158,000	\$ 277,609	24%	\$ (6,932)	-2%
State Shared Sales Tax	\$ 404,497	\$ 2,031,000	\$ 503,266	25%	\$ 98,769	24%
State Shared Income Tax	\$ 639,863	\$ 3,600,000	\$ 905,542	25%	\$ 265,679	42%
Highway User Revenue	\$ 322,954	\$ 1,400,000	\$ 354,415	25%	\$ 31,461	10%
Water Service Fees	\$ 240,136	\$ 766,000	\$ 232,770	30%	\$ (7,366)	-3%
Capital Improvement	\$ 637,755	\$ 2,671,000	\$ 660,239	25%	\$ 22,484	4%
Sewer Service Fees	\$ 440,017	\$ 1,740,000	\$ 445,963	26%	\$ 5,946	1%
Major Revenues Y.T.D.	\$ 4,883,027	\$ 21,373,000	\$ 5,360,521	25%	\$ 477,494	10%
Total Revenue All Funds	\$ 6,985,311	\$ 38,983,600	\$ 7,027,321	18%	\$ 42,010	1%

70%

55%

76%

The Major Revenues are up \$477,494 or 10% over the prior fiscal year. Town Sales Tax Retail is up 4% . State Shared Income Tax is up 42% due to a significant increased distribution from the state. Year to date total revenues are up 1%.



Contingency Funds Budget

For the Three Month Ending September 30, 2023, 25% of the Fiscal Year*

	Actual Year to Date FY 2023-24	Annual Budget FY 2023-24			
General Fund Budget	\$ -	\$ 625,000			
Police Cars from Cottonwood	\$ 68,388				
General Fund Balance	\$ 68,388	\$ 625,000			
HURF Fund Budget	\$ -	\$ 60,000			
Water Fund Budget	\$ -	\$ 40,000			
Sewer Fund Budget	\$ -	\$ 75,000			
Total Contingency Fund	\$ -	\$ 800,000			

Town of Chino Valley

Annual Debt Service Summary By Fund

Fiscal Year Ended June 30, 2024

Debt Issue	Date Issued	Original Amount	Outstanding Amount as of June 30, 2023	FY 2024 Principal	FY 2024 Interest
General Government					
Refunding Obligations 2021	11/10/2021	\$ 7,023,845	\$ 6,321,460	\$ 602,504	\$ 285,798
Police Department 2021	11/10/2021	\$ 6,155,000	\$ 6,030,000	\$ 150,000	\$ 233,950
		\$ 13,178,845	\$ 12,351,460	\$ 752,504	\$ 519,748
Water Enterprise Fund					
Refunding Obligations 2021	11/10/2021	\$ 226,154	\$ 206,658	\$ 19,496	\$ 9,202
Sewer Enterprise Fund					
WIFA 2007	1/10/2007	\$ 1,580,000	\$ 403,659	\$ 96,825	\$ 8,461
WIFA 2008	1/11/2008	\$ 4,853,000	\$ 1,599,152	\$ 306,330	\$ 36,492
WIFA 2014	12/30/2014	\$ 2,963,671	\$ 1,917,435	\$ 142,883	\$ 35,668
WIFA 2015	11/23/2015	\$ 4,259,646	\$ 3,277,283	\$ 163,671	\$ 72,983
WIFA 2017	2/27/2017	\$ 292,659	\$ 222,036	\$ 12,487	\$ 5,063
		\$ 13,948,976	\$ 7,419,565	\$ 722,195	\$ 158,667
Total Town of Chino Valley Debt		\$ 27,353,975	\$ 19,977,683	\$ 1,494,195	\$ 687,617