PRESCOTT VALLEY

TOWN COUNCIL
SPECIAL STUDY SESSION
Civic Center/Skybox 7501 E. Skoog Blvd. Prescott Valley, Arizona 86314, at 8:30 a.m.

MEETING MINUTES
January 20, 2023

1. CALL TO ORDER AND ROLL CALL

Mayor Palguta called the meeting to order at 8:40 a.m.

Present: Mayor Kell Palguta
Vice Mayor Lori Hunt
Council Member Kendall Schumacher
Council Member April Hepperle
Council Member Brenda Dickinson
Council Member Michael Greer
Council Member Lucy Leyva

2. DISCUSSION ITEMS(S):

2a. *FY23/24 Town Council Budget Retreat – Discussion Only [Gilbert Davidson, Town Manager]*

Town Manager Gilbert Davidson kicked off the meeting with a recap of the strategic plan and the goals identified within. He mentioned that as the budget is put together in the next couple of months, staff will be focusing on allocating money to each goal. He briefed the new council members on how the Town gets its funds, how funds are distributed, how savings are kept and how the budget is created.

Finance Director Katie Pehl commented that the budget process started with an open house. Citizens who attended the open house recommended holding it at an earlier time before the holiday season to increase citizen participation. Aside from the open house, there was a public survey published on the Town's website and social media pages seeking to receive input from businesses and residents. A total of 69 responses were received which is an increase in community participation from previous years. Pehl plans on presenting an overall budget review in May prior to the tentative budget adoption

scheduled for May 25, 2023. Another subsequent public hearing and the final budget adoption will be scheduled for June 22, 2023.

In relation to the current FY22/23 budget, Pehl commented that the Town is on track to budget and presented a mid-year revenue summary with categories that included: tax revenues, licenses and permits, intergovernmental, chargers for services, fines and forfeitures, investment and rentals, miscellaneous, grants, business type activities, and transfers. Similarly, she presented a mid-year expenditure summary which included: personnel, operating, one-time operating, capital, other, and transfers all of which she mentioned are on track to budget.

The results from the budget survey conducted revealed that 36% out of the 69 participants have lived in Prescott Valley for less than 5 years and 64% have lived in the area for 6 years or more. The vast majority are over the age of 55, followed by respondents between the age of 35 to 55 years old. Only 13% declared to be under the age of 35. Survey results showed that the most important areas for Town investments are as follows:

- 15% Road Maintenance and Repair
- 13% Economic Diversity and Job Creation
- 11% Water Conservation
- 11% Water Quality and Availability
- 10% Trails, Walking and Biking Paths
- 9% Additional Parks and Related Amenities
- 9% Acquisition of Open Space
- 7% Sidewalks
- 7% Crosswalks and Enhanced Pedestrian Safety
- 4% Other
- 4% Enhanced Public Safety

Similarly, the results showed that the biggest challenges facing our Town were as follows:

- 18% Healthcare Options and Availability
- 16% Housing Options/ Affordability
- 10% Securing Water Resources
- 10% Traffic Congestion
- 9% Employment Opportunities/ Jobs
- 8% Street Repairs and Maintenance
- 7% Retail and Entertainment
- 6% Recreation Options
- 5% Maintaining High Quality Drinking Water
- 5% Crime
- 5% Broadband/Internet Connectivity
- 1% Other

Lastly, the budget survey results showed that respondents commented on the need to improve infrastructure, make repairs, provide more family friendly opportunities, add quality shops,

restaurants, expand transportation, improve the pool, improve communication from the Town, practice frugality and provide better medical options.

Council commented on the need to involve the Chamber of Commerce for future surveys to get the perspective of business owners in the community.

Director Pehl moved on to talk about the strategic plan, the progress made within each focus area and future considerations for each.

First, Pehl commented on the progress made to the High-Perming Team focus area. The progress made included the transition to Arizona State Retirement System, the implementation of a Step Plan for Officers and Sergeants, a 4% match to employee's 457(b) accounts, continued tuition reimbursements, secured an employee engagement tool, implemented the OurPV mobile app, and contracted a new benefits broker. Pehl proposed that future considerations include the implementation of the class and comp study, merit and COLA increases, increase or keep the 4% match to 457(b) accounts, expand tuition reimbursements for job specific training, review employee benefits and possible areas for adjustments and expand the paid internship programs with the Town.

Second, Pehl presented the progress made to the Water Stewardship focus area. The progress made included an agreement with Jacobs to assist with the remediation of PFAs and PFOAs, an upcoming water and sewer rate study with an outside consultant, and a series of study sessions discussing the Town's water management strategy. The first completed session included an overview of the strategy and a summary of the community focus groups. The second upcoming session will cover the implementation of the General Plan 2035, drainage and recharge strategies, rates and fees, PFAS and the Agua Fria recharge. Then, the third upcoming session will go over specific policy initiatives and concepts. Some of the future considerations include direction on the remediation of PFAs and PFOAs, stormwater management, balancing the aquifer and the exploration of additional importation options, injection wells for recharge, promote water conservation efforts, the upper Agua Fria recharge analysis and development and implementation of a water management strategy.

Third, Pehl presented the progress made to the Quality of Life focus area. The progress made included securing Glassford Hill as a permanent open space, improved multiple multi-use paths and parks, completed significant striping and crosswalk markings, improving Florentine Road (in progress), mill and fill on Glassford Hill Rd and Viewpoint Drive, completed the energy audit with a structured implementation plan and worked to improve the disc golf course at Santa Fe Station Park. Future council consideration includes conducting a traffic study on Robert Rd to a possible 3 lane and a bike lane to enhance the residential feel, the consideration of constructing a multi-use path to connect Pronghorn Ranch under Hwy 89A to Pipeline, review development agreements between the Town and developers, create a comprehensive townwide trail and connectivity plan and improve lighting at Viewpoint Park.

Lastly, Pehl went over the progress made to the Prosperous Community focus area. Advancements in this area included hosting a successful Winter Spectacular Event, captured quality drone pictures for future marketing material, implemented the crime analysis software to produce heat maps and identify problem crime areas, analyzed response time data, approved the traffic light for emergency responders IGA, and implemented body-worn cameras. Things to consider in the future are the

attraction of industrial manufacturing-based companies, place additional cameras and license plate readers at Mountain Valley Park, continue collaboration efforts with Parks & Recreation and the Chamber of Commerce to draw tourism, create a website that will be a landing page for advertising and content, focus on advertising to surrounding areas, and focus on enhanced economic development to broaden the Town's sales tax base.

Equally important are other future revenue and expenditure considerations. Pehl commented that the Town could expect changes in its revenue if the AZ flat tax and the food for home consumption tax decrease or are eliminated. However, the Town would still have the possibility to revise the comprehensive fee schedule and/or potentially add a stormwater utility fee as a revenue source. In the meanwhile, PSPRS unfunded liability, increases in health insurance premiums, inflation, and the YMCA could be considered potential future expenditures.

Town Manager Davidson said staff has been working hard on the many projects and initiatives during this FY22/23. As the budget for next fiscal year is created, staff will be looking to continue the efforts in bringing the strategic plan to life. Council members look forward to all these initiatives and the creation of the tentative budget.

3. ADJOURNMENT

Mayor Palguta adjourned the meeting at 11:13 a.m.

ATTEST:

Fatima Fernandez, Town Clerk

APPROVED:

Kell Palguta, Mayor

STATE OF ARIZONA)
COUNTY OF YAVAPAI)
ss:

TOWN OF PRESCOTT VALLEY)
CERTIFICATE OF COUNCIL MINUTES

I, Fatima Fernandez, Town Clerk of the Town of Prescott Valley, Arizona, hereby certify that the foregoing minutes are a true and correct copy of the Minutes of the Study Session Meeting of the Town Council of the Town of Prescott Valley, held on January 20, 2023.

I further certify that the meeting was duly called and held and that a quorum was present.
Dated this February 23, 2023

Fatima Fernandez, Town Clerk