City of Globe
Budget Work Session
Meeting Minutes
May 1, 2018

Call to Order.

Roll Call.
Present: Mayor Al Gameros, Councilman Freddy Rios; District 1, Councilman Mike Humphrey; District 2, Vice Mayor Mike Stapleton; District 4, Councilwoman Charlene Giles; District 5, Councilman Lerry Alderman; District 6.
Absent/Excused: Councilwoman Roberta Johnson; District 3

Invocation: Councilman Lerry Alderman
Pledge of Allegiance; Mayor Gameros

1. **COUNCIL RECOMMENDATIONS:**

A. Bed Tax Sub-Committee Recommendations.

Linda Oddonetto is before Council with Bed Tax recommendations after meetings between the Bed Tax Sub-Committee and the Bed Tax Organizations.

Globe-Miami Chamber of Commerce

- Brought back copper membership plaques
- Developed "Alive at 5" Events
- Increased presence at community events
- Better social media presence
    - Economic Development Agreement with Resolution Copper

Staff recommendation: Work with the Chamber's Board of Directors to develop a strategic plan to best utilize the Bed Tax. Grant opportunities, new partnerships, signature event development.

Cobre Valley Center for the Arts

- Expanded programming
    - Arts Outreach into Globe-Miami schools
    - XYMTP, ear-round theater opportunities for our youth
- Partnership with the City of Globe on the AZ Creative Communities Project
- Facility Improvements
- Exploring new grant opportunities
    - Gila County Economic DevelopmentGrant

Staff recommendation: Partner with CVCA on grant opportunities, new partnerships with other community organizations.

Globe Downtown Association

- Skilled at event planning
- Maintains & works to restore the historic Train Depot
- Developed niche for "Ghost" event seekers
- Strong independent film community contact
- Has filed for 5013C status
- Very strong social media presence

Staff Recommendation: Work with the ED/Board on new grant opportunities, new partnerships, better support their signature events.

Economic Development Corporation

- Currently has strong board of Directors
- Has recently conducted a Strategic Planning Process
- Revolving Loan Program

Staff Recommendation: Work with Board to develop a sustainability plan – full time director; grant opportunities/partner with other Bed Tax groups (ex. Chamber of Commerce); strengthen relationships with other community stakeholders (IDA, Gila County, CAG, AZ Commerce Authority, AAED) & partner on projects (ex. Feasibility study) to share costs, resources; social media presence.

Gila County Historical Museum

- Very Strong Board of Directors & Executive Director
- Increased programming/shows
- Facility improvements
- Acts as the fiscal agent for the ODMP
- Developing 4-day signature event: Old Dominion Days

Staff Recommendation: Work with ED/Board on grant opportunities; expanded partnerships with other bed tax groups to enhance events/efforts.

Councilman Rios appreciates staff recommendations and remarks that these organization do an outstanding job for the members of our community and all have their own unique value and the City cannot afford not to work with these entities.

Mayor Gameros appreciates the Bed Tax Sub-Committee and the meetings that provided a comfortable time to talk about each organization.

Linda agreed that this time also provided a time to reflect on how the City can help the organizations; adding one more recommendation for all of the Bed Tax Organization; to work on a list of deliverables so that we have goals.

B. Non-Profit Application Recommandations.

Economic Development Director; Linda Oddonetto reported to Council that the City received twelve (12) applications for the Nonprofit Funding opportunity, the City budgeted $15,000.00. The following applications were presented to Staff:

- Arizona Youth Partnership requested $4200 for the Stronger Families Program.
- Cobre Valley Center for the Arts requested $7500 to complete the restoration of the Center's exterior windows.
- Cobre Valley Youth Club requested $5,000 for operational support.
- Copper Basin Coalition requested $1,000 for project support for events that focus on substance and abuse prevention in the Globe area.
- FFA of Globe requested $20,000 for a one-time project support to purchase a plasma cutting system for the Agricultural Mechanics Program.
- Friends of the Globe Public Library requested $2,000 for a one time project to purchase age appropriate furniture and teaching equipment for children programs.
- Gila Community Food Bank requested $6,000, sustaining program grant.
- Gila County Historical Society requested $1,200 start-up grant to support development of Old Dominion Day, a 4-day community event.
- Gila House Safe Haven requested $20,000 start-up grant for the extablishment of a domestic violence safe home program.
- Globe-Miami Community Concert Association requested a $1,000 sustaining grant.
- Miami Arts Commission requested $1,000 for a one-time project grant to support the Miami Loco Arts Festival.
- Teen Outreach Pregnancy Services requested a $4,000 one-time project grant.

Staff recommendations:

- CVCA $5,800
- Copper Basin Coalition $1,000
- Gila Community Food Bank $6,000
- Gila County Historical Society $1,200
- Gila House Safe Haven $1,000

  Linda noted for Council that the Gila Safe House was awarded $110,000 through the FMMI community grant.

2. **WORK ITEMS:**

A. Council Priorities.

Mr. Jepson presents Council Priority Review:

- Nonprofit funding: $15K
- Bed Tax Distribution: Full amount of $154K
- Blight Funding $15K-$30K
- Boys and Girls Funding $13K
- Sales Tax Auditor $24,000
- Cobra Valley Transit $73K
    - This request is up from $61K for 17-18, as in the past Council stipulates that funding is contingent on the County's funding and request Joe Heatherly to present numbers to substantiate the increase
- Special Event Fund $20K
    - Halloween and home tour and special efforts

Mayor Gameros inquired if the funding is utilized for overtime for police, fire and public works, Mr. Jepson confirmed the funding was for real costs. The money is distributed as needed. Council request a list of the historic spending from this account and a list from each Department effected by overtime.

John Angulo updates Council regarding his Department and Special Events. Holiday lighting is also absorbed through the Special Event Funding as well as enhancements such as flowers and benches for the Home Tour and the Halloween events.

Interim Chief Folker explains to Council that Officers are paid overtime when they cover Special Events that are sponsored by the City. Other events, Officers are paid by the vendor to assist at the Industry Standard of $25.00 per hour and up to $50.00 per hour when alcohol is served.

Chief Folker recognizes Officer Jason Ferjardo's contribution to the City of Globe and informs Council that he is leaving to serve with the Arizona State University Police after four (4) years with the City.

- Additional Staff: None

- Salary Study Update: Mr. Jepson noted that there is discussion to bring the current study up to date and there are opportunities to partner with the City of Page and the Town of Payson to gather new information. The Police and Fire Department will be presenting stand alone staffing models to Council for this budget year.

Mayor Gameros commented on the 2015 Study and recommended the expertise from Fire, Police and Public Works could help update that current study. Mr. Jepson agrees and notes that in May of 2017 a new Police Model was implemented and Fire will be presenting one tonight. Mr. Jepson in discussion with Jerry Barnes wants to make Public Works a career path rather than just employment.

B. Staffing Models

Globe Fire Department Restructure:
Chief Gary Robinson presents;

- Position and Salary Classification System
  - Clear career advancement & promotional path
  - Competitive wages
  - Incorporation of Engineer positions
  - Encouragement of continued education and service
- Promotional Path is presented
  Probationary Firefighter to Captain III
- Promotion Requirements
  Probationary Firefighter to Captain III
- Chief Officers and Deputy Fire Chief
  Placed at low, mid or high pay level based on experience and education at the City Manager's discretion and/or Council approval.
- Salaries
  Salaries are based on FLSA 7K exemption

Mr. Jepson reminds Council that this is a proposal and presents a five (5) year projection with staffing remaining the same and adding salary classifications which gives a career path would be $1.9M for FY 18-19 which would include all benefits associated with payroll. Additional funding over the five (5) year period would be $152,224 which would increase approximately $30,445 per year and would cost $76,900 for the first year.

Globe Police Department Staffing and Retention:
Interim Police Chief Bob Folker presents;

When asked; what does Council want in a Police Department, Council informed Chief Folker that they are looking for a productive Department including best equipment to protect Citizens, focusing on training and developing a professional well-respected department that is more involved in the community and schools.

The Globe Police Department consists of 16-sworn officers and 3-civilian employees. Chief Folker stated in considering ratios that appropriate the number of officers per population, the Globe Police Department is considering factors that define Patrol Staffing with include policy priorities, police policies and practices and City resources. Chief Folker provided Department Staffing numbers from

2013 which were 33 employees compared to 19 members of staff today. Police statistics show that the numbers of arrest have declined over the past three years with an increased number of calls. Statistics of the number of Police Officers serving populations are 10,000 showed Globe to be under-staffed.

Interim Chief Folker presents three (3) staffing models to Council. The first option presented would add 4 sworn officer positions that would be an annual cost of $2,563,016; the second option added 6 sworn position and would cost $2,767,172 annually and the third option would add an additional 14 sworn officers and 1 civilian staff for a total annual cost of $3,695,760.

Mr. Jepson summarizes the presentation in terms of budgetary numbers keeping in mind that the total General Fund Budget is $9.6M. Staffing for all Departments is $7.9M. The Police Department is currently budgeted for 20 sworn and 3 non-sworn staff. The Police Department adopted a three-tier step in May of 2017 in the amount of $2.563M including payroll costs that added 3 employees for FY 2017-18. Going forward in FY 2018-19 options are; adding 2 more employees which would increase in the amount of $204,156 or increasing by 11 employees which would increase costs by $1.1M.

Mr. Jepson reported that additional payments to Public Safety Retirement has helped in the effort to pay down the unfunded liability however, PSPRS retirement rates for Fire have increased from 61% to 64% which amounts to $562K. Because we are not fully staffed, Police has increased from 64% to 77%.

Mr. Jepson also updated Council that we are making progress on the radio system. With the assistance of Gene Martel the antenna has been moved to the AT&T tower.

Additional Income (Expected):

Mr. Jepson states that the following have not been accounted for in the budget as of yet.

Freeport $45,000
Arizona Water Company $310,000
APS rebates $10K to $20K
Type 3 Truck-If were to purchase a truck we could bring in revenue from Wildland fires.

3. **DISCUSSION OF PROPERTY TAX OPTIONS AND PROCESS REQUIRED TO MAKE CHANGE.**

   A. Review options.

Option 1 – Holding the current rate of $1.3137 per $100 assessed value; property owner would pay $131.37 per year monthly increase of $10.95 and would increase the General fund by $16,319 and would required a Truth in Taxation hearing.

Option 2 – Lowering the rate to $1.2832 per $100 assessed value; property owner would pay $128.32 per year monthly increase of $10.69 and increase the General Fund by $4,023 and would not require a Truth in Taxation hearing.

Option 3 – Raising the rate to the maximum allowable rate of $1.8663 per $100 assessed value; property owner would pay $186.63 per year monthly increase of $15.55 and would increase the General Fund by $239,088 and would require a Truth in Taxation hearing.

Mr. Jepson stated that this is just information and could be re-visited when the budget process was further and discussion was balancing the budget.

Councilwoman Giles inquired if taxes were raised if the additional funding could be earmarked for a certain project for example Public Safety. Mr. Jepson states as in the case of the additional sales tax earmarked to pay down the unfunded liability with PSPRS, could be done.

Council has concerns with constituents on fixed income and with the possibility of a special taxing district to fund an aquatic center would not be a good option.

Councilman Humphrey suggested allocating some of the additional revenue to fund additional Officers between the twenty-two (22) and thirty (30) Officers.

Councilman Alderman also wants the best for Public Safety however we have the additional revenue that could be set for better quality of life or economic development however could be challenged for Public Safety, an absolute need, far too long Staff has been undervalued.

Mr. Jepson stated as we develop our economic development, our hope is to increase our revenue to fund City needs. Mr. Jepson thanks Council for the discussion regarding property tax, this will direct Staff to sharpen pencils and cut as much as possible to balance the budget.

Mayor Gameros agrees that taxing our same residents is not something that Council wants to do, we need to be patient and support our Economic Development efforts that this will bring in the extra revenue.

Mr. Jepson suggests based on Council discussion to go with Option 2 which would drop the rate to adjust to the raise in home assessments.

4. **ADJOURNMENT.**

Motion: Motion to adjourn the Meeting at 7:51 pm., **Action:** Adjourn, **Moved by** Vice Mayor Mike Stapleton; District 4, **Seconded by** Councilman Freddy Rios; District 1.

Motion passed unanimously.

Shelly Salazar, herby certify that the foregoing are a true and correct copy of the meeting minutes of the May 1, 2018 Budget Work Session Meeting and that a quorum of Council was present and the meeting was duly called.

Shelly Salazar, CMC, City Clerk