JOINT WORK SESSION
FLAGSTAFF CITY COUNCIL/COUNTY BOARD OF SUPERVISORS

AGENDA

4:00 PM - MONDAY **COUNCIL CHAMBERS**
SEPTEMBER 21, 2015 **211 WEST ASPEN AVENUE**

1. Call to Order

2. Pledge of Allegiance

3. Roll Call:

NOTE: One or more Councilmembers/Supervisors may be in attendance telephonically or by other technological means.

CHAIRMAN BABBOTT
SUPERVISOR ARCHULETA
SUPERVISOR FOWLER
SUPERVISOR METZGER
SUPERVISOR RYAN

MAYOR NABOURS
VICE MAYOR BAROTZ
COUNCILMEMBER BREWSTER
COUNCILMEMBER EVANS
COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER PUTZOVA

4. Public Participation:

Public Participation enables the public to address the Council about an items that are not on the agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment on an item that is on the agenda is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone an opportunity to speak.

5. Brief Update on Picture Canyon Management Plan

6. Camp Navajo Update from Lieutenant Colonel Vinson

7. Update on Northern Arizona Public Employees Benefit Trust (NAPEBT) Near Site Health and Wellness Clinic

8. Update on Veterans Home Funding

9. Review of the Current Legislative Agendas for Coconino County and the City of Flagstaff

10. Public Participation

11. Informational Items To/From Chairman, Supervisors and County Manager/Mayor, Council and City Manager; future agenda item requests.

12. Adjournment

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this _____ day of _____, 2015.

_____
Elizabeth A. Burke, MMC, City Clerk

Memorandum

6.

CITY OF FLAGSTAFF

To:	The Honorable Mayor and Council
From:	Stephanie Smith, Assistant to City Manager
Date:	09/16/2015
Meeting Date:	09/21/2015

TITLE:
Camp Navajo Update from Lieutenant Colonel Vinson

DESIRED OUTCOME:
Information only

EXECUTIVE SUMMARY:
Arizona Army National Guard Camp Navajo (Camp Navajo) is a strategic regional partner to the City of Flagstaff and Coconino County. Lieutenant Colonel Anita Vinson will provide an operational update on behalf of this regional military installation.

INFORMATION:
Arizona Army National Guard Camp Navajo Background
Camp Navajo was originally established as Navajo Ordnance Depot in 1942. The installation has been in continuous operation since 1942, to include the period from 1982 to present date, when it has been under the operational control of the Arizona National Guard.

The original mission was the storage of ammunition in support of the Pacific Theater of operations during the Second World War. Changes in status and mission have resulted in the name of the installation evolving from Navajo Ordnance Depot to Navajo Army Depot in 1965, Navajo Depot Activity in 1982, and finally in 1993, Camp Navajo.

In 1993, the Arizona National Guard was given a license to operate the facility as a National Guard training site. In 2002, the Arizona Revised Statute that limited Camp Navajo's ability to do business with the commercial and civilian sectors was amended, and the restriction for Camp Navajo to only accept federal funds was lifted. Current initiatives that are being pursued by Camp Navajo, the Arizona National Guard and National Guard Bureau are development of up to 800 acres for use as an industrial park; placement of an 80 acre Veteran's Cemetery on the eastern portion of the installation; construction of a new fire station; replacement of the 65 year old water distribution system and replacement of the electrical distribution system.

Lieutenant Colonel Anita Vinson Background
LTC Anita Y. Vinson was commissioned in 1993, Officer Candidate School program in the Georgia Army National Guard (GAARNG). She holds a Bachelor of Civil Engineering from Georgia Tech and a Master of Science in Management from the University of Maryland, University College. LTC Vinson is an Engineer Officer with military education including Engineer Officer Basic, Captains Career Course, Combined Arms Service Support School, Command and General Staff Officer College and currently enrolled in Senior Service College (AY017). Her additional skills and certifications include Defense Strategist and Registered Environmental Manager and Engineer-In-Training.

In 2005, LTC Vinson began her Active Guard Reserve career as a Programming Officer in the Installations Divisions at Army National Guard; deployed Equal Opportunity Advisor for the 48th Infantry Brigade Combat Team; Installation Planner at the Office of the Assistant to the Chief of Staff for Installation Management; Chief of the Compliance Branch in the Environmental Division, Army National Guard; and the Chief of the Sustainability Team, Army National Guard.

Her awards and decorations include the Meritorious Service Medals, Army Commendation Medals, Army Achievement Medals, Army Reserve Component Army Achievement Medals, National Defense Service Medals, Humanitarian Services Medal, Armed Forces Services Medals, NATO Medal, Armed Service Unit Achievement, Non-Commissioned Officer Professional Development Ribbons, Overseas Service Ribbons, Army Reserve Component Overseas Training Ribbon, Armed Forces Reserve Medal, and the Global War on Terrorism Service Medal.

Attachments:

Memorandum

7.

CITY OF FLAGSTAFF

To: The Honorable Mayor and Council

From: Shannon Anderson, Human Resources Manager

Date: 09/16/2015

Meeting Date: 09/21/2015

TITLE:

Update on Northern Arizona Public Employees Benefit Trust (NAPEBT) Near Site Health and Wellness Clinic

DESIRED OUTCOME:

Share information with the City Council and County Board of Supervisors about the Near Site Health and Wellness Clinic opening this Fall and answer any questions.

EXECUTIVE SUMMARY:

NAPEBT completed an RFP process looking for a vendor to assist with an onsite or near site health and wellness clinic in 2014 and VERA Whole Health was selected as the vendor. The clinic location has been selected and construction is underway. VERA will be presenting information about their model and experience, clinic services, employee engagement, the timeline for clinic opening and how a clinic fits within the local health community and communication efforts.

INFORMATION:

COUNCIL GOALS:

1) Invest in our employees and implement retention and attraction strategies

Attachments: NAPEBT VERA Presentation

NAPEBT

Transforming Healthcare

vera
WHOLE HEALTH

Introductions

Vera Model Overview

- Flagstaff Clinic Services

NAPEBT Flagstaff Clinic Launch Timeline

Connecting to Local Healthcare Community

Questions

vera
WHOLE HEALTH

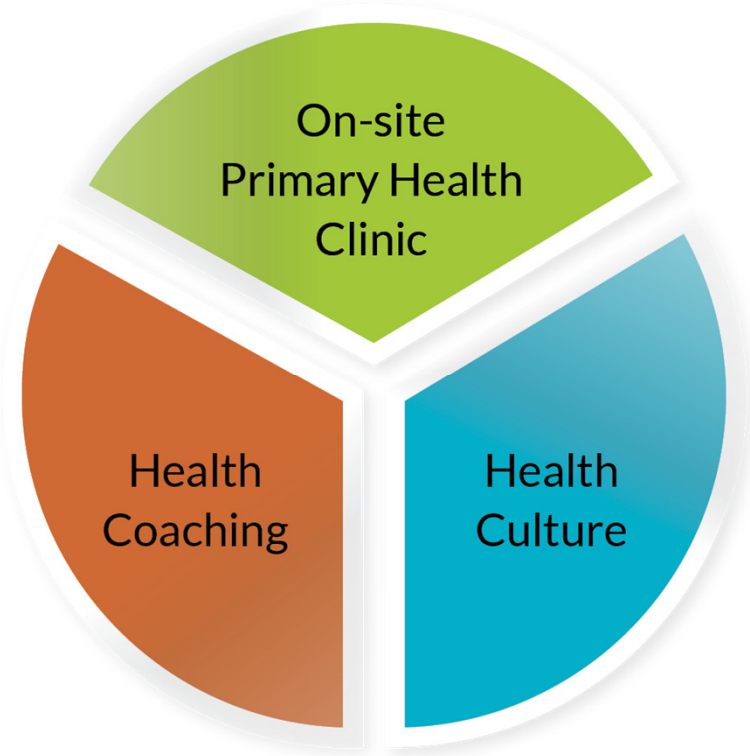
Our mission is to help people **change behaviors** by esteeming them through **empathetic listening**.

We **empower the individual** to be leaders in their own change, and create an environment that supports it.

Experience

vera
WHOLE HEALTH

The Whole Health Approach



The components of our approach amount to more than the sum of their parts. They transform the health of your employees and make the model sustainable.

vera
WHOLE HEALTH

Onsite clinic

Clinic services

Primary Care

- Episodic sick care
- Acute pediatrics (over age 3)
- Chronic disease management
- Coordination of specialty care
- Provider-dispensed medications & refills
- Onsite labs

Preventive Care

- Annual Whole Health Visit
- Health coaching
- Biometric screens
- Health risk assessments
- Fitness, nutrition
- Immunizations
- Routine injections
- Employee wellness

Acute Care

- Basic wounds
- Suturing, laceration
- Sprains, strains
- Infections
- Asthma
- Colds/URI
- Urinary symptoms

Occupational Health

- Treatment on-site injuries
- Employment screening/pre-employment physicals
- DOT testing
- Drug screening
- Workplace safety
- Integrated care coordination

vera WHOLE HEALTH

Whole Health Coaches

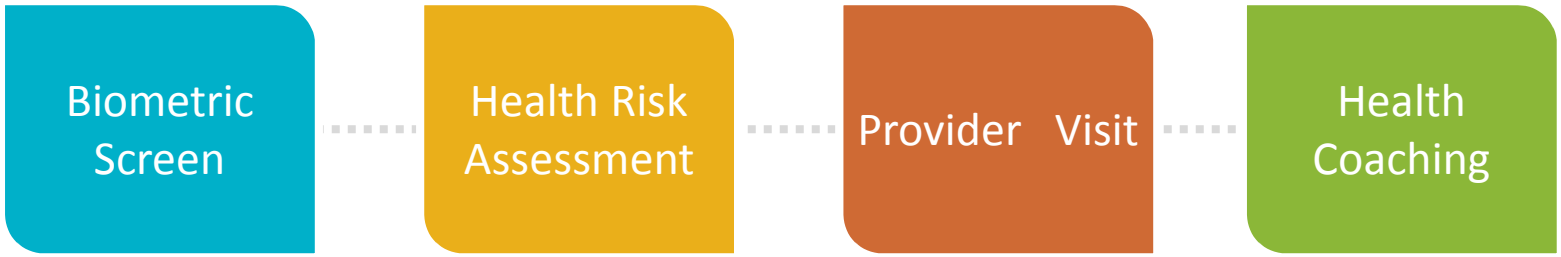
Create behavior change

vera
WHOLE HEALTH

Health culture

Engagement is everything

100% Engagement for the Annual Whole Health Visit



Achieving the triple aim – **best care, most people, least cost**

- **Integrated care** delivery, patient-centered
- Increase preventive care, **reduce gaps** in care and early diagnosis
- **Avoid unnecessary**, inappropriate treatment costs

vera WHOLE HEALTH

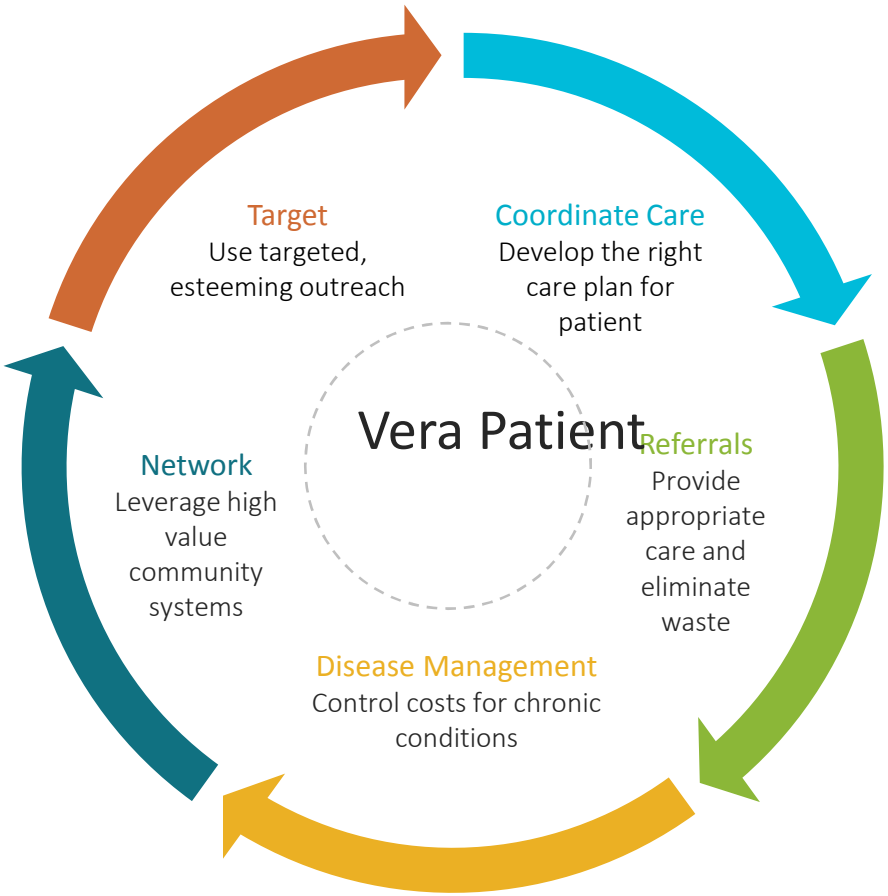
Launch timeline

NAPEBT Launch Timeline/Status

Timeline	Milestone	Other info
In progress – October October 26 – November 6	Clinic team recruiting and hiring Vera on-boarding of entire clinical team	• Currently interviewing candidates • Physicians are the priority due to potential 90 day notice periods
In progress – first week of November	Facility construction (11 weeks)	• In progress and going well
In progress – November	Engagement - outreach & promotion	• Incentives and benefits strategy • Clinic web site • Welcome packet • Other marketing collateral • Whole Health Council • Launch communications plan
November 9 November 10 – 13	Clinic inspection Remediation, Clinic team on-site training	• Open house for internal Trust members and other key individuals in the community
November 16	Clinic Opening	• Launch

Local healthcare community

How it works



Our robust informatics enable **population health management** – strategically managing patient data to improve patient engagement and health outcomes, while also reducing costs.

Specialty care referral

We get the patient back

Hospital System

vera WHOLE HEALTH

Efforts to educate and partner with local healthcare community

- Met with hospital administration
- Set up informal meetings with local PCPs and Pediatricians with NAPEBT's help
- Hope to hire some local clinicians who already have connections in the community

vera
WHOLE HEALTH

Thank you

vera
WHOLE HEALTH

Memorandum

9.

CITY OF FLAGSTAFF

To:	The Honorable Mayor and Council
From:	Jerene Watson, Deputy City Manager
Date:	09/15/2015
Meeting Date:	09/21/2015

TITLE:

Review of the Current Legislative Agendas for Coconino County and the City of Flagstaff

DESIRED OUTCOME:

Information and reporting on legislative items

EXECUTIVE SUMMARY:

County Government Affairs Director Todd Madeksza will present an update on the County Legislative Agenda. City of Flagstaff team represented by Richard Travis, Triadvocates, Stephanie Smith, Assistant to the City Manager, and Jerene Watson, Deputy City Manager will present an update on the City's legislative items.

INFORMATION:

COUNCIL GOALS:

2) Ensure Flagstaff has a long-term water supply for current and future needs
3) Provide sustainable and equitable public facilities, services, and infrastructure systems in an efficient and effective manner to serve all population areas and demographics
4) Explore and adopt policies to lower the costs associated with housing to the end user
9) Foster relationships and maintain economic development commitment to partners
10) Decrease the number of working poor

Attachments: PowerPoint
League Resos PC Disposition CCR
City PowerPoint

COCONINO COUNTY ARIZONA

2016 Legislative Priorities

Government Relations

Coconino County Board of Supervisors
Flagstaff City Council
September 21, 2015

Important Dates

- **July 7th** Work Session
- **August 11th** Coconino County Legislative Agenda Adopted
- **Sept 8th** CSA Legislative Agenda Distributed
- **October 6th** CSA proposals work session
- **October 13th 15th** CSA Summit
- **December** JLBC Baseline Budget Announced
- **Jan 11th** First Day of Session

COCONINO COUNTY ARIZONA

Arizona State Senate

- 17 Senate Republicans
  - Senate President Andy Biggs (R 12, Gilbert)
  - Senate Majority Leader Steve Yarborough (R 17, Chandler)
  - Senate Majority Whip Gail Griffin (R 14, Hereford)

- 13 Senate Democrats
  - Senate Minority Leader Katie Hobbs (D 24, Phoenix)
  - Senate Asst Minority Leader Steve Farley (D 9, Tucson)
  - Senate Minority Whip Martin Quezada (D 29, Phoenix) and Lupe Contreras (D 19, Phoenix)

Arizona State House

- 36 House Republicans
  - Speaker Dave Gowan Sr. (R 14, Sierra Vista)
  - House Majority Leader Steve Montenegro (R 13, Avondale)
  - House Majority Whip David Livingston (R 22, Peoria)

- 24 House Democrats
  - House Minority Leader Eric Meyer (D 28, Paradise Valley)
  - House Assistant Minority Leader Bruce Wheeler (D 10, Tucson)
  - Senate Minority Whip Rebecca Rios (D 27, Phoenix)

Budget Forecast ‘15 Session

	’15	’16	’17	‘18
Balance Forward	$577M	$12M	$0m	$0M
Revenues	$8.63B	$9.09B	$9.24B	$9.51B
Rainy Day Transfer	$144M	$0M	$0M	$0M
Spending	$9.34B	$9.13B	$9.29B	$9.52B
Ending Balance	$12M	($35) M	($50) M	$(8)M

Budget Actual

	’15		‘16	
	Budget	Actual	Budget	Revised
Balance Forward	$577M	$577M	$12m	$266M
Revenues	$8.63B	$8.95B	$9.09B	$9.09B
Rainy Day Transfer	$144M	$0M	$0M	$0M
Spending	$9.34B	$9.26B	$9.13B	$9.13B
Ending Balance	$12M	$266 M	($35) M	$219 M

2016 State Outlook

- K-12 Education Settlement – Still undecided
- State Trust Lands – Education funding
- Increased revenue projections
- Transportation Revenues
- Pension Reform
- Transfer of Federally owned lands

Coconino County has absorbed $7.7 million in impacts since FY08

FY2008 - FY2015 Budget Impacts	Statewide County Impact	Coconino
Highway User Revenue Fund (HURF) Shifts	($126,219,910)	($4,596,741)
Lost Revenue Streams	($55,495,345)	($1,745,939)
Program Shifts	($105,550,226)	($1,399,154)
Mandated Contributions	($130,189,600)	$0
Estimated Fiscal Impact	($417,455,081)	($7,741,833)

COCONINO COUNTY ARIZONA

2016 Coconino County Fiscal Priorities

- Rescind or limit County payments to ADJC & DOR
- Restore funding for the Presidential Primary Election
- Fully fund HURF and protect from further sweeps
- Rescind or limit the County obligation to the Arizona State Hospital for Sexually Violent Persons (SVPs)
- Others may arise

2016 State Legislative Priorities

- Eliminate County DUC Pool Payment
- Support increased revenues for transportation
- Reinstate the Office of Film and Media

COCONINO COUNTY ARIZONA

Eliminate County DUC Pool Payment

- Coconino County has contributed $160,500 per year to the State's General Fund for Uncompensated Care since FY 2003
- Unable to determine how the County payment is calculated
- Expansion of the State's Medicaid Population could impact the costs

Transportation Revenue Increase

- Arizona has a $0.18 per gallon state sales gas tax - Unchanged since 1991
- Tax is not indexed for inflation
- High efficiency vehicles, HURF Sweeps, Federal funding in jeopardy
- State swept $126,219,910 from HURF from FY 08 -16

Reinstate the Office of Film and Media

- In 2010, the Arizona Film Office was eliminated
- Reinstate the Arizona Film Office to promote multi-media opportunities in the State of Arizona
- 2014 Legislation *SB. 1098 office of film & media (Begay)* appropriated $612,000.
- One-stop shop to coordinate film industry efforts.

State Legislative Proposals
Admin Office of Courts

- AOC Proposal 1 – ADJC Parole Duties to JV Probation
- AOC Proposal 2 – Close ADJC in two years (Adobe Mountain)*
- AOC Proposal 3 - Allow JV probation to handle dependency case management
- AOC Proposal 4 – Raise JV probation age to 19
- Pima County – Retain Juveniles in Counties*

*Similar proposals eliminating Adobe Mountain

COCONINO COUNTY ARIZONA

Juvenile Probation Reform

- AOC 1 – ADJC Parole Duties to JV Probation
  - County has capacity to rehabilitate
  - Better access to juvenile services for children and family

Juvenile Probation Reform

- AOC 2 (& Pima County) – Close Adobe Mountain
  - Counties would assume the role of ADJC
  - Estimated cost to Coconino County is at least $640,000 (25% cost shift to ADJC is $252,354)
  - Lack of county resources currently available
  - Improved control over services
  - Kids would be closer to their community
  - Requires funding mechanism/stream

Juvenile Probation Reform

- AOC 3 - Juvenile Probation to handle dependency case management
  - Capacity is questionable
  - Cost shifts are undeterminable
  - May shift costs from Legal and Public Defender to Juvenile Probation

Juvenile Probation Reform

- AOC 4 – Raise Juvenile age from 18 to 19
  - Kids can complete probation requirement and continue treatment
  - Allows County Attorney more flexibility for deferred prosecution

Legislative Priorities Summary

- ADOPTED
  - Eliminate County DUC Pool Payment
  - Support increased revenues for transportation
  - Reinstate the Office of Film and Media
- CONSIDERING
  - AOC Proposal ADJC Probation to Parole
  - AOC Proposal Close ADJC in two years (Adobe Mountain)
  - AOC Proposal Allow Juvenile Probation to handle dependency case management
  - AOC Proposal Raise Juvenile probation age to 19

COCONINO COUNTY ARIZONA

Questions?

Todd Madeksza
Government Relations Director, Coconino County
(928) 679-7134
Tmadeksza@Coconino.az.gov

CITY COUNCIL REPORT

DATE: June 24, 2015

TO: Mayor and Councilmembers

FROM: Jerene Watson, Deputy City Manager

CC: Jeff Meilbeck, Josh Copley, Leadership Team, Sarah Darr, Rebecca Sayers, Mike Scheu, Richard Travis, Triadvocates, Nicole Woodman

SUBJECT: RECOMMENDATIONS ON THE CITY'S PROPOSED RESOLUTIONS TO THE LEAGUE OF ARIZONA CITIES & TOWNS RESOLUTIONS POLICY COMMITTEES

This report provides you with a brief overview of the discussion and recommendation by three League Policy Committees which were assigned the City's five proposed resolutions (see attached) for consideration. All five of our Resolutions have some action moving them forward in some way. The (1) Pension Reform, (2) Energy Districts and the (3) Housing Trust Fund Restoration will appear as Resolutions on the agenda for the August Resolutions meeting held the Tuesday afternoon of the state League conference. Other options were recommended as the next steps to accomplish the outcomes desired on our other three Resolutions before introducing or supporting any legislative efforts.

DISCUSSION

JUNE 5

GENERAL ADMINISTERATION, HUMAN RESEROUCES, AND ELECTIONS POLICY COMMITTEE (GAHRE) convened at League offices, with Mayor Nabours as a Committee member attending via phone, and Jerene Watson in attendance to present the resolutions before the Committee. The Committee considered 14 resolutions that had been submitted by seven cities on five topics: **(1) PSPRS**, (2) Public Notices & Records Requests, **(3) Local Control/Charter Authority,** (4) Annexation, and three (5) Miscellaneous items (retention basin improvement districts; definition of a supermajority; requirements of a valid legal protest relating to rezoning). Two of our Resolutions were discussed in this Committee and a summary of those two items follows.

COF Resolution #1. Public Safety Pension Reform: was brought forward by the League staff, Yuma, Flagstaff and Prescott. League staff had convened a task force about a year ago and they have now developed Preliminary Recommendations (aka The Yardstick), per the attached. It has all the League resolutions imbedded in it, serving small and large cities. The Task Force has met with all the stakeholders, and the next step is to get a legislator to move this forward, understanding discussions continue with the Fire service proposing a competing plan that focuses on numbers and percentages (which the task force says will not get us out of the hole). Education will be key. The plan in a nutshell proposes:

a. Moves the plan from Defined Contribution to Defined Benefit

b. Applies only to new employees and leaves current employees in existing system
c. Would take effect July 1, 2016
d. Pools assets and liabilities with one uniform employee contribution rate and one employer rate at a 50/50 split (mirrors current ASRS) with an option for those firefighters who do not pay into/ineligible for Social Security)
e. Consolidates administration into one single entity rather than several hundred with one independent disability committee of experts

MOTION: Moved unanimously to use the League Task Force resolution language

COF Resolution #2. Local Control/Charter Authority: the Committee chair reminded participants that the Local Control issue is a Guiding Principle in the League's Policy statement each year. After discussion, questions and answers from Yuma and Flagstaff who both proposed resolutions in this area, it was determined that:

a. there will be follow-on discussions to determine if there are ways we can discuss strategies that might be more effective in our annual fight to maintain the rights of cities. Tom Belshe to follow-up with Flagstaff (I will work with Meg Roederer and coordinate with Tom to set up a conference call in July with interested Councilmembers).
b. potential item for discussion at the League Resolutions meeting at the annual conference in August.

MOTION: Moved unanimously to make the principle of local control a stronger statement in the Guiding Principles.

JUNE 10
BUDGET, FINANCE AND ECONOMIC DEVELOPMENT (BFED) POLICY COMMITTEE convened at the League and Jerene Watson and staff participated by phone to present two more Flagstaff resolutions. The Committee reviewed six Resolutions: **(1) Energy & Conservation Financing Districts; (2) Changes to state statute for Professions & Occupations, relaxing Arizona Registrant requirements on small projects;** (3) Tax credits to equalize the maximum tax credit allowed to qualified charitable organizations, private and public schools; (4) Economic Development Reimbursement Authority by allowing municipalities to invest in infrastructure and improvements and repay through the increased property tax revenue of the improvements; (5) Leveling of inequity of state-shared revenue distributions to municipalities through a point-of-origin formula rather than population based; (6) Enabling legislation for enhanced revenue authority and options allowing voters of cities to reset or increase primary property tax with dedicated primary levy (e.g. roads, public safety, etc.).

COF Resolution #3. Energy & Conservation Financing Districts: Jerene presented the City's resolution which was followed by some questions and answers that Jerene and Rebecca Sayers fielded. Phoenix commented that reach out to ATRA (Arizona Tax Research Assn.) was essential to get their blessing for any success with such legislation. Tucson committed to continue working with their consultant and other interested cities (Bullhead City, Flagstaff, Payson, Phoenix and Clarkdale) as they did in this last legislative session to move away from a district concept and said they would work with Flagstaff and get bankers involved with the consultant. The Committee encouraged seeking a mechanism that accomplishes the desired outcome through a non-legislative approach and join Tucson's efforts (e.g., using the PACE program approach-- Property Assessed Clean Energy) considering a legislative effort may not be viable. The Committee also noted that the Legislature has been resistant to creating additional special districts, but if the resolution

is broad enough, the League can continue to work on finding the appropriate legislative "mechanism."

MOTION: The committee voted unanimously to move this issue forward as a Resolution with the understanding it remains broad as the details continue to be developed.

COF Resolution #4. State Statute Technical Amendment on Ch. 32-144 (Professions & Occupations): The Committee carried on an extended conversation with Mike Scheu who presented this resolution. Based on some concerns of the Committee, he agreed that it would be acceptable to add language on structural soundness to cover roofs.

MOTION: The Committee voted unanimously to identify this as a "Significant Municipal Issue" and tasked the League staff to work with AIA (architects' association in Phoenix) and bring together stakeholders to discuss this pre-Session in an effort to find common language they could support.

JUNE 24

NEIGHBORHOODS, SUSTAINABILITY AND QUALITY OF LIFE POLICY COMMITTEE

The Committee was convened at the League offices, with Committee member Michelle D'Andrea, Deputy Housing Director Sarah Darr and Jerene Watson attending via phone. Five proposals were considered: (1) Permissive legislation that allows towns in specific circumstances to bill property owners for utilities; (2) AZ State Parks under long-term leases to partner on operation and maintenance; **(3) Restoration of AZ Housing Trust Fund;** (4) Reauthorization and funding of the AZ State Park Heritage Fund; (5) Expansion of State Licensure Requirements and Local Enforcement Authority for Sober Living Housing

COF Resolution #5. RESTORATION OF THE ARIZONA HOUSING TRUST FUND:

Jerene and Sarah presented the Council request for restoration and the need behind the proposed resolution, the longstanding source of state assistance to affordable housing and also how it is used to meet numerous needs as well as leverages federal funds, especially for rural Arizona. Debate among committee members followed about the risk of taking hits to other areas of funding cities like State Shared Revenues and the apportionment of the Dept. of Revenue charges to cities, etc. if we ask for this. There was discussed whether the full Resolutions Committee will want this to be one of the top five priorities. Committee member and Sedona Mayor Moriarity was very passionate in stating the importance of moving this forward and having the discussion at the League conference rather than side watering this with meetings with state agencies, the Governor's office or AZ Housing Alliance, who is making this part of their state agenda. The Alliance is seeking endorsements for their platform from non-profits and municipalities. Chair Lopez from Coolidge also spoke to the importance of such funding to rural Arizona.

MOTION: Unanimous to move the Restoration of the Housing Trust Fund forward to the full Resolutions committee at the August meeting.

RECOMMENDATION / CONCLUSION

This report is for information only.

NO.	2016 PROPOSED LEAGUE OF CITIES & TOWNS RESOLUTION SUMMARIES	COUNCIL & STAFF COMMENT
1	**PUBLIC SAFETY PENSION REFORM:** Adopt further improvements to Arizona's public safety retirement system that will promote affordability for taxpayers while providing for the benefit promised to workers. These improvements should include a plan to effectively deal with the problem of unfunded liability, bringing a balance within a reasonable period of time while ensuring that Arizona remains competitive in its ability recruit and retain talented public safety employees.	The disparate fiscal impact on each of the municipalities varies widely and creates challenges in budgeting and planning for the future. The current unfunded liability and increasing contribution rates for the public employee retirement systems are not financially sustainable and create a heavy burden on local governments to continue to fund pensions.
2	**RESTORE ARIZONA HOUSING TRUST FUND**. Created in 1988 as a flexible funding source to assist low-income households in Arizona, it was funded from the sale of unclaimed property, such as stocks or savings accounts abandoned by the owner, often due to a death without a will. Prior years the Fund received over $30m annually but capped in 2010 at $2.5m.	Municipalities and non-profits are eligible to apply to receive an allocation of the Housing Trust Fund to further housing objectives within their communities. Restoration of funding to the Trust Fund will enable a greater number of grant applications to be funded as well as other funding leveraged.
3	**ENERGY & CONSERVATION FINANCING DISTRICTS** Request and encourage the Arizona State Legislature to establish a mechanism enabling local government to establish renewable energy and conservation financing districts for commercial properties.	In addition, encourage the Arizona State Legislature to identify and define energy efficiency, renewable energy and water conservation as a public benefit that enhances the public good and promotes the health, safety, prosperity, security, and general welfare of the community. (Note: this evolved into the term that Tucson used: Property Assessed Clean Energy (PACE)
4	**Change ARS 32-144, Professions & Occupations,** registration requirement where a commercial tenant improvement project of less than $10,000 would not require an Arizona Registrant to design and stamp the project.	Permits a non-registrant to design changes in a commercial tenant improvement without the cost of having the Registrant Design and Stamp, saving on average $2500 for the citizen. Current statute requires any modification to a building or part of a building that is 3000 Sq. Ft. or larger requires an Arizona Registrant to design the change. Even if the remodel involves only the building of one or two walls that are non-bearing which may cost a total of $1200, with the architect fees, the cost could go up to a minimum $2800 dollars or more. That is if the registrant will even take on the job. Many times the person cannot find a registrant to take the time for such a small job.
5	**STRENGTHEN EFFORTS OF CITIES AND TOWNS TO RETAIN LOCAL CONTROL.** Rights of municipalities to self-determine local legislation that reflects the desires of our community residents has been diminished notably in recent years. The efforts of cities and towns to sustain or improve quality of life and enact ordinances which embody the values of communities is increasingly eroding. The effectiveness of individual city efforts along with those of the League of AZ Cities and Towns in maintaining the rights and balance of decision-making at the local level needs to be strengthened. Strategies need to be discussed collectively to coalesce more unification of cities to fight for decision making to be retained at the local level. This year cities saw the Legislature and the Governor overreach and not respect the authority of cities in passing SB 1241, the law which will preclude citizens within any city from banning plastic bags.	Council discussion: Wants to strengthen efforts with new approaches to protect local control more than what is currently in the League's Guiding Principles. Would like the League to work towards repeal of the strike everything bill on Plastic Bans Note: **LEAGUE OF AZ CITIES & TOWNS Core Principle:** *Decentralized government at the local level represents a fundamental principles of American democracy, recognizing that when it comes to community governance, one size does not fit all.* *The League calls upon the Legislature to respect the authority of cities and towns to govern their communities in the best interests of their residents. The League will endorse legislation that supports and sustains the principle of local control and reject legislation that conflicts with the autonomy of cities and towns.*

The Yardstick

Preliminary Recommendations: May 15, 2015
Prepared by the League's Pension Task Force

1. **DEFINED BENEFIT PLAN**
   - The pension benefit is predetermined by a formula based on employee compensation, age, and tenure of service

2. **FREE FROM LEGAL CHALLENGE**
   - All current employees and all current retirees remain in the existing system

3. **NEW STATEWIDE SYSTEM**
   - For employees hired after July 1, 2016

4. **PLAN ELEMENTS OF THE NEW STATEWIDE SYSTEM**
   - **Pooled Assets and Liabilities**. Shares risk across the broadest base
   - **Fully Funded**. Assets at least equal liabilities (at least 100%) over an economic cycle
   - **Equal Cost Sharing**. Equal employer and employee contribution rates
   - **Funding New Benefits or Benefit Increases**. Funded as a system component and only if the system is determined to be fully funded before and after the change
     - **Pension Increases**. To maintain purchasing power
   - **In-Lieu of Social Security Program**. Mandatory participation in an employer-matched Defined Contribution plan for those members not in Social Security

5. **GOVERNANCE STRUCTURE**
   - **System Design**. Structure which encourages sustainable outcomes
   - **Funding Policy**. Identifies financial objectives to ensure equity and sustainability
   - **Investment Policy**. Identifies beliefs and objectives regarding asset allocation
   - **Board of Trustees**. Independent, qualified experts with fiduciary responsibility of ensuring compliance with Plan Elements
   - **Administration**. Consolidated and one independent disability committee of qualified experts

City of Flagstaff
2015 Legislative Update

Joint Meeting of the City Council of Flagstaff
and Coconino County Board of Supervisors
September 21, 2015

Guiding Principles

- **LOCAL CONTROL**
  - ❖ Protect local revenues and local authority
- **COUNCIL GOALS**
  - ❖ Established during the December Council Retreat
- **CULTIVATING PARTNERSHIPS**
  - ❖ Support regional, state and federal partnerships that may advance applicable legislation in support of City goals and community values.

LEAGUE OF AZ CITIES & TOWNS ACTION AT ANNUAL CONFERENCE AUGUST 18-21ST

RESOLUTION #1. Public Safety Pension Reform
Outcome – League/Task Force to lead reform

RESOLUTION #2. Local Control/Charter Authority – will work to make stronger statement in Guiding Principles and with legislators

RESOLUTION #3. Establish Energy & Conservation Financing Districts – moved resolution forward encourage non-legislative solution led by Tucson and consultant

LEAGUE OF AZ CITIES & TOWNS
ACTION AT ANNUAL CONFERENCE AUGUST 18-21ST

RESOLUTION #4. State Statute Technical Amendment on Ch. 32-144 (Professions & Occupations relaxing AZ Registrant requirements on small projects)

-- League will convene a working group with the Architects to work on compromise language before Session

RESOLUTION #5. RESTORATION OF THE ARIZONA HOUSING TRUST FUND – resolution moved forward on the League's legislative agenda

GOVERNOR & STATE AGENCIES

- **WATER:** Secure easement rights for required water transmission line located within Interstate 40 right-of-way or other Council-approved route.

- **VETERANS AFFAIRS:** Seek funding in the Governor's Budget for the establishment of a VA Home in Flagstaff as financial support needed from the State as matching funds to the federal allocation for the home.

Current Federal Agenda

- Rio de Flag Flood Control Project:
  - Complete the Limited Re-evaluation Report and obtain necessary approvals from the Assistant Secretary of the Army
  - USACE work plan funding

Current Federal Agenda

- Forest Health:
  - Leverage voter approved Flagstaff Watershed Protection Project
  - Ensure that resources and funding continue to flow to Four Forest Restoration Initiative (4FRI) and NAU's Ecological Restoration Institute

Current Federal Agenda

- Transportation:
  - Secure authorization and fiscal resources for the Regional Transportation Plan priorities
    - Lone Tree Interchange and the 4th Street Bridge over I-40

Current Federal Agenda

- Airport:
  - $3.3 million for Airport Improvement Program Grant to resurface and restripe runway
- Railroad Reversionary Clause
- Public Safety
- Other State Issues

Next Steps – 2016 Legislative Agenda

November 3rd Council Meeting

- Discussion about updates during Session

Late November Work Session

- Input from Council
- Staff recommendations/ League Resolutions

Early December Council Meeting

- Adopt 2016 Federal and State Agenda

Mid December – Legislative Breakfast

QUESTIONS?

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