

**THE SPECIAL MEETING  
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA  
HELD JUNE 2, 2014, AT 7:00 P.M.  
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

**CALL TO ORDER:**

Mayor King called the meeting to order at 7:00 p.m. with the Pledge of the Allegiance.

**ROLL CALL:**

Present were: Mayor Toney D. King, Sr., Vice Mayor Al Sacco, Councilmembers Pat Boyle, Ron Brooks, Jeff Cook (arriving at 7:04 p.m.) and Chris Moncada. Absent was: Councilmember Peter Wangsness.

**CALL TO THE PUBLIC:**

Carol Campbell addressed Council stating as a resident of the City of Benson, she was deeply concerned about the direction the City Council was taking concerning the proposed budget, adding the City is facing a half million dollar deficit this year due to mismanagement of tax dollars by city government in recent years. Ms. Campbell then stated the concept of doing furloughs and cutting vital emergency services is nothing more than putting off a real solution for another year, adding the City will be faced with similar budget problems next year. Ms. Campbell then stated raising taxes and utility rates is nothing more than punishing Benson residents and business owners for the lack of fiscal responsibility at City Hall. Ms. Campbell then stated the City simply cannot afford to lose any of the police and fire personnel or services and raising taxes is also unacceptable, adding there are other ways to cut spending than what the Council has before them to tentatively approve. Ms. Campbell then stated she finds it difficult to believe that the City needs 114 employees and so many Department Heads at some very lucrative salary packages and asked the Council to recognize that Benson is a town of only 5,000 with a very modest tax base and it has not grown these past 7 years. Ms. Campbell then stated a large portion of residents are just getting by on their incomes and that includes many of the Police Department and City workers. Ms. Campbell then stated there is still time to come up with an alternative to these proposed budget cuts before July 1 and asked the Council to table this tentative budget until a better plan is brought forth, a plan that will trim the fat and downsize City government, rather than keep it as is; making the people of Benson pay dearly in many ways for the sake of a handful of non-essential positions.

Asher Arnold addressed Council stating he was a resident of Benson and a member of the Benson Police Officers Association. Mr. Arnold then stated the City of Benson is attempting to balance its budget on the backs of its employees with a proposal to furlough all City employees for 20 days per year for the upcoming 2014-2015 City budget. Mr. Arnold stated this will affect all City employees' personal budgets along with a lack of services being available to Benson residents and the surrounding communities. Mr. Arnold stated the citizens of Benson should be asking how this will affect them, how often City Hall will be closed, how often the library will be closed, if parks and streets will be maintained, if they will be able to pay their bill at City Hall on the day they get paid and if the police will show up when they call 911. Mr. Arnold stated these furloughs do include the Police Department, and with 10 officers in patrol to cover 24 hours a day, 7 days a week, 365 days a year and with the 20 days furloughed per officer, this will mean the community will not have an extra officer on the road for 200 days out of 365, noting that is just looking at patrol officers only. Mr. Arnold then stated this proposes a danger to the single officer on patrol and proposes a danger to the public with the inability to focus on traffic control, drug interdiction, driving under the influence of alcohol and/or drugs and extended response times. Mr. Arnold then stated with the shortage of detectives, this would mean delays in the major case investigations of sexual assault, child pornography, aggravated assaults, identify theft, attempted homicides and homicides. Mr. Arnold then stated this does not include dispatchers, records department personnel and the crime scene technician, which all add up to a lack of protection and services to the community, adding the Police Department is critical for the safety and well-being of the community. Mr. Arnold stated the community may not be aware that the Benson Police Department is the only local County or State Police force in this community that has an officer on 24 hours a day, 7 days a week, 365 days a year and

stated in the early morning hours, it is not uncommon for Benson Police to be the first on the scene of an accident on I-10 or on a county road outside the City limits. Mr. Arnold then stated furloughs mean the City will lose up to half of the officers of the Benson Police Department, not due to furloughs, but to officers moving elsewhere to make a living, adding this is a fact. Mr. Arnold stated officers are already looking elsewhere due to the talk of furloughs, adding 3 officers are actively seeking employment with other agencies and 4 officers are on the fence. Mr. Arnold then stated there isn't a single officer who works for the Benson Police Department that does not want to live or work in this community, but the City is forcing its Police Officers to move and raise their children in an area they may not really want to live in, in order to make a living. Mr. Arnold then stated now there will be less officers on the road due to furloughs and less officers responding to calls for service because they leave for another agency. Mr. Arnold talked about hiring new officers, adding most people who apply for the position of a Police Officer fail in the process which consists of a physical agility test, a written test, a polygraph examination, a psychological examination, a thorough background investigation and a 17-week academy, which is physically, academically and mentally challenging. Mr. Arnold then stated from the time an opening for a Police Officer position is posted to the time a Police Officer is hired, trained and is working on the streets as a solo Police Officer, 1 year has expired. Mr. Arnold then stated if the Benson Police Department loses 5 or 6 officers, the City of Benson will lose 25 years of combined law enforcement experience. Mr. Arnold then urged all citizens of the community to contact the Benson City Council to express their concerns about these furloughs.

### **NEW BUSINESS:**

1. **Resolution 13-2014 of the Mayor and Council of the City of Benson, Arizona, approving a Tentative Budget for Fiscal Year 2014-2015**

Finance Director Megan Moreno stated what the Council has before them is what was come up with collectively through Staff, Department Heads and the City Manager, which was then brought forward to Council during worksessions. Ms. Moreno then stated Council input from those worksessions resulted in revisions and the Tentative Budget was given to Council last week, adding it is now ready for Council approval. Ms. Moreno then stated she could answer any questions Council had and Council could make changes, if they chose. Mayor King then opened the item for discussion. Vice Mayor Sacco stated he didn't think furloughs were the answer, since they were a temporary stopgap, adding some more permanent was needed. Vice Mayor Sacco then asked what guarantee the Council had that Staff wouldn't come back in 3 months and say furloughs were a mistake. Vice Mayor Sacco then stated his goal is to downsize government and that is what he intends to do.

Councilmember Cook stated under the Council budget, there was \$3,200 for the booth at the League Conference and he thought prior to establishing an identity and branding for the City, it would be a waste, adding he thought the funding should be removed. Councilmember Moncada agreed. Councilmember Brooks asked what the booth would cost without any giveaways with Ms. Moreno stating the space for the booth costs approximately \$250. Councilmember Brooks then stated the City could set up tables with brochures on it. Councilmember Moncada agreed with Councilmember Cook, stating he didn't think the City should have a booth during these economic times. Mayor King agreed. Ms. Moreno asked if there was a consensus to remove the funding with Councilmember Brooks agreeing to remove the funding also.

Councilmember Boyle stated he met with the City Manager and Chief of Police, Paul Moncada earlier in the day and Chief Moncada said he had an interim plan to help Police Officers in their plight with furloughs that would get us through till fall. Chief Moncada stated he met with the City Manager and Finance Director on Friday, and they were able to find enough cost savings in the Police Department budget to reduce the Police Department furloughs to a maximum of 10 days instead of the 20 days that were proposed. Councilmember Boyle asked if the officers were informed of this yet with Chief Moncada stating he put out a memo to all personnel, adding he has had some feedback from the employees that were working during the day and they were all were appreciative of the change, but he hasn't met with all employees. Chief Moncada stated the memo did say he would be glad to meet with any employee to discuss anything having to do with the budget and any proposed furloughs, but no one has contacted him about discussing it further, noting it is only Monday and the memo was distributed on Friday.

Councilmember Boyle asked if Chief Moncada had a general feel about how the officers might react to that news with Chief Moncada stating he didn't know, adding some of the officers were present at the meeting and Council could ask them. Chief Moncada stated he did know that at least 3 officers have picked up copies of their applications, which is usually an indication that they are looking somewhere else, and is why he met with the City Manager and worked to reduce the number of furloughs. Chief Moncada stated he would like to reduce it even more, but it would require more cost savings. Councilmember Boyle asked if the officers still had the opportunity to earn money in the overtime program spoken about previously with Chief Moncada stating that program is still available to officers. Councilmember Boyle then addressed the officers present, asking them if the Council was able to minimize the number of furlough days and they still had the opportunity to get overtime, would they be willing to work with the City until September, adding when he met with the City Manager, the discussion was that things could be reassessed then. Councilmember Boyle then stated he had a lot of people telling the Council that things are going to get better and that a lot of development is coming, adding he is really dubious about this, but if that is the case, then it would be a shame to lose some of the Police Officers only to have things reverse themselves in the fall. Councilmember Boyle then stated if nothing has transpired in the fall and the City is still where it is now, he would like to give direction to the City Manager that between now and 90 days or this fall, that he take the time to go through Staff, the budget and anything else that might be necessary in order to make up the difference and trim the budget down to what is needed in order for the City to survive, but in the meantime, the proposed budget would give the Council time to see if it pans out. Councilmember Boyle then stated he didn't want to lose the Police force, adding many of them have lived here their whole lives. Councilmember Boyle then stated the Council would like to not have to worry about training a bunch of new officers, the Council appreciated all the officers do and asked if the reduction in furloughs for the Police Department was acceptable to the officers.

Sergeant Behr then addressed the Council stating he had talked to the majority of the officers and the 3 that are applying elsewhere are gone, adding the talk of furloughs made them leave. Sergeant Behr then stated in 2006, he wrote up a pay plan, which was approved, but the officers went 7 years before they got a raise. Sergeant Behr then stated last year the Council approved another pay plan he wrote, which included a 2% increase for 3 new officers once they graduated from the academy and another 3% increase when they achieved the solo-officer status, but that also didn't happen. Sergeant Behr then stated he understood that the budget was tight, but stated there is no reason for officer to continue staying here, adding he has been here almost 19 years and has been in law enforcement for 23 years and when the officers see what he makes, they can't figure out why he is still here. Sergeant Behr then stated he likes living here and other officers like living here, adding there are some officer's spouses who are physically sick because now they are having to move someplace else. Sergeant Behr then stated the officers are tired of it and the Council will lose half of the Police Department if they go through with any furloughs for the Police Department, stating again, 3 officers are already gone.

Councilmember Cook stated he had talked to several officers and was assured whether there were furloughs or not, the City was going to lose officers, adding he was told that the 3 that are leaving, regardless of whether there are furloughs in place or not. Councilmember Cook then stated other officers and the other sergeant assured him they were on board with implementing this kind of budget cut and including the Police Officers because they wanted every City employee and Department to take an equal hit, if it could be called that. Sergeant Behr stated that was incorrect, adding from the officers he talked to, none had even talked about leaving until the talk of furloughs came up, but they are looking at the writing on the wall. Sergeant Behr then stated the City lost a couple guys last year; one due to him wanting to attend college and working at the University to reduce the costs and one due to him having to work the graveyard shift. Sergeant Behr then stated he understood this situation is affecting all the city employees and he didn't want to insult anyone, but like this last weekend, when everyone else is planning their 3-day weekend, he is beefing up patrol and making sure everything is covered and the officers are working all the time. Sergeant Behr then stated this profession was his choice, but he couldn't tell how many years he has missed birthdays, holidays and anniversaries because of this job, adding for the past 19 years he has been protecting everyone else in the community. Sergeant Behr then stated when an officer can leave Benson and go to work in Mesa starting out at \$5,000 a year more than he makes after 23 years, they will do it, adding more money equals a better retirement. Sergeant Behr then stated again, no one was talking about leaving until the talk of furloughs came up.

Councilmember Cook stated in the past 2 days he has watched several stops made by the Police and in addition to the Benson Police Department, Cochise County and DPS were involved, adding it is likely they are still going to be involved. Councilmember Cook then stated he understood there are officers that have left and are willing to leave if they can go to Border Patrol, adding Border Patrol is a federal agency that pays significantly higher than Benson does. Sergeant Behr agreed, stating last year, one officer that was looking at Border Patrol withdrew his application because he didn't want to leave Benson, but this year, that officer is now asking when enough is enough. Councilmember Cook then stated the Police Department needs to know that the City cannot compete with Border Patrol. Sergeant Behr stated he understood that the City can't compete with federal agencies, but it's nothing for a 1-year officer to work in Tucson or in the Phoenix Valley and with overtime, make \$100,000. Sergeant Behr then stated the Police Officers don't want to live in those places; they want to live here, but when they have been here 6, 7 or 8 years and have small children to raise and they don't see anything happening to make them stay, it comes down to being able to afford living here.

Vice Mayor Sacco asked when the promise was made regarding the 2% increase Sergeant Behr spoke about with Sergeant Behr stating the pay step plan was part of the previous budget the Council approved. Vice Mayor Sacco asked why the officers didn't get the increase with Finance Director Megan Moreno stating last year there was an entire step program pay increase that was brought before Council and with it, were specific raises to specific officers, adding those amounts were put in the approved budget, however, the 2% increase was not included on that sheet, so while they were presented, they were never actually approved in last year's budget. Vice Mayor Sacco asked if the raise was part of a review program and asked how and why the raise was promised. Ms. Moreno stated the step program Mr. Behr had compiled included what type of raises officers should receive year after year and did have on that first page that officers who graduated from the academy should receive a 2% increase upon graduation, however, that amount was not included in the amount that was actually budgeted for specific raises, so everyone that was budgeted a specific raise last year did receive one, however, the others who were to receive the 2% increase were overlooked. Vice Mayor Sacco stated this was the first time he was hearing that the Police Department was promised a 2% increase and on the other hand, he was now hearing the City needed to implement furlough days and asked why this was. Vice Mayor Sacco then asked if there was a shortfall in the budget and Council couldn't give them an increase or if the City had too many people on staff to be able to give them the increase, and asked what the big deal was. Ms. Moreno then stated with all due respect, the raises given last year were against management's recommendation because they were not sustainable, adding last year the City was pulling from the reserve account to balance the budget as well. Ms. Moreno then stated the raises were a decision Council made and Staff went forward with those approvals, but this year, Staff came to the Council and has said, as stated last year, those increases were not sustainable. Ms. Moreno then stated no one has asked Council to remove those increases, but Staff is asking that no more increases be given this year. Vice Mayor Sacco asked if the increase given last year was a cost of living adjustment with Ms. Moreno stating it was not a cost of living increase, but was specific raises to specific officers. Vice Mayor Sacco then asked how the suggested 2% increase was mentioned with Sergeant Behr stating it was presented in the pay plan to Council, adding when the new officers graduated from the academy, they were to receive a 2% increase and once they attained the solo-officer status, they were to be given an additional 3% increase. Ms. Moreno then stated she went back to what was given to Council in the previous budget and stated the specific raises for specific officers were not listed by name, but by title and years of service. Ms. Moreno then stated that sheet gave a total amount needed to approve those specific raises and the total did not include the new officers and their 2% increase, noting it was this amount that was budgeted for raises in the Police Department and approved by Council as part of the budget, therefore, the 2% increase had been omitted, however, the proposed budget before Council now does include the 2% increase for those 3 new officers who graduated from the academy. Vice Mayor Sacco then asked what the criteria was for the specific raises approved in the previous budget was with Ms. Moreno stating that would be a question for Chief Moncada. Chief Moncada addressed Council stating the specific raises were based on recommendations from Sergeant Behr and were based on performance.

Councilmember Boyle stated he did the math a few days back and the difference between the Police Department's budget in the previous year and this year is approximately \$90,000 and asked if Chief Moncada was able to come up with that. Chief Moncada stated in meeting with the City Manager and the Finance Director, they were able to come up with approximately \$55,000 to reduce the furloughs for the Police

Department in half. Councilmember Boyle verified that the current budget left the employees' pay the same with Chief Moncada stating everyone would remain the same with the exception of the 3 new officers who would receive the 2% increase that is already included in the proposed budget. Councilmember Boyle then expressed concern over getting into a legal situation if the Council did not apply furloughs to all departments. Councilmember Brooks also expressed his concern and that the City may be put at risk by furloughing emergency services personnel. Councilmember Boyle then asked if there was a way the Council could circumvent furloughs for certain departments without breaking the law, and still give the Police Officers their current pay. City Attorney Gary Cohen stated it isn't necessarily a legal violation for furloughing certain employees vs. others, but his concern was exposure, adding when an entity is going to engage in the process of furloughs, from the lawyer's perspective, it's best to do it across the board for exposure purposes since there are a variety of claims that can be made when choices are made to select certain employees for furloughs over others.

Chief Moncada then addressed Council stating in talking with Sergeant Behr, one thing the Council needs to understand is that even if they eliminate furloughs for the Police Department, the City is still going to lose 3 officers, because of the talk about furloughs. Councilmember Brooks stated there wasn't much the Council could do about that. Councilmember Brooks then stated Ms. Moreno brought it to Council's attention some time back that the City is going into the hole about \$350,000 a year and the Council has to do something, adding the Council can't just think it's all going to work out. Councilmember Brooks then stated he is hearing things out there about development and it would be great, but what is really needed are increased revenues. Councilmember Brooks then compared the City to a household, stating when someone doesn't make enough money to make ends meet, they have to cut coupons, but the real solution is to get a better job, adding the same principle applies to the City and the Council has to find a way to increase revenues, adding if that can be done, the Council won't have to talk about cuts anymore. Councilmember Brooks stated it is a little late to be talking about that, but it is important for the City to be looking at that seriously. Councilmember Brooks then stated right now, the City is in a situation where the Council has to balance the budget somehow, adding he doesn't like furloughs, he thinks they are a band-aid and are not a solution to the problem. Councilmember Brooks then stated he has a personal view that the City is overheavy, especially in some Departments and he would like to see a restructuring and the elimination of some high-paying jobs. Councilmember Brooks then stated right now he is hearing a lot about a proposed development and that if the City comes up short on personnel, it could create problems for the developer, so he didn't know how to look at this right now and was confused on which way to go. Councilmember Brooks then stated right now, he thought the Council could go with the furloughs until September and then review this whole thing and if it looks like there is development coming in, maybe they could do something more in the budget, but right now, he didn't know how to solve this situation. Councilmember Brooks then stated what was needed was either restructuring with the City payroll or furloughs, adding CIP projects have already been cut and most departments have been cut pretty hard. Councilmember Brooks then stated it is unfortunate that the City is going to lose officers, but it is probably water under the bridge at this point. Councilmember Brooks then stated, again, that he was really not in favor of the furloughs, but he guessed he would go along with it because he didn't want to come up short if developers decide to move forward. Councilmember Brooks then stated he is hearing there could be 5,000 homes coming in, but even if only 200 homes come in, that's a fair amount of revenue and he thinks the City could probably get back on its feet with that, however, this news just came to him about a week ago and he is skeptical about it.

Chief Moncada stated the concern of not only the officers, but of all employees is the next year, adding when he first started talking about furloughs, the questions were about next year. Chief Moncada then stated in talking with the City Manager, there is a plan in place so if revenue does come in, it would enable the City to roll back furloughs for all employees, not just Police Department.

Councilmember Moncada stated there are 1 or 2 other employees outside the Police Department who have put in their notice and are leaving, and 4 or 5 other employees have told him they are putting applications in elsewhere. Councilmember Moncada then stated the City is going to see attrition, just by talking about furloughs, and good or bad, the City is going to get those cuts in Staff because people are going to leave. Councilmember Moncada stated he knew the Police Department employees are saying they can't afford the furloughs, but other employees can't either, adding the City is naturally going to see a reduction in employees.

Councilmember Brooks stated when an employee leaves, it doesn't mean they will be replaced and when a restructuring is done, choices can be made, consolidation is done and it's better to just waiting to see who leaves. Councilmember Brooks then stated he didn't think furloughs were the way to go, but he didn't have another answer at the moment, adding he wished the Council had more time to look at this restructuring, but they are up against the budget constraint now.

Councilmember Moncada stated Councilmember Brooks had been a Councilmember for 3 years and asked how much time he needed with Councilmember Brooks stating he didn't have the information he has now, adding he was told by the past City Finance Director that the City was doing just great. Councilmember Moncada stated the financial situation has been talked about for the last 3 years. Councilmember Brooks then stated he was talking about growth in the City and sales, which is what he wants to see, but it's not happening and that is the problem. Councilmember Brooks then stated every year there are less and less revenues and if the Council doesn't increase sales, the City is going to die.

Councilmember Boyle stated if the Council made cuts in a structured way, they would be in control of what happens, but if they just allow it to be natural attrition or people quitting because they can't stand to live here any longer because of the money they are not making, then the Council is probably going to lose the best employees, because they are the ones that are the achievers and are striving to do the best they can and make the most of what they've got, so they will be the ones that will go elsewhere. Councilmember Boyle then stated those employees will ask themselves why they should stay here working their tail off and being treated like everyone else, when they are not getting any benefit for all the extra they are doing, so they may as well bail. Councilmember Boyle then stated again, the City will end up losing the best employees and conversely, will end up keeping the ones who may not be the type of people who get out and strive to do their best, so they are willing to stay, adding they are not the ones who go out and do all the extra stuff and extra things that need to be done in order to make a situation like this palatable for all of us. Councilmember Boyle then stated there is a meat cleaver on one side, with just allowing the furloughs to go into place and the City will lose people due to the natural order of things, but if the Council did it in a controlled way, then they could go ahead and find the employees who are the least worthy and allow them to move on, adding at least that way the Council controls the quality of Staff. Councilmember Boyle then stated all these people are telling Council that development is coming, but that the same thing has been said since 2008 and it hasn't happened, but at this point, waiting 90 days isn't going to break the bank. Councilmember Boyle then stated he didn't want to lose any more officers because of that or the best employees the City has, but the 90 days gives the City Manager the opportunity to go through and figure out where the fat is and cut it, that way when September or whenever rolls around, the City Manager will already have a plan and all the Council will have to do is execute it. Councilmember Boyle then stated he believed he talked about that at the finance meeting, about turning on a dime so in the fall if things weren't going good and the Council needed to do something right then, they didn't have to wait and do another study. Councilmember Boyle then stated he didn't know what else to do.

Mayor King stated the Council is in a bad position here, because they don't want to lose any employees or the Police Department and the proposal is to have 20 furlough days for the employees and 10 furlough days for the Police Department and asked the officers if they could hold off until September. Sergeant Behr stated the 3 officers that have already applied, are gone, adding when the talk of furlough days started, they were gone. Sergeant Behr then stated now the question was how many more would the Police Department lose.

Councilmember Brooks asked Ms. Moreno about holding off on the furloughs until September and if there was another way to balance the budget. Ms. Moreno stated delaying furlough days would simply mean there would be less time to spread them out, adding right now, the employees can spread the furlough days over 12 months, but if they wait until September to take them, then they will only be able to spread them out over 9 months. Ms. Moreno then reminded Council that they are focused on how the personnel expenditure reductions will be done, but what Council is approving in the Tentative Budget is a maximum personnel expenditure amount. Ms. Moreno then stated the amount in the budget is the maximum amount that will be spent on personnel and Staff is proposing furloughs as a way to make that reduction, however, if the Council later decides furloughs are not the answer, they can come up with a different way to stay within that personnel expenditure. Ms. Moreno then stated there is a considerable reduction in the proposed payroll costs, adding it

equals a 10% cut in personnel, which is what Council said they wanted to see. Ms. Moreno then stated if the Council moves forward in approving the Tentative Budget, they could spend more time later on the specifics methods to meet that.

Vice Mayor Sacco asked if Ms. Moreno was implying a 10% cut in personnel immediately or sometime in the future with Ms. Moreno stating the proposed budget begins in July and already includes 10% reduction in personnel from the prior year. Ms. Moreno then stated she recognized some of Council is hesitant because they feel they have to have all the answers tonight, but she was just pointing out the Tentative Budget just caps the ceiling on expenditures and Council can discuss the avenues to stay within those expenditure amounts later.

Councilmember Brooks stated furloughs are the largest way to cut the most, and then asked if the Council decided to go in another direction, if the Council would be stuck with the furloughs since the budget ceiling in personnel would be limited to the Tentative Budget amount. Ms. Moreno stated cuts would have to be found in another way and they are hard to find in the General Fund without laying off a substantial amount of people. Councilmember Brooks then asked Ms. Moreno if she was saying there would have to be serious cutting to get the same figures that are being proposed by implementing furloughs. Ms. Moreno stated that was correct and we were not talking about laying off 2, 3, 4 or even 5 employees, adding she couldn't come to Council with an exact figure because she wasn't going to just go through employee list and handpick people to lay off and tell Council how much money that would save.

Councilmember Brooks then asked about restructuring in September and if the budget could be amended if the Council was able to eliminate furloughs at that time with Ms. Moreno stating amendments could be done without increasing the budget.

Vice Mayor Sacco asked what Councilmember Brooks had in mind for restructuring with Councilmember Brooks stating he suggested to Mr. Stephens, that he start from the top and look at the entire system. Councilmember Brooks then stated it would have been nice to have a firm come in and have them do a full overview of the City and have them tell the Council the best way to restructure, but at this point, it's a little late to do that and Council will have to ask the City Manager to do it. Councilmember Brooks then stated again, it would be his suggestion to start at the top, adding he thinks there are some positions that are pretty highly paid and he thinks the Council can do better with those and then they wouldn't have to fire or lay off as many people that way. Vice Mayor Sacco stated he agreed with Councilmember Brooks that they should start at the top and work their way down, adding maybe they could get enough money in doing that to help the Police Department. Vice Mayor Sacco then stated the Police Department is very critical and anyone that makes a promise to them should keep their promises, adding he does understand there are circumstances that come about that prevent keeping promises.

Councilmember Brooks stated he would be interested in hearing what the rest of the Council has to say as far as starting with furloughs, but trying to find a way to restructure government so it is the most efficient for the money and the City can get through this rough time. Vice Mayor Sacco told Councilmember Brooks to say it like it is, adding downsizing government is what Councilmember Brooks means and is what he wants to do and he should let the people know what they want to do. Councilmember Brooks stated that is basically what he is saying and he would be interested in what the rest of the Council has to say. Vice Mayor Sacco stated the short-term fixes the Council has aren't going to do any good with Councilmember Brooks agreeing.

Councilmember Cook stated so many issues have been brought up, and now the Council is discussing the need to restructure, adding the loud-mouthed bully has been demanding that all the people who are not his political allies be fired and that is exactly what the Council is talking about with layoffs, stating again, this person has been demanding it for 2 years. Mayor King asked Councilmember Cook to stop and talk about the budget. Councilmember Cook stated he didn't name anyone and his comments were about the budget. Councilmember Cook continued stating the Council has been listening to this for years, adding one of the best employees in the Planning & Zoning Department has been looking for another job after being called names and having her sanity called into question by this person and his political allies and the Council has to deal with this at budget time, adding this is one of the things all small towns have to deal with. Mayor King

gaveled Councilmember Cook repeatedly with Councilmember Cook continuing to speak. Councilmember Cook then stated when someone gets started they start in a small school district or a small city and they almost always move on because they are looking for something else, adding there are just a few people who stay because they like the area. Councilmember Cook then stated unfortunately, the City does not lose the best and keep those that are not the best, as Councilmember Boyle stated, adding he didn't think the Council could call Sergeant Behr "someone who is not the best." Councilmember Cook then stated he was glad there was such a good turnout tonight, because those present could now see what the Council gets to deal with, adding there are so many issues and so many ways of looking at those issues and those present can see that now. Councilmember Cook then stated there are people who want to exempt the Police Officers from furloughs, and he has heard from people tonight at the Call to the Public who have brought up a list of special interest groups and are bringing up their own political agendas for the Council to jump and address because this is an election year. Councilmember Cook then stated these people are trying to make the Council use tax dollars to buy votes and think they are putting the Council on the hot seat, but instead they are putting the Police Department on the hot seat and they are going to make the rest of the employees pay for it.

Councilmember Brooks then spoke telling Councilmember Cook he should use etiquette and say there are "individuals" when speaking about members of the public and not use names, adding it is distasteful to do so. Councilmember Brooks then stated he could almost guarantee that this individual out there that Councilmember Cook is referring to, gathered information from Council years ago, adding the Council was way ahead of that man, but he just likes to take credit for everything. Councilmember Brooks then stated this man has no knowledge about what really goes on internally and the problems with the City Council. Councilmember Brooks then stated he just wanted Councilmember Cook to know this man's ideas were not his original ideas, adding these are things that Vice Mayor Sacco, himself, Councilmember Crafts and Councilmember Wangsness talked about a year and a half ago, adding they knew back then that cuts had to be made in personnel, but it never transpired. Councilmember Brooks then stated Councilmember Cook had things a little backwards and believes everything that man has to say, which is his choice. Councilmember Brooks then stated he would appreciate Councilmember Cook using the term "individuals," adding he didn't want to get in the low area of name calling.

City Attorney Gary Cohen advised the Council to return to the budget discussion. Councilmember Cook stated the Council doesn't have to eliminate people; they have to balance the budget and reduce spending. Councilmember Brooks asked what Councilmember's Cook suggestion was to do that with Councilmember Cook stating his suggestion was the proposed budget that has been presented to Council and Council all had input on. Councilmember Brooks then stated he was willing to go along with the proposed furloughs and the budget only up till September, adding it is not the way he wants to go. Councilmember Brooks then stated he still thinks the restructuring and downsizing would be the right way to go because it's a serious problem and should have been dealt with years ago, but now all of a sudden, he is hearing promises about all this great stuff happening and he just doesn't know what to say to that. Councilmember Brooks then stated if the City does need more people, there are lots of ways to contract those services in here immediately with professionals who can handle that, but again stated he would go along with the furloughs until September on this, but that is as far as he will go on furloughs. Councilmember Brooks asked Ms. Moreno if the furloughs could be stopped in September, if there was a way to address that issue in the budget with Ms. Moreno stating it could be done.

Councilmember Boyle stated he would also go along with the furloughs for the same time for the same reasons and if things were better by fall, the Council needed to do something without talking about it anymore. Councilmember Boyle then stated, again, this would give the City Manager time to look into areas where this could be done without it being last minute, adding it gives him 3 months to look into it so if things do not pan out, the Council should be able to act immediately.

City Manager William Stephens stated as he said on May 16, during the budget worksession, he presented the scenario where the City for years has been spending more money than it was making, promises were made to pay raises when there was no money to make those promises. Mr. Stephens stated as a result of that, the City is where it is today. Mr. Stephens then stated the proposal presented by Ms. Moreno through him, was an attempt to do several things, but was not to cut services from the taxpayers across the board, although that could still be done. Mr. Stephens then stated he made a comparison with regard to the total number of

personnel who worked for the City since 2005, adding the number of employees has increased by 21.47 personnel, of which 20 came from the golf course and there was an increase in the City transit system. Mr. Stephens then stated there have been no additions in Staff for particular offices relative to growth or anticipated growth other than the golf course and the transit system. Mr. Stephens then stated as a result of this, he looked across the board, adding one option would be to cut the golf course and one option would be to cut the transit system, but he chose not to do that since he was trying to keep services across the board for the entire City and taxpayers. Mr. Stephens then stated the option presented, short of cutting personnel, which would also equate to cutting service, was a cut in budget expenditures, which meant for example, closing the library a little early on Thursday night and 1 day a week. Mr. Stephens then stated to keep personnel and services, the Tentative Budget proposed furloughs, adding Chief Moncada was involved in those discussions and came up with a plan to have Police coverage 24/7 for the entire time period, but in response to the backlash, they came up with additional cost cuts to now reduce the Police Department's furlough days from 20 to 10. Mr. Stephens then stated those furlough days could even be delayed as far as 6 months, because the number is half of what was proposed, adding the Police Department employees could simply take 2 days a month for 5 months instead of 1 day a month for 10 months. Mr. Stephens then stated in the meantime, he has personally met with developers who are about to close on the purchase of Whetstone Ranch, adding it's not a done deal, but they are very hopeful it is going to happen and it appears it is going to, adding he had to sign documents for the title agency for the closing on the property. Mr. Stephens then stated the difference he sees in the talked about development back in 2006 and 2007 and now is that in the past, the property was owned by a conglomerate and there were several builders who came in, now there is a single development company that has come in to buy it lock, stock and barrel and it's the same company who will be developing it, so they have a personal, vested interest in making sure the development goes forth, adding it looks very promising. Mr. Stephens then stated, as he said on May 16, the budget was presented with reductions and furloughs as an alternative to immediate layoffs so that the City could continue to facilitate the possibility of this new growth potential. Mr. Stephens then stated if there isn't any promising activity seen that shows the City is about to move into a development period, where we have revenue for licenses or construction sales tax, etc., then in the September/October timeframe, he would take a hard look at restructuring which would involve layoffs, again stating that is what was proposed on May 16 and 4 Councilmembers agreed to that proposal. Mr. Stephens then stated that same budget is simply what is being presented tonight with a few adjustments and additional costs savings to reduce the furloughs for the Police Department to 10 days instead of 20 days. Mr. Stephens then stated he believes that is the way to move forward, but he wanted to reiterate that he takes direction from the Council and will go in any direction they wish him to go in, adding the Staff is ready to execute that.

Councilmember Cook asked if the final budget approval motion would need to include the removal of the \$3,200 from the City Council budget the Council discussed earlier with Ms. Moreno stating it did not need to be part of the motion as it would not change the overall amount of the budget in the resolution adopting the Tentative Budget.

Councilmember Brooks spoke asked about the transit system stating he knew the Catholic Community Services used to do help with it and asked how shutting down the entire transit system would affect the budget. Ms. Moreno stated if the entire transit system was shut down, there would be no revenues and no expenses associated with it, and the allocation from the General Fund, which is budgeted at \$29,348.00 is what would be saved. Mayor King stated he would highly recommend not shutting it down with Councilmember Brooks agreeing, adding if it saved \$200,000 he would be interested, but \$29,000 isn't much.

Councilmember Brooks then stated he wanted to address impact fees, adding he would like to hear what Public Works Director Brad Hamilton had to say on those, because if this large development comes in, the City has to pay for that somehow. Councilmember Brooks then stated he sort of understands the process now, as far as the new law that's passing in August where the City isn't going to be able to collect any impact fees for any development that comes in to our City and he would like Mr. Hamilton to explain to the public mostly. Mr. Hamilton then addressed Council stating the City won't be able to collect impact fees under the City's current ordinances, adding the State is now regulating impact fees more with requirements cities must meet in order to be able to put impact fees in place. Mr. Hamilton then stated when the new regulations came up, he looked at the costs of the studies and other requirements, adding the costs are estimated to be \$50,000-80,000 and since the City only collected \$650.00 in impact fees this year, the cost couldn't be justified. Mr. Hamilton then

stated as developments come and move forward, he would be having conversations about it being time to spend that money to comply with State law and put impact fees back in place.

Councilmember Brooks stated from what he understood, most of the infrastructure for homes that are supposedly going to explode on the hill is already in place and the City is not going to have to pay anything extra for that, but asked how the City would pay for the infrastructure in other areas of development, adding it will be a serious problem if the City has developers building in an area where there is no existing infrastructure because the City has to supply that and we don't have that money to do so. Mr. Hamilton stated the City does not have to supply the infrastructure, adding the developer builds the infrastructure to the City's specifications and then turns it over to the City for maintenance and to run from that point forward.

Councilmember Boyle then stated the City would be talking about capacity with Mr. Hamilton stating in the wastewater treatment plant, there is a certain capacity and there is a large amount of capacity available, adding the same situation exists with the water system, noting there are some spot things that may need to be done, but overall the capacity is available. Mr. Hamilton then stated he would imagine if this starts to move forward where the City needs to look at that funding, that is a conversation Staff will have with the Council about spending the money to move forward with those studies and putting those processes in place, which include impact fees being accounted for separately, being reported on and requires an advisory board to oversee them, but at this point in time, he couldn't see spending a big amount of money for something the City won't see a return on, again, stating if the development starts up, he will be coming to Council for that discussion. Councilmember Boyle asked how the City was collecting impact fees currently with Mr. Hamilton stating the current impact fees ordinance is in place until the end of August, adding in the past, Council approved an ordinance setting an impact fee amount for each dwelling unit to address police and fire services, etc. but now the State is saying cities have to justify those amounts, where the impact fees are going and that they are limited to capital improvements, such as police stations, fire stations, water and wastewater infrastructure.

Vice Mayor Sacco asked City Attorney Gary Cohen what the legal implication was if the Council chose to waive impact fees. Mr. Cohen stated it would depend on what Vice Mayor Sacco was proposing, adding he would consider the City's exposure when the Council would pick and choose to waive fees for certain people vs. others, again, stating he would need more specifics. Mr. Cohen then stated if Vice Mayor Sacco was asking him to come up with an opinion as a way to go about discerning when to waive impact fees and when not to, he could do that. Vice Mayor Sacco then asked if there was a way to waive them without actually saying the Council was going to waive the impact fees with Mr. Cohen stating he would have to look into that. Vice Mayor Sacco stated he would appreciate Mr. Cohen investigating the matter and letting the Council know.

Councilmember Brooks then spoke about losing Police Officers and what the City would do if more left with Chief Moncada stating he would look at hiring and would have to make adjustments with remaining Staff, adding it is hard to answer without specifics. Chief Moncada then stated it would depend on the specifics, but noted the Police Department wouldn't be able to implement furloughs. Councilmember Brooks asked if there would be a lot of overtime for the remaining officers with Chief Moncada stating he couldn't say. Councilmember Brooks then stated it was his understanding that if the Council adopt the Tentative Budget tonight, it set the limits on budget figures with Ms. Moreno stating that was correct, adding the Council could still make changes between now and the adoption of the Final Budget on June 23, but they could not raise the overall budget over what is adopted tonight. Ms. Moreno then stated she would also like to take this opportunity to note that there is a public hearing for public involvement and input on June 19 before Council adopts the Final Budget on the June 23.

Councilmember Boyle then asked how much the budget had been cut each year since 2008, when the downturn started showing up with Ms. Moreno stating Council hasn't cut the budget each year, adding she believes last year, it was raised, but she would need to go back to confirm that. Councilmember Boyle stated it was not needed, and just pointed out that the budget should have been cut each year.

Councilmember Moncada moved to approve Resolution 13-2014. Seconded by Councilmember Boyle. Motion passed 4-2 with Mayor King and Vice Mayor Sacco voting nay.

2. **License Agreement between the Friends of the Benson Library and the City of Benson for the use of Property located at 197 E. 7th Street, Benson, Arizona**

City Manager William Stephens stated this item is regarding the Friends of the Library and renewing their lease for use of the facility near the library. Mr. Stephens then stated benefits the Friends of the Library provide back to the City include funding for new computers, furniture, and as Council recalls, the purchase and donation of the lot next to the library to use as expansion of the library itself or as a parking lot. Councilmember Moncada stated he had been watching what they have done to the building, adding they have painted and added flower pots, in addition to everything else they have given to the library. Councilmember Moncada then thanked them for the improvements they have made, adding they did it completely out of their own pockets and did a great job. Councilmember Moncada then stated the Friends of the Library also help the library with programs for kids and assist with the summer reading program, again thanking them for everything they do. Mayor King agreed, stating the Friends of the Library do an amazing job.

Councilmember Moncada moved to approve the license agreement between the Friends of the Benson Library and the City of Benson for the use of the property located at 197 E. 7th Street. Seconded by Vice Mayor Sacco. Motion passed 6-0.

**ADJOURNMENT:**

Councilmember Brooks moved to adjourn at 8:19 p.m. Seconded by Councilmember Moncada. Motion passed 6-0.

ATTEST:

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Toney D. King, Sr., Mayor

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Vicki L. Vivian, CMC, City Clerk