

**THE WORKSESSION  
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA  
HELD MAY 19, 2010 AT 7:00 P.M.  
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA**

**CALL TO ORDER:**

Mayor Fenn called the meeting to order at 7:00 p.m. with the pledge of allegiance.

**ROLL CALL:**

Present were: Mayor Mark M. Fenn, Vice Mayor Toney King, Sr., Councilmembers David Lambert, John Lodzinski and Councilmember Lori McGoffin. Absent was Councilmember Al Sacco.

**NEW BUSINESS:**

**1. Budget Worksession for the City of Benson, Fiscal Year 2010-2011; all revenues and expenditures of the City may be discussed**

Finance Director Jim Cox addressed Council stating this meeting would be focusing on the General Fund expenditures, adding that overall the General Fund was much easier to balance this year, stating it was due to the addition of the .5% sales tax to the General Fund revenues and to some expenditures being moved out of the General Fund.

Mr. Cox started with the City Council budget, noting most expenses were the same but that the proposed budget reduced travel expenses slightly and reduced the Employee Council from \$6,000 to \$2,000. Vice Mayor King stated he was willing to give back 50% of his salary to the General Fund. Councilmember Boncquet stated she would do the same. City Clerk Vicki Vivian addressed Council regarding the League of Arizona Cities and Towns Conference Booth stating several cities combined their booths and some cities opted out of having a booth. After discussing the expenses of the items for the booth, Council reduced the amount of funding for it to \$2,000.00.

City Manager Glenn Nichols then addressed Council regarding the Administration budget stating all expenditures have been reduced and the proposed budget does not include filling the vacancy of the custodian, adding that after discussions with the department heads, each department is taking care of their custodial duties in their offices. Mr. Nichols then stated Mr. Darrell Foster is still handling some specific items that come up with facilities and we are paying one employee in the Police Department to clean the cells. Mr. Nichols added City Administration encompasses Human Resources and Economic Development, including the Economic Development Subcommittee. Mr. Nichols then stated Cochise County will be starting a county-wide economic development group the City will be working with and that the City will not be renewing our TREO membership, citing that TREO has referred leads, but we have been unable to act on them since there aren't the vacant facilities available that meet these requests. Mr. Nichols stated he is working on IGAs, per the Strategic Plan, to offer and obtain assistance from other entities.

Mr. Cox then spoke about the Community Enrichment budget stating the Chamber of Commerce expenditure of \$35,000 supports the Bluegrass Festival, Butterfield Overland Stage Days and Christmas on Main Street, adding that the City pays the expenses for these events directly to ensure they are related to those events. Discussion then included Mr. Nichols saying in tightening the City's belt, we looked to tighten the aid to other entities, such as the Arts Commission, who became a 501c3, enabling them to solicit donations, which are now tax deductible. Mr. Nichols added the City still provides a setting to display art with the hanging system in the Council chambers. Councilmember Lodzinski asked about economic development, with Mr. Nichols stating two years ago, the City gave \$5,000 to a county economic development group, but in the last fiscal year, they did not ask for any support. Mr. Nichols stated this was the group he referred to earlier and will be funded with \$25,000 from the County and \$2,500 from other

communities, adding the economic development budget is set at \$4,200 and miscellaneous contributions remain at \$8,000 for Council's decision, such as the Rangers, SEADEG, SEABHS Back to School Days, and the Benson Butterfield Rodeo. Councilmember Lambert asked where the expense for the Food Pantry will be with Mr. Cox stating it is currently in miscellaneous, but will be a separate line item in the final budget.

Mr. Cox then went over the budget for the Community Center stating the Catholic Community Services (CCS) Transportation costs are no longer in this section, adding that we now have a Transit Fund. Discussion then centered on the Senior Meals on Wheels program with City Manager Glenn Nichols stating this expense is in addition to the space at the community center and the utilities. Mr. Nichols stated the utilities have gone up approximately \$500.00 per month with the installation of larger walk-in freezers and refrigerators and that he would be meeting with CCS to discuss our contract, adding it would be his recommendation to not subsidize the Meals on Wheels program since the utilities have increased by the amount the City normally contributes to the program. Discussion was then had regarding the possibility of cutting costs with energy efficient appliances with Mr. Cox stating these appliances are very expensive and the City doesn't have the funds to assist with their purchase. Councilmember Lodzinski stated the City had received an energy efficient grant, but used it for the air conditioner at the fire/police station and for some well work. Mr. Nichols stated he would take \$5,000 out of the Meals on Wheels program and put it against the utilities to take care of the cost for now. Mr. Cox stated the sprinklers at the community center required an inspection every 5 years, which was included in the proposed budget.

Mr. Cox then addressed Council with the proposed Finance Department budget stating the biggest change was that they were allowed, in accordance to the terms of the transit grants, to move approximately \$50,000 in personnel expenses out of the General Fund and into the Transit Fund, which is supported by grants. Mayor Fenn asked if the renewal of these grants were going to be a struggle each year, with Mr. Cox stating the transit funding is allowed on an annual basis, but he is told that once a City receives an FTA grant, it's uncommon to not have it renewed, since those grants are specifically designed to help transportation in rural areas. Mr. Cox then stated it not a question of if the grants will be renewed, but is more a question of how much capital we'll get in the grants. Mr. Cox stated the current grant applications request 3 new buses, 10 sheltered bus stops and computer equipment that will last several years into the future. Discussion was then had regarding the advertising availability on the bus stops with Mr. Cox stating staff will be looking at advertising with the possibilities of third party handling or City handling. Councilmember McGoffin then asked about the capital outlay of \$5,750 with Mr. Cox stating this was the final payment for the new Clarity software system and after the final modules were installed, the City should be billed in the coming fiscal year. Mr. Cox then stated there was a large reduction in network supplies after there was a lot of time and effort this past year to upgrade our systems. Mr. Cox stated staff brought in an outside consultant to do an assessment of our entire network and their recommendations agreed with our IT person and the upgrade was completed, so we did not anticipate much expense in the coming fiscal year.

Mr. Cox then addressed the Tourism budget stating the costs for personnel was reduced since they don't have plans to replace the part-time clerk, adding they are working toward having more volunteers in the wintertime. Mr. Cox then stated the advertising expense was at bare bones and if a new opportunity comes up in the year, he may come back to Council, but that our advertising is very well laid out as it is. Vice Mayor King asked about uniforms with Mr. Cox stating this is an area that is required to wear City logo attire, but that uniform expenses have been reduced or eliminated in other departments. Mr. Cox then stated the proposed budget also includes the annual contribution to the Cochise County Tourism Council.

Council then asked to review the City Clerk's budget. City Clerk Vicki Vivian addressed Council stating the personnel expenditures were same, but that any expense that could be reduced was examined, noting the total cost of contracts and services was reduced by \$500.00, even though there was an increase in dues to pay for a notary bond that is due every 3 years. Ms. Vivian stated the expenses cut were supplies, color copies, computer and operating supplies, stating with fairly new computers and printers, they are hoping there will be no unusual expenses in these categories. Ms. Vivian then stated education and training expense includes the Arizona Municipal Clerk's Association Institute and Academy, which is required to

achieve and maintain the required Certified Municipal Clerk designation. Mr. Cox then stated he would like to reinforce that the Clerk's office has worked to cut expenses by adding that our copying costs in the Administration office are approximately 40% of what they were 2 years ago. Mayor Fenn asked about the election expense noting there was an election next spring with Ms. Vivian adding the expense is budgeted to include the possibility of holding 4 elections throughout the year.

Chief of Police Paul Moncada then addressed Council regarding the Police Department budget stating it is reduced dramatically from the previous year. Chief Moncada stated the overtime has been split to reflect Stone Garden overtime and regular overtime, which will allow the department better monitoring capabilities, adding they do their best to keep the City's overtime to minimum, but there are instances when it can't be avoided. Chief Moncada then said they have 1 officer in the academy, who will graduate at the end of this month, and he doesn't anticipate hiring any others unless a vacancy arises. Chief Moncada then stated we have an officer at the school, whose salary is in the budget, and is offset in income by the reimbursement from the school, however, we won't know if the reimbursement will continue until the last week in June. Chief Moncada then stated there is a meeting on June 19, and the school should have a decision at that point, adding approximately 70% of the funding for this type of program was swept by the legislature. Vice Mayor King expressed concern about taking the officer out of the school. Chief Moncada stated in discussing the situation, they have looked at the officer continuing his involvement and presence in the school on a limited basis, maybe 1 or 2 days a week for a couple of hours to continue the DARE program and to keep some sort of presence at the school, but that he doesn't know how we could do any more than that. Chief Moncada then said the officer currently goes to some other schools, such as the charter schools and St. David, but if the funding goes away, the officer will need to be limited to Benson only. Councilmember Lambert asked if the officer continued the DARE program in Benson, could other schools, such as St. David bring their students to Benson with Chief Moncada stating that would have to be worked out between the schools.

Vice Mayor King asked Chief Moncada to let the Council know if the funding for the School Resource Officer is gone, stating he is very concerned about not having an officer present on the campus, that he thinks the schools have improved from the officer's presence and we are able to have an officer there for situations that arise. Vice Mayor King stated he realizes it's the school's responsibility, but feels it helps the City to maintain that presence. Chief Moncada stated he will keep the Council informed and can let them know how much time the officer can be allowed to go to the school, adding we have been very fortunate, to have had a School Resource Officer and at times it has been more successful than others, but right now, it's probably the most successful he's seen in his career. Chief Moncada then said Officer Douglas has done an excellent job, that he is very involved with the community in other avenues as a result of his involvement at the school and that he is an asset to not only the department, but the City and the School and is all the way around an asset to the community.

Mayor Fenn then questioned losing the reimbursement from the school asking if that necessarily meant we had to move the officer back to patrol duty, adding the City hasn't missed him on the force, so to speak, so why couldn't he continue as a regular paid officer with his focus on the school since time wise, it would be the same as we're doing now. Mayor Fenn then stated if we were to keep the officer and place him back in the patrol unit, we wouldn't have any reimbursement for his salary, stating it's not so much a budget issue since we will pay his salary whether he's on the streets or at the school.

Councilmember McGoffin stated the way she looks at it is that right now the school is paying for the officer to be at the school, but if they don't pay for that, then the citizens are paying him to be a cop out on the streets. Mayor Fenn stated the good that the officer is doing at the school benefits the City, whether it's an immediate benefit or a few years down the road, it still benefits the City and citizens benefit from the presence of an officer at the school. Chief Moncada stated the only place where it affects the City is the budget, so it would be a policy decision.

Vice Mayor King stated if we lose the reimbursement from the school, he would be willing to have the officer there half the time to maintain a presence, adding it makes for a safer environment and the officer has done much more than ever in the past. Chief Moncada stated if the reimbursement ceases, to have the

officer assigned to the school for any time would be an administrative decision. Mayor Fenn then stated if the reimbursement funding is lost, unless the Police Department decreases the number of officers, the budget would pay for that officer regardless of his placement into patrol or maintaining him at the school.

Chief Moncada then reviewed the balance of the budget stating they kept most of the line items the same, but increased education and training by \$2,500, which is needed. Councilmember McGoffin asked about vehicles with Chief Moncada stating the proposed budget includes the purchase of 1 vehicle in the Capital Projects and he found out today that the Governor's office opened up a grant, which will be presented to Council at the next Council meeting. Chief Moncada stated the grant frees up money out of the stimulus act and one area they are looking at funding is vehicles, so the Police Department will be applying for 3 vehicles through this grant program. Chief Moncada then stated if we are successful with the grant application, it should allow the City to defer some of the costs we have coming up for vehicles.

Fire Chief Keith Spangler addressed Council regarding the Fire Department budget stating there was an increase in personnel to allow for a dispatcher to be allocated to the Fire Department. Chief Spangler then went over the contracts and fees stating the Fire Marshal fees is a new line item, adding that Brown & Associates is assisting with our fire marshal position to help the department get online with the fire and occupancy inspections that are to take place per the fire code. Chief Spangler stated the fire code requires every business within the City limits to have an occupancy inspection. Chief Spangler stated he is now certified as an inspector through the State Fire Marshal's office and he has another firefighter taking the same class to work on having inspectors on board and will keep Brown & Associates on as a Field Training Officer to begin with and then as a resource as they continue through the process. Chief Spangler stated they are starting with restaurants and hotels where there are a lot of issues and violations and anything with a hood system, which needs to be inspected once a year and that when a new business license is issued, an inspection is done to make sure the building is secure and safe per the code. Chief Spangler then stated the firefighter healthcare expense was to start a program with annual physicals for current firefighters and incoming physicals for new firefighters with a doctor that specializes in firefighter physicals, but that since we were reducing expenses, it will be utilized only for vaccinations and injuries. Chief Spangler then stated the education and training expense is increasing, but that the only way to get this training is through college courses, adding that the EMT and Firefighter I and II classes cost \$1,000.00 and \$1,500.00 respectively. Chief Spangler then addressed the station repairs and maintenance stating 3 bay door motors were replaced last year, and in reducing the budget, they will not replace the other 3 unless something happens. Community service was able to be reduced since they ordered extra supplies in the current fiscal year and noted their EMS supplies they use on scene are replaced by the ambulance service. Councilmember Lodzinski asked about the number of firefighters with Chief Spangler stating they are slotted for 35, but are down to 25 right now, adding people have been moving due to the lack of jobs and the economy.

Vice Mayor King asked how many years the City had left to pay on the fire truck with Mr. Cox stating it was approximately 4 years. Chief Spangler then stated he had put in a grant for a brush truck that was discussed at an earlier worksession and if the grant were awarded, would require a match of \$15,000 that would come from the truck fund. Mr. Cox stated the City does have a restricted truck savings account that is almost equal to the balance owed on the truck and that from an economic standpoint, it would be beneficial to pay the truck off, but that the benefit of not paying it off was that if there was a catastrophic expense on another apparatus, that funding would be available to use, adding the age of the fleet warrants keeping the cash on hand for emergencies.

City Manager Glenn Nichols addressed Council regarding the proposed City Attorney budget, which includes the City Prosecutor's office and the City Attorney contract, stating the budget is the same as last year with a reduction in office supplies.

City Magistrate Joe Knoblock then went over the Magistrate budget stating the proposed budget leaves the personnel costs the same, but does include the new cost of the IGA with the County. Judge Knoblock stated the County came up with a standard contract, but one of the differences is our magistrate and JP is the only one that has a contract County attorney. Judge Knoblock then stated about 2 years ago, they

instituted a security fee and have been documenting incidents in the court involving security, adding in the last fiscal year, they have taken away 1 gun and 39 knives, so with the security fee, they are now hiring two new security officers working on full-time security at the court as well as a walk-through metal detector so starting July 1, they should have court security 5 days a week. Mayor Fenn asked about the fee for the IGA with the County with Mr. Cox stating we don't have any audit capabilities to audit the numbers the County gives us. Judge Knoblock stated the IGA costs include the use of the County facility and record storage and that part of the increase is due to the jail costs, adding a report can be run through the sheriff's office showing what jail fees belong to which entity and that for the first day, the jail cost is \$180.00 and then \$59.00 every day thereafter. Judge Knoblock then stated criminal cases were down from over 700 two years ago to 500 last year and estimates their repeat offenders have come down about 70%, stating he used to see, on average, 5 repeat offenders a day and last week he saw 4 for the entire week. Judge Knoblock stated the Benson Police Department, Sheriff's office and DPS have been doing a good job and he is trying to make people accountable, which he feels really makes a difference in the community.

Library Director Peggy Scott then addressed Council concerning the proposed Library budget stating there were no major changes, with the reductions credited to being conservative. Ms. Scott stated some areas that have been reduced are utilities, due to a change to a T1 line through Cox at a lower cost, the purchase of books due to limited City revenues, and computer supplies since purchases in the current fiscal year included 3 new computers, a router, switch and a hub, adding they schedule 3 new computer purchases each year to keep them up-to-date and working well and that 3 new computers should be their only computer supply expense in the upcoming fiscal year. Ms. Scott stated repairs and maintenance have been budgeted at a minimal amount, but that the library is approximately the same age as the Police and Fire building and they are hoping nothing will need to be repaired on the roof. Ms. Scott then stated there are no budgeted funds for grants, but they are completing the recently awarded grant to remodel front area and she is looking at a grant that requires no match from the City.

Public Works Director Brad Hamilton addressed Council regarding the proposed Parks & Recreation budget stating the Parks Department will be keeping the status quo and will not be filling 1 parks maintenance worker position, adding that they have gotten by without it by having other public works departments help out. Vice Mayor King asked about the lights and collecting fees for their use with Councilmember McGoffin stating Vice Mayor King and she were to be looking into it and now that he was working locally, they should be able to meet. Vice Mayor King stated it's time to have recreation groups pay for the lights they use, adding it's done in other communities and would help ensure the lights are not left on when they are not in use. Mr. Hamilton stated the Parks Department did one light upgrade on the softball field to have a relay with a light sensor installed so that it's not on before it gets dark, which helped with that cost, but to do the rest of the lights is a large capital cost.

Mayor Fenn then asked about the summer recreation programs and why there were budget changes with City Manager Glenn Nichols stating some of the instructors for these programs, which are held at the community center, are by contract and as the programs grew, the expense was expected to increase. Mr. Nichols then stated that the projected amount might not happen, however, since they put a requirement into the program that each activity must have 5 people signed up at least 7 days prior to the activity. Mr. Nichols stated this will hopefully give us a better feel for expenses, because not only are the instructors or employees for each activity an expense, but the supplies for the activity is also an expense. Mr. Nichols then stated many activities are fairly inexpensive, but last year, we would have only 1 to 3 people, and had purchased supplies for many more. Mr. Nichols then stated the proposed budget includes movies in the park, the dive-in movies, and the summer activities that are part of the summer program. Vice Mayor King stated the movies in the park is a big draw, that he likes the dive-in movies, and that there are a few activities that aren't as popular and he likes the fact that the City will try to get a commitment from participants to ensure more than 1 or 2 people participate. Mr. Nichols then stated the City is actually saving money in the Recreation Department, since the position of the Center Coordinator is vacant and this summer, the lifeguards will rotate the duties of the pool manager. Mr. Nichols then added that after the Center Coordinator left, the recreation/tourism assistant has stepped in and is doing a good job handling these programs.

Mr. Hamilton then stated the utility costs have been going down and that the parks employees are trying to turn everything off when it's not being used, adding that if they see the lights on from their own home, they will go turn them off. Mr. Hamilton stated in the area of repairs and maintenance, they have done a good job of not spending it if they don't have to, citing the fiscal year 2008-2009 cost of over \$20,000 compared to approximately \$10,700 this current fiscal year.

Mr. Hamilton then addressed the Building Department budget stating he would like to point out that as of May 1 of this budget year, we had 38 single family homes and 3 commercial buildings, which was more than we were expecting. Mr. Hamilton then noted the difference in the projected personnel costs for the current year and the budgeted personnel costs for the coming fiscal year increased since we were moving forward to hire a building official. Mr. Hamilton then stated the professional services expense was high in the current fiscal year due to not having a building official and losing a building inspector, requiring us to utilize professional services.

Mr. Hamilton then reviewed the Planning & Zoning budget stating in the current year, expenses were coming in under budget due to vacant positions and not expending funds if we didn't have to. Mr. Hamilton then said we also saw a lot of activity decreasing, adding that now a lot of Planning & Zoning activity is on enforcement, site inspections, and such. Mr. Hamilton then stated we hopefully will have more activity in the next year and depending on development, may hire a Planning & Zoning Director.

Mr. Hamilton then moved to the Public Works budget, stating they are also coming in under budget which was primarily due to less activity, and that the engineering aide has been spending time on grants, other projects, cemetery records and things that normally we couldn't complete due to a lack of time or resources. Mr. Hamilton stated the professional services dropped, again citing a lack of activity and a decrease in the number of plans, but that we'll see what happens in the coming fiscal year, adding those expenses are billed back out to the developer.

Mr. Hamilton then reviewed the proposed budget for the shop, stating this department basically supports public works and other activities, then noted the budget is the same and that all expenses that could be reduced were.

Finance Director Jim Cox then stated there was one other area he would like to review, which was the Miscellaneous Fund, stating the total contingency including the emergency reserve set aside is \$1.9 million and is a contingency he feels comfortable with. Mr. Cox then asked Council to please note that bond payments will be made out of the General Fund into the Debt Service Fund, allowing the escrow of funds to make the following year's bond payment, enabling the City to build a reserve in a specifically set aside savings account equal to the next year's payment, keeping the City a year ahead. Mr. Cox then stated he feels the funds should be kept separate and it would be Council's pleasure to restrict the account adding that the funds are not legally restricted, but for internal purposes, he already considers them restricted.

Mr. Cox then stated the enterprise funds and miscellaneous funds are left, and shouldn't take much time since they were basically the same as last year and then asked Council if they had received the bed tax rate comparisons. Council answered they had and Mayor Fenn stated the next budget worksession would be on May 24th at 6:00 p.m. prior to the regular Council meeting.

### **ADJOURNMENT:**

Councilmember McGoffin moved to adjourn at 8:42 p.m. Seconded by Vice Mayor King. Motion passed 6-0.

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Mark M. Fenn, Mayor

ATTEST:

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Vicki L. Vivian, CMC, City Clerk