

**WORKSESSION
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD MAY 11, 2020 AT 5:30 P.M.
AT THE BENSON COMMUNITY CENTER, 705 W. UNION STREET, BENSON, ARIZONA**

CALL TO ORDER:

Mayor King called the meeting to order at 5:40 p.m. with the Pledge of Allegiance.

ROLL CALL:

Present were: Mayor Toney D. King, Sr., Councilmembers: Pat Boyle, Larry Dempster, Lupe Diaz, Nick Maldonado, and Chris Tapia. Absent was: Vice Mayor Barbara Nunn, who was excused by the Mayor.

NEW BUSINESS:

1. **Budget Worksession for the City of Benson, Fiscal Year 2020-2021; all revenues and expenditures of the City may be discussed**

Finance Director Seth Judd stated he would be presenting an overview of the Budget, the Impact of COVID-19 on the economy, Revenues by Fund, Departmental Budgets, Capital Budgets, Capital Improvements Program, and the next steps in the budget process. Mr. Judd briefly spoke about the General Fund, noting that it can be used for any municipal purpose, Special Revenue Funds, which are revenues collected for a specific purpose and are restricted in their use, and Enterprise Funds, noting they are like businesses and need to be “self-supporting.”

Mr. Judd introduced Ms. Pat Walker, the City’s Financial Consultant, who stated this is the most difficult budget they had to prepare in a long time, adding there were two budgets created: a ceiling revenue budget in case the economy comes back sooner rather than later, and a COVID-19 flexible reserve budget in case expenses need to be cut back or financed using fund balances. Ms. Walker then stated each department will have its own COVID-19 budget and it will be reviewed in December by the City Manager to see if the funds can then be moved over to the line items. Ms. Walker then spoke about the General Fund Revenues, noting the revenues are coming from retail tax, construction tax, utilities, restaurant and bar tax, and the Bed Tax, adding the Fiscal Year 2020 estimates weathered the COVID-19 storm because of the grocery tax and use tax.

Mr. Judd then spoke about General Fund expenditures, noting the major adjustments, which were: a 10% increase in health insurance, No COLA (Cost of Living Adjustment) being included in the budget, salary compression adjustments across all departments, an increase of PSPRS (Public Safety Personnel Retirement System) contribution from 36.26% to 40% for Police, and that all departments have a COVID-19 contingency, as Ms. Walker noted. Mr. Judd then stated there is also a reserve set aside of \$50,000 that can be moved to line items at the City Managers discretion and that \$885,626 can be moved by resolution from the City Council. Mr. Judd stated many grants are budgeted in the budget in case the City receives grants, noting the grant could not be spent if it was not included in the budget.

Mr. Judd then stated the next steps are to present and adopt the Tentative Budget along with the CIPs (Capital Improvement Projects), a public hearing for the property tax rate, the adoption of the Final Budget with CIPs, and last, the adoption of the property tax levy.

ADJOURNMENT:

Councilmember Boyle moved to adjourn at 6:56 p.m. Seconded by Councilmember Maldonado. Motion passed 6-0.

Toney D. King, Sr., Mayor

ATTEST:

Vicki L. Vivian, CMC, City Clerk