

**THE SPECIAL MEETING
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD JULY 26, 2018 AT 6:00 P.M.
AT BENSON UNIFIED SCHOOL DISTRICT BOARDROOM,
360 S. PATAGONIA STREET, BENSON, ARIZONA**

CALL TO ORDER:

Mayor King called the meeting to order at 6:02 p.m. with the Pledge of Allegiance.

ROLL CALL:

Present were: Mayor Toney D. King, Sr., Vice Mayor Joe Konrad, Councilmembers Pat Boyle, Larry Dempster, Lupe Diaz, and David Lambert. Absent was: Councilmember Levi Garner

PUBLIC HEARING: The Mayor and Council will receive comments and questions from the public regarding the proposed City of Benson Fiscal Year 2018-2019 Tax Levy and Truth in Taxation.

Mayor King opened the public hearing regarding the Tax Levy and Truth in Taxation at 6:04 p.m. Mayor King stated no one had signed up to speak; then asked if anyone present wished to speak. After no responses were received, Mayor King closed the public hearing at 6:04 p.m.

PUBLIC HEARING: The Mayor and Council will receive comments and questions from the public regarding the City of Benson Fiscal Year 2018-2019 Tentative Budget and the Capital Improvement Plan for 2018-2022.

Mayor King opened the public hearing on the Tentative Budget and Capital Improvement Plan at 6:04 p.m.

Jeff Cook, Huachuca Street, Benson, stated he wanted to discuss the condemned building at City Hall, then stated he didn't see any provisions to pay for the replacement of the condemned building, there was nothing on the building replacement on the agenda and that maybe Council or Staff would know if there was a provision for the replacement of the building. Mr. Cook stated he knew that it should be in the budget rather and if the City were to sell bonds there would be another problem, adding before being appointed to the Council and during the previous Council election cycle, Lupe Diaz was running around getting all the then-candidates to commit to eliminating the half cent sales tax that pays for the bonds. Mr. Cook then stated at that time, the half-cent sales tax would bring in one million dollars. Mr. Cook then stated Mr. Diaz was also getting commitments from the then-candidates to put in a quiet zone in Benson, which costs approximately a half million dollars. Mr. Cook then stated he had brought these issues up, adding the half cent sales tax could have been used to pay for the quiet zone. Mr. Cook then stated now, the Council will need to look forward to paying for a replacement for the condemned building, adding he is not sure if the funding is in the budget or not, but it would certainly be nice for the rest of citizens to hear the discussion of this budget and any provisions or a plan for the replacement building.

Mayor King asked if there was anyone else who would like to speak and after receiving no responses, Mayor King closed the public hearing at 6:10 p.m.

NEW BUSINESS:

1. **Discussion and possible action regarding Resolution 22-2018 of the Mayor and Council of the City of Benson, Arizona, approving a Final Budget for Fiscal Year 2018-2019**

Interim City Manager Vicki Vivian stated Council adopted the Tentative Budget for Fiscal Year 2018-2019 at a Regular Meeting on July 9, 2018, adding all required notices have been published and a Public Hearing regarding the Budget was just held. Ms. Vivian then stated therefore, the Council is legally able to consider the adoption of the proposed Final Budget for Fiscal Year 2018-2019. Ms. Vivian stated she spoke with Ms. Pat Walker, the City's financial consultant this afternoon and Ms. Walker is available by phone should Council have any

questions. Ms. Vivian then stated it was her pleasure to present the Final Budget for Fiscal Year 2018-2019 for the City of Benson, adding the budget of \$20,401,196 was approximately a 2% decrease from the prior year Fiscal Year 2017-2018 budget of \$20,832,836, noting the decrease was primarily a result of a more realistic expenditure reduction based on historic trend. Ms. Vivian then stated even with the reduction in the overall budget Fiscal Year 2019 includes a 2.1% Cost of Living Adjustment for employees, a .01% increase in insurance premiums, minimum wage and salary compression adjustments, an increase in state retirement contributions from 11.5% to 11.8% and a slight increase in public safety retirement contributions. Ms. Vivian then stated the budget also reflected a decrease of the property tax rate of 83.93 cents per hundred dollars of assessed value to 82.88 cents per hundred dollars of assessed value, noting the proposed assessed value for the upcoming year will be \$323,278 and is reflected in the final proposed budget. Ms. Vivian then stated the auditor general forms have been published two consecutive weeks in the newspaper and posted on the City's website as required by state statute. Ms. Vivian then stated she would like to take the opportunity to thank the Mayor and Council for their guidance and support through the development of the proposed budget, adding with the City Council's guidance and City staff's collaborative effort, we were able to bring forward a balanced budget for the upcoming Fiscal Year. Ms. Vivian then stated she would also like to thank all City employees for the tremendous job they do every day for the City of Benson. Ms. Vivian then stated Ms. Walker was available by phone should Council have any questions and now that the public hearing has been held, the Council is asked to approve the budget via a resolution, adding the property tax levy will be brought before Council at the August 13, 2018 Regular Meeting.

Councilmember Lambert stated he wanted to address Mr. Cook's question about the City Hall replacement building, adding the Council has addressed it but it is in the Fiscal Year 2019-2020 budget, noting the amount budgeted is \$2.5 million dollars as a CIP (Capital Improvement Project). Councilmember Lambert then noted neither the Council nor the City have discussed how to fund the replacement at this time, but discussions have been held regarding the design and replacement of the building, adding CIP PW 17-2 on page 123 of the budget addresses the issue.

Councilmember Lambert moved to approve Resolution 22-2018. Seconded by Mayor King. Motion passed 6-0.

ADJOURNMENT:

Councilmember Boyle moved to adjourn at 7:30 p.m. Seconded by Councilmember Diaz. Motion passed 6-0.

Toney D. King, Sr., Mayor

ATTEST:

Vicki L. Vivian, CMC, City Clerk