

TAB 1

THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ HELD ON THIS 6TH DAY OF MARCH, 2014

CALL TO ORDER - Mayor Bob Irvin called the meeting to order at 6:30 p.m.

ROLL CALL - Jeff Stoddard with Development Services called the roll.

PRESENT

- Mayor Robert A. Irvin
- Vice Mayor Bill Holloway
- Councilman Elwood A. Johnson
- Councilman Gerald W. Lindsey
- Councilwoman Monika Cronberg
- Councilman Earl Goolsby
- Councilman William "Bill" Nigh

STAFF

- City Manager Ted Soltis
- ~~City Clerk Virginia Mefford~~
- City Attorney Ann P. Roberts
- ~~Finance Director Ruth Graham~~
- Interim Police Chief Glenn Childers
- Public Services & Works Director John Bowen
- Library Director Tom Miner
- Development Services Jeff Stoddard

PLEDGE OF ALLEGIANCE TO THE FLAG - Led by Mayor Irvin

CALL TO THE PUBLIC

Rob Jones made a number of positive comments. He congratulated the chief on his promotion and he thanked the City Manager and the Chamber Director for the work they are doing.

Ladonna Burgess, representing WASA (Willcox Against Substance Abuse), thanked Council for their support. She also mentioned that they are conducting a fundraiser.

DECLARATION ON CONFLICT OF INTEREST - None

ADOPTION OF THE AGENDA

MOTION: Councilmember Johnson made a motion to adopt the agenda.
SECONDED: Councilmember Cronberg
MOTION CARRIED

APPROVAL OF MINUTES OF THE REGULAR MEETING OF FEBRUARY 20, 2014.

MOTION: Councilmember Cronberg made a motion to approve the minutes.
SECONDED: Councilmember Johnson
MOTION CARRIED

FEE WAIVER REQUEST FROM WILLCOX JUNIOR RODEO COMMITTEE FOR USE OF QUAIL PARK RODEO GROUNDS FOR THE ARIZONA JUNIOR HIGH AND HIGH SCHOOL RODEO TO BE HELD APRIL 18, 2014 THROUGH APRIL 20, 2014

MOTION: Councilmember Johnson made a motion to approve the fee waiver request from the Willcox Junior Rodeo Committee.
SECONDED: Councilmember Cronberg
MOTION CARRIED

WESTERN BANK INTRODUCTION

Eddy Browning introduced the bank, provided a brief history, and supplied some details on its community involvement.

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 6TH DAY OF MARCH, 2014**

CITY MANAGER REPORTS

- He announced that Mrs. Heidi Nuzzo had resigned from the PLAC (Public Library Advisory Committee). He thanked her for her assistance to the library. This leaves an opening on PLAC. The person does not have to live in the City; the committee meets once every two months.
- He attended the Ribbon Cutting ceremony at Verizon. He welcomed them to our community and wishes them the best of success.
- He attended his first Marty Robbins event. He had a great time. He noted the City is fortunate to have the Marty Robbins Museum in Willcox. He thanked everyone who made this event possible.
- He attended a Wastewater Treatment Plant (WWTP) meeting with the City's financiers. When the plans are 90% complete, they will put together a financial package. As part of the package, the City's wastewater rate structure will be evaluated.
- He announced that the City's Public Works Director, John Bowen, is retiring. He thanked John for his years of service with the City. He has enjoyed working with John and wished him the best of luck in his retirement.
- The Police Chief gave an update on the department. He will be hiring a new police officer as the department is currently short two officers.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS

Councilman Nigh announced that a reward will be paid for the return of his dog.

Councilman Johnson noted that the Marty Robbins event was a success.

Councilman Lindsey regretted not being able to drive in the Marty Robbins parade due to the need to repair his car.

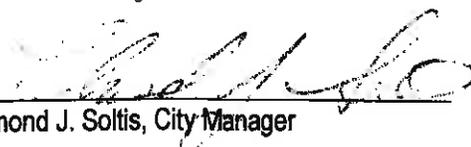
Councilman Holloway noted a previous night's Highway Patrol activity at ALCO.

ADJOURN Being no further business before the Mayor and Council, the meeting was adjourned at 7:03 pm by Mayor Irvin.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of the City of Willcox held on the 6TH day of March 2014. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 6th day of March 2014



Tedmond J. Soltis, City Manager

PASSED, APPROVED AND ADOPTED this 20th day of March 2014.

MAYOR ROBERT A IRVIN

ATTEST:

Date signed: _____

City Clerk Virginia A. Mefford

**CITY OF WILLCOX
REQUEST FOR COUNCIL ACTION**

Agenda Item: 9
Tab Number: 2
Date: 03/20/2014

Date Submitted:
03/10/2014

Date Requested:
03/20/2014

Action:
 Resolution
 Ordinance
 Formal
 Other

**Subject: Appointment
to the Library Advisory
Committee, to fill 1
vacancy, term expiring
June 30, 2016.**

TO: MAYOR AND COUNCIL

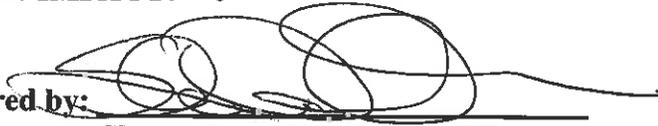
FROM: Sherry Lynn Van Allen, Human Resources

DISCUSSION: In accordance with the Willcox City Code Title 2-Chapter 2-4-3 Appointment; Terms; Vacancies; Removals: vacancies shall be filled by appointment by the Mayor and City Council. There is one vacancy to fill which was vacated by Heidi Nuzzo whose term expires June 30, 2016. City staff has advertised on the City Website and has received one letter of interest in response to the advertisement.

A letter was received for consideration for appointment to the Library Advisory Committee from Mr. Rob Jones.

RECOMMENDATION: For the Mayor and Council to appoint Rob Jones, to the Library Advisory Committee to fill the unexpired term.

FISCAL IMPACT: -0-

Prepared by: 
Sherry Lynn Van Allen - HR

Approved by: 
Ted Soltis, City Manager

Rob Jones

2571 W. Airport Rd

Willcox, AZ 85643

March 7, 2014

Willcox City Council

City Hall

101 S. Railroad Ave.

Willcox, Arizona 85643

Dear Councilmen and Councilwoman:

I am writing a letter of interest to become a member of the Willcox Library Advisory Board. I have 27 years' experience in working with school districts in Arizona and Utah. I have a love for reading and I have a desire to build a better Willcox. The library is an important link for the enrichment of our community. The Library provides the youth of Willcox a safe place to work on research and school projects, plus provides equal opportunities for everyone to access literacy.

This is an excellent opportunity for me to serve the city of Willcox. Please feel free to contact me at (520) 405 – 1180. Thank you for your time and consideration.

Sincerely,



Rob Jones

CITY OF WILLCOX

MAR 07 2014

Handwritten signature
COPY

TAB 3

Proclamation

National Crime Victims' Rights Week, April 6-12, 2014

Whereas, Americans are victims of more than 22 million crimes each year, and these crimes also affect family members, friends, neighbors, and co-workers;

Whereas, crime can leave a lasting physical, emotional, or financial impact on people of all ages and abilities, and of all economic, racial, and social backgrounds;

Whereas, in addition to these challenges, crime victims face criminal, military and juvenile justice systems that, at times, ignore their rights and treat them with disrespect;

Whereas, in 1984, the Crime Victims Fund was established by the Victims of Crime Act (VOCA) to provide a permanent source of support for crime victim services and compensation through fines and penalties paid by convicted federal offenders;

Whereas, the Crime Victims Fund today supports thousands of victim assistance programs who provide help and support to child victims of violence and sexual abuse; stalking victims; survivors of homicide victims; victims of drunk-driving crashes, and victims of domestic, dating, and sexual violence and other crimes;

Whereas, by ensuring that federal offender criminal fines and penalties are deposited into the Crime Victims Fund, Congress affirmed that those who commit crimes should be held accountable for the impact of their actions;

Whereas, the Crime Victims Fund provides victim assistance to more than 3.5 million crime victims annually and also provides compensation funds to thousands of crime victims each year for reimbursement of expenses related to their victimization;

Whereas, the victim assistance community faces new challenges to reach and serve all victims, including victims of newly recognized crimes, such as domestic minor sex trafficking and cybercrime, and victims who have not always trusted the criminal justice system, including immigrant victims, urban youth, and victims who are lesbian, gay, bisexual, or transgender;

Whereas, now is the time to embrace a new emphasis on learning what works in reaching underserved victims and meeting victims' needs;

Whereas, National Crime Victims' Rights Week, April 6-12, 2014, provides an opportunity to celebrate the energy, creativity, and commitment that launched the victims' rights movement, inspired its progress, and continues to advance the cause of justice for crime victims.

Whereas, **The Willcox Department of Public Safety** is joining forces with victim service providers, criminal justice agencies, and concerned citizens throughout **The City of Willcox, County of Cochise, State of Arizona** and America to raise awareness of victims' rights and observe National Crime Victims' Rights Week

Now therefore, I, **Robert "Bob" Irvine**, as **Mayor of the City of Willcox**, do hereby proclaim the week of April 6-12, 2014, as **NATIONAL CRIME VICTIMS' RIGHTS WEEK** and reaffirm this **City of Willcox, Department of Public Safety** commitment to respect and enforce victims' rights and address victims' needs during National Crime Victims' Rights Week and throughout the year, and express our appreciation for those victims and crime survivors who have turned personal tragedy into a motivating force to improve our response to victims of crime and build a more just community.

In witness whereof, I have hereunto set my hand and caused the Seal of the City of Willcox to be affixed this 20th day of March 2014



Robert A. Irvine
MAYOR, ROBERT A. IRVIN

Attest: *Virginia A. Mefford*
CITY CLERK, VIRGINIA A. MEFFORD

CITY OF WILLCOX
Request for Council Action

Agenda Item: 11
Tab Number: 4
Date: 3-20-2014

Date Submitted:
March 11, 2014
Date Requested:
March 20, 2014

Action:
 Resolution
 Ordinance
 Formal
 Other

Subject: Plat for expansion of grass section in Sunset Cemetery.

To: Honorable Mayor and City Council

From: John Bowen, Director of Public Services & Works

Discussion: The grass section of Sunset Cemetery has reached its capacity. Staff has commissioned Scoutten Engineering to plat a new section closely mirroring the existing section to be built to the east of the roadway. The expansion of new blocks 13, 14 and 15, which include 755 new plots, was surveyed and requires approval/signatures to enable recording at the County Recorder's Office.

Recommendation: Mayor and Council approve plat as presented.

Fiscal Impact: \$5090.00

Prepared By: Kate Schwartz
Kate Schwartz, Public Services and Works

Approved By: John Bowen
John Bowen, Public Services and Works Director

Approved By: Ted Soltis
Ted Soltis, City Manager

CITY OF WILLCOX
Request for Council Action

Agenda Item: 12
Tab Number: 5
Date: 3/20/2014

Date Submitted:

3/12/2014

Action:

- Resolution
 Ordinance
 Formal
 Other

Subject:

Fees to be Assessed to
Debtor for Recovery
Under Arizona Debt
Setoff Program

To: Honorable Mayor and City Council
From: Ruth Graham, Director of Finance

Discussion: On February 4, 2013, by Resolution No. 2013-07 the Mayor and Council approved the City's participation in Arizona's Expanded Debt Setoff Program as administered by the Arizona Department of Revenue (ADOR) per A.R.S. §42-1122. Under the Debt Setoff Program taxpayer refunds under A.R.S. §42-1118 and §43-1072 may be diverted to satisfy debts in excess of \$50.00 that the taxpayer owes to the state, a political subdivision or a court. Willcox has been approved by the ADOR to participate in the program as an agency of the State.

To make a claim, the City will notify ADOR of taxpayers with past due utility or transaction privilege tax account balances to provide names, other available identification, and the amount of the debt (over \$50.00). ADOR will match the information submitted with taxpayers who qualify for refunds and remit funds, if any, to the City. If taxpayer monies are diverted, a minimal fee (currently \$9.00) for each offset is billed by ADOR to the agency (the City).

The cost of the fee may be passed through to that taxpayer so that there would be no additional cost to the City. For each claim submitted, the City may add the collection fee to the amount claimed as due from the debtor; if monies are collected, the obligation owed to the City will be paid; the fee for that debtor will be collected by ADOR and withheld from the monies remitted to the City. If no monies are collected from the debtor, ADOR will not charge the City the fee.

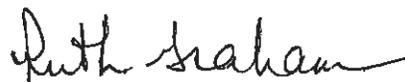
Fiscal Impact: Potential increased collection of bad debt.

Recommendation: Motion to authorize the City staff to add the cost of the operating fee per A.R.S. §42-1122(L) to each claim submitted to the Debt Setoff Program administered by the Arizona Department of Revenue.

If monies are collected for a debtor, the fee will be withheld from the debtor and paid to the State. If no monies are collected, ADOR will not assess a fee to the City.

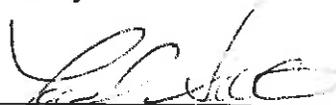
Fiscal Impact: Potential increased collection of bad debt.

Prepared By:



Ruth Graham, Finance Director

Approved by:



Ted Soltis, City Manager

**THE MINUTES OF THE REGULAR SESSION OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 4th DAY OF FEBRUARY 2013**

DISCUSSION/DECISION REGARDING APPROVING WAIVER OF REQUIREMENT FOR THE FRIENDS OF MARTY ROBBINS VENDORS TO HAVE INDIVIDUAL BUSINESS PERMITS FOR AN EVENT ON MARCH 2ND AND 3RD, 2013 FROM 7:00 AM- 4:00 PM.

MOTION: Councilmember Johnson moved to approve the waiver of requirement for the Friends of Marty Robbins vendors to have individual Business Permit for an event on March 2nd and 3rd, 2013 from 7:00 am – 4:00 pm.

SECONDED: Councilmember Lindsey 4 AYES- Mayor Irvin, Councilmember Lindsey, Councilmember Johnson, and Councilmember Nigh to 1 NAY- Vice Mayor Holloway **CARRIED**

DISCUSSION/DECISION REGARDING APPROVING STREET CLOSURE FOR 22ND ANNUAL TRIBUTE TO MARTY ROBBINS

MOTION: Councilmember Johnson moved to approve street closure for 22nd Annual Tribute to Marty Robbins.

SECONDED: Councilmember Holloway **CARRIED**

DISCUSSION/DECISION REGARDING APPROVING RESOLUTION NO. 2013-07 APPROVING THE CITY OF WILLCOX'S PARTICIPATION IN THE ARIZONA DEBT SETOFF PROGRAM ADMINISTERED BY THE ARIZONA DEPARTMENT OF REVENUE; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION **MOTION:** Councilmember Johnson moved to approve Resolution NO. 2013-07 as stated above approving the City of Willcox's participation in the Arizona Debt Program administered by the Arizona

Department of Revenue **SECONDED:** Councilmember Lindsey **DISCUSSION:** Councilmember Johnson asked how this affects our debt. Ms. Graham sated we will be able to collect and charge if we collect on a debt and asses the charges that are incurred. Councilmember Lindsey stated do we have to pass on the \$9.00 fee to the customer. Ms. Roberts asked if the fee\$9.00 was already factored in the debt. City Manager McCourt stated we will have to bring back this item to council with an approval for any additional charges to pass on to the customer. **CARRIED**

DISCUSSION/DECISION REGARDING APPROVING RESOLUTION NO RESOLUTION NO. 2013-08 APPROVING THE PROPOSAL FOR ADDITIONAL ARCHITECTURAL AND ENGINEERING SERVICES PURSUANT TO CDBG CONTRACT NO. 112-13, TO BE PROVIDED BY DAVID E. SHAMBACH ARCHITECT, INC. "DESA", INC., IN CONJUNCTION WITH PHASE IV OF THE WILLCOX COMMUNITY CENTER IMPROVEMENTS; AUTHORIZING CITY STAFF TO PROCEED WITH THE PROPOSED PROJECT; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DECLARING AN EMERGENCY TO EXIST.

RESOLUTION **MOTION:** Councilmember Johnson moved to approve Resolution NO. 2013-08 the proposal for additional architectural and engineering services pursuant to the CDBG contract NO. 112-13, to be provided by David E Shambach Architect, Inc. "DESA", Inc., in conjunction with phases IV of the Willcox Community Center improvements

SECONDED: Councilmember Lindsey **DISCUSSION:** Councilmember Johnson asked is this out of the GF. Mr. Bonner stated it will be out of the CDBG Fund. **CARRIED**

CITY MANAGER REPORTS

Consideration, discussion, and/or decision regarding the following topics by the City Manager:

- **Update-** Going out to bid on the demolition property located on S. Haskell.
- **Update-** High School Building is scheduled to open on February 13, 2013
- **Follow-up-** Meeting with Chamber on April 8, 2013 at 6 pm Work Session Re: Economic Development
- **Annual Utilization Report** –Use of the former Border Patrol Building located on 200 W. Downen St. was sent in on January 11, 2013 a copy of the report is on file at the City Clerk's Office if you would like to look at it.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS

Holloway stated the Theater did a great job with the Grand Opening events.

Lindsey I appreciate the efforts that went on this weekend they went above and beyond the call of duty.

Nigh stated he did enjoy the 1930's move as it was in my lifetime.

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2013-07

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, APPROVING THE CITY OF WILLCOX'S PARTICIPATION IN THE ARIZONA DEBT SETOFF PROGRAM ADMINISTERED BY THE ARIZONA DEPARTMENT OF REVENUE; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the Arizona Department of Revenue has established pursuant to Title 42, A.R.S. §42-1122, a liability setoff program by which taxpayer refunds under §§42-1118 and 43-1072 may be used to satisfy debts which the taxpayer owes to this state or a court; and,

WHEREAS, the City of Willcox, as an agency of the State, as defined pursuant to Title 42, A.R.S. §42-1122, has the ability to participate in the Arizona Debt Setoff Program; and,

WHEREAS, the Mayor and City Council have determined that approving participation in the Arizona Debt Setoff Program by the City of Willcox is in the best interest of the City, its employees and the citizens of this City; and,

WHEREAS, the Mayor and City Council desire to have this Resolution presented at its February 4, 2013, regular Council Meeting for consideration.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1: The Mayor and City Council hereby authorize and approve the participation of the City of Willcox, pursuant to Title 42, A.R.S. §42-1122, in the Arizona Debt Setoff Program; and,

SECTION 2: CITY Officials and Administrators are authorized and directed to take all action required to participate in the Arizona Debt Setoff Program; and,

SECTION 3: That the Mayor is authorized and empowered to execute this Resolution as presented.

**PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE
CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 4th day of February, 2013.**

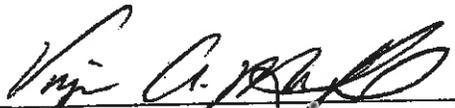
APPROVED/EXECUTED



ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:



VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:



ANN P. ROBERTS, City Attorney

RESOLUTION NO. 2013-07

42-1122. Setoff for debts to state agencies, political subdivisions and courts; revolving fund; definitions

- A. The department shall establish a liability setoff program by which refunds under sections 42-1118 and 43-1072 may be used to satisfy debts that the taxpayer owes to this state, a political subdivision or a court. The program shall comply with the standards and requirements prescribed by this section.
- B. If a taxpayer owes an agency, political subdivision or court a debt, the agency, political subdivision or court, by November 1 of each year, may notify the department, furnishing at least the state agency, court or program identifier, the first name, last name, middle initial or middle name and suffix, social security number and any other available identification that the agency, political subdivision or court deems appropriate of the debtor as shown on the records of the agency, political subdivision or court, and the amount of the debt.
- C. The department shall match the information submitted by the agency, political subdivision or court by at least two items of identification of the taxpayer with taxpayers who qualify for refunds under section 42-1118 and:
1. Notify the agency, political subdivision or court of a potential match, the taxpayer's home address and any additional taxpayer identification numbers used by the taxpayer. Even if the taxpayer is not entitled to a refund, the department of revenue shall provide to:
 - (a) The court, the clerk of the court and the department of economic security, for child support and spousal maintenance purposes only, the home address of a taxpayer whose debt for overdue support is referred for setoff and any additional taxpayer identification numbers used by the taxpayer.
 - (b) The court, the home address and any additional taxpayer identification numbers used by the taxpayer whose debt for a court obligation is referred for setoff and who is identified by the court as a probationer on absconder status.
 2. Request final agency, political subdivision or court confirmation in writing or electronically as determined by the department within ten days of the match and of the continuation of the debt. If the agency, political subdivision or court fails to provide confirmation within forty-five days after the request, the department shall release the refund to the taxpayer.
- D. An agency, political subdivision or court may submit updated information, additions, deletions and other changes on a quarterly or more frequent basis, at the convenience of the agency, political subdivision or court.
- E. On confirmation pursuant to subsection C, paragraph 2 of this section, the agency or political subdivision shall notify the taxpayer, by mail to the most recent address provided by the taxpayer to the department:
1. Of the intention to set off the debt against the refund due.
 2. Of the taxpayer's right to appeal to the appropriate court, or to request a review by the agency or political subdivision pursuant to agency or political subdivision rule, within thirty days of the mailing of the notice.
- F. In addition the taxpayer shall receive notice that if the refund is intercepted in error through no fault of the taxpayer, the taxpayer is entitled to the full refund plus interest and penalties from the agency, political subdivision or court as provided by subsection O of this section.

G. The basis for a request for review as provided by subsection E of this section shall not include the validity of the claim if its validity has been established at an agency hearing, by judicial review in a court of competent jurisdiction in this or any other state or by final administrative decision and shall state with specificity why the taxpayer claims the obligation does not exist or why the amount of the obligation is incorrect.

H. If, within thirty days of the mailing of the notice, the taxpayer requests a review by the agency or political subdivision or provides the agency or political subdivision with proof that an appeal has been taken to the appropriate court, the agency or political subdivision shall immediately notify the department and the setoff procedure shall be stayed pending resolution of the review or appeal.

I. If the department does not receive notice of a timely appeal, it shall draw and deliver a warrant in the amount of the available refund up to the amount of the debt in favor of the agency or political subdivision and notify the taxpayer of the action by mail.

J. Subsections E, G, H and I of this section do not apply to a debt imposed by a court except that the taxpayer shall receive notice of the intent to set off the debt against the refund due and the right to appeal to the court that imposed the debt within thirty days of the mailing of the notice. The basis for the request for review shall not include the validity of the claim and shall state with specificity why the taxpayer claims the obligation does not exist or why the obligation is incorrect.

K. If the setoff accounts for only a portion of the refund due, the remainder of the refund shall be sent to the taxpayer. A court shall not use this section to satisfy a judgment or payment of a fine or civil penalty until the judgment has become final or until the time to appeal the imposition of a fine or civil penalty has expired.

L. A revolving fund is established to recover and pay the cost of operating the setoff program under this section. The department may prescribe a fee to be collected from each agency, political subdivision or court utilizing the setoff procedure or from the taxpayer, and the amount shall be deposited in the fund. The amount of the fee shall reasonably reflect the actual cost of the service provided. Monies in the revolving fund are subject to legislative appropriation.

M. If agencies, political subdivisions or courts have two or more delinquent accounts for the same taxpayer, the refund may be apportioned among them pursuant to rules prescribed by the department of revenue, except that a setoff to the department of economic security for overdue support has priority over all other setoffs.

N. If the refund is insufficient to satisfy the entire debt, the remainder of the debt may be collected by the agency, political subdivision or court as provided by law or resubmitted for setoff against subsequent refunds.

O. In the case of a refund that is intercepted in error through no fault of the taxpayer under this section, the taxpayer shall be reimbursed by the agency, political subdivision or court with interest pursuant to section 42-1123. In addition, if all or part of a refund is intercepted in error due to an agency, political subdivision or court incorrectly identifying a taxpayer as a debtor through no fault of the taxpayer, the agency, political subdivision or court shall also pay the taxpayer a penalty as follows:

1. If the agency, political subdivision or court reimburses the taxpayer sixteen through one hundred eighty days after the agency, political subdivision or court receives notification that the refund was erroneously intercepted and the refund was received by the agency, political subdivision or court, the penalty is equal to ten per cent of the amount of the refund that was intercepted.

2. If the agency, political subdivision or court reimburses the taxpayer one hundred eighty-one through three hundred sixty-five days after the agency, political subdivision or court receives notification that the refund was erroneously intercepted and the refund was received by the agency, political subdivision or court, the penalty is equal to fifteen per cent of the amount of the refund that was intercepted.

3. If the agency, political subdivision or court fails to reimburse the taxpayer within three hundred sixty-five days after the agency, political subdivision or court receives notification that the refund was erroneously intercepted and the refund was received by the agency, political subdivision or court, the penalty is equal to twenty per cent of the amount of the refund that was intercepted.

P. The time periods set forth in subsection O of this section shall be stayed during a review of an agency decision pursuant to section 25-522.

Q. Except as is reasonably necessary to accomplish the purposes of this section, the department shall not disclose under this section any information in violation of chapter 2, article 1 of this title.

R. An agency, political subdivision or court shall not enter into an agreement with a debtor for:

1. The assignment of any prospective refund to the agency, political subdivision or court in satisfaction of the debt.

2. Payment of the debt if the debt has been confirmed to the department for setoff under subsection C, paragraph 2 of this section.

S. If a tax refund is based on a joint income tax return and the department of economic security receives a written claim from the nonobligated spouse within forty-five days after the notice of a setoff for overdue child support, the setoff only applies to that portion of the refund due to the obligor. The nonobligated spouse shall provide to the department of economic security copies of both the obligated and nonobligated spouse's federal W-2 forms and evidence of estimated tax payments supporting the proportionate share of each spouse's payment of tax. The department of economic security shall retain the amount of the set off refund due to the obligated spouse determined by a proration based on the tax payments of each spouse by estimated tax payment or tax withheld from wages.

T. For the purposes of this section:

1. "Agency" means a department, agency, board, commission or institution of this state. Agency also means a corporation that is under contract with this state and that provides a service that would otherwise be provided by a department, agency, board, commission or institution of this state, if the contract specifically authorizes participation in the liability setoff program and the attorney general's office has reviewed the contract and approves such authorization. The participation in the liability setoff program shall be limited to debt related to the services the corporation provides for or on behalf of this state.

2. "Court" means all courts of record, justice courts, municipal courts and police courts.

3. "Debt" means an amount over fifty dollars owed to an agency, political subdivision or court by a taxpayer and may include a judgment in favor of this state or a political subdivision of this state, interest, penalties, charges, costs, fees, fines, civil penalties, surcharges, assessments, administrative charges or any other amount. Debt also includes monies owed by a taxpayer for overdue support and referred to the department of economic security or the clerk of the court for collection.

4. "Overdue support" means a delinquency in court ordered payments for spousal maintenance or support of a child or for spousal maintenance to the parent with whom the child is living if child support is also being enforced pursuant to an assignment or application filed under 42 United States Code section 654(6) or other applicable law.

5. "Political subdivision" means a county or an incorporated city or town in this state.

CITY OF WILLCOX
Request for Council Action

Agenda Item: 13
Tab Number: 0
Date: 3/20/2014

Date Submitted:

3/12/2014

Action:

- Resolution
 Ordinance
 Formal
 Other

Subject:

Ordinance NS318
Amending the City Tax
Code

To: Honorable Mayor and City Council
From: Ruth Graham, Director of Finance

Discussion:

On February 21, 2005, the Mayor and Council adopted Ordinance No. NS257 to establish a two-tier sales tax system for purchases over One Thousand Two Hundred and Fifty Dollars (\$1,250). The retail transaction privilege tax (sales tax) rate in Willcox is 3%. The two-tier tax imposed a rate of 2% on purchases over \$1,250. The change was intended to stimulate retail sales of large ticket items in Willcox.

Following the adoption of NS257, the State of Arizona notified the City of Willcox that the Ordinance was not in compliance with the provisions of the Model City Tax Code. The exemption could apply only to the sale of a single item at \$1,250 or more. On May 16, 2005 the Mayor and Council approved Ordinance No. NS258 to correct the error and amend the wording in Section 3.08.460, Retail Sales, paragraph (d) and amend it to read:

3.08.460(d). Notwithstanding the provisions of subsection (1) above, when the gross income from the sale of a single item of tangible personal property exceeds one thousand two hundred and fifty dollars (\$1,250), the two percent (2%) tax rate shall apply to the first \$1,250. Above \$1,250, the measure of tax shall be at a rate of two percent (2%).

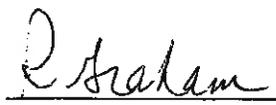
It has been nine years since the two-tier tax system was adopted and the \$1,250 price level threshold at which it applies established. By proposed Ordinance No. NS318, the threshold will be raised from \$1,250 to \$5,000. This change is necessary to reflect the increased prices for retail products and to more fairly apply the two-tier system.

Recommendation:

Motion to approve proposed Ordinance NS318.

Fiscal Impact: Unknown.

Prepared By:


Ruth Graham, Finance Director

Approved by:


Ted Soltis, City Manager

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

ORDINANCE NS318

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF WILLCOX, ARIZONA, AMENDING THE CITY TAX CODE TO INCREASE THE TWO-TIER SINGLE ITEM PURCHASE AMOUNT FROM \$1,250 TO \$5,000

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1: The “City Tax Code”, Section 3.08.460(d) shall hereby be amended to read as follows:

Notwithstanding the provisions of subsection (a) above, when the gross income from the sale of a single item of tangible personal property exceeds five thousand dollars (\$5,000.00), the two percent (2%) tax rate shall apply to the first \$5,000.00. Above \$5,000.00, the measure of tax shall be at a rate of two percent (2%).

SECTION 2: Any person found guilty of violating any provision of this amendment to the tax code shall be guilty of a petty offense. Each day that a violation continues shall be a separate offense punishable as herein above described.

SECTION 3: If any section, subsection, sentence, clause, phrase or portion of the ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 4: The effective date of this ordinance shall be thirty (30) days after adoption.

SECTION 5: Pursuant to A.R.S. §9-812, the City Clerk is directed to publish the text of this Ordinance for two (2) consecutive weeks in a newspaper of general circulation, and further, to post a copy of this Ordinance in three (3) or more public places within the City.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, this 20th day of March, 2014.

APPROVED/EXECUTED:

ROBERT A. IRVIN, MAYOR

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

ORDINANCE NS318

Published in the Range News on the _____ and _____.

Passed and Adopted by ___ of 7 Council Votes.

Posted on March _____, 2014.

Clerk's Initials _____

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

ORDINANCE NS318

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF WILLCOX, ARIZONA, AMENDING THE CITY TAX CODE TO INCREASE THE TWO-TIER SINGLE ITEM PURCHASE AMOUNT FROM \$1,250 TO \$5,000

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1: The "City Tax Code", Section 3.08.460(d) shall hereby be amended to read as follows:

Notwithstanding the provisions of subsection (a) above, when the gross income from the sale of a single item of tangible personal property exceeds ~~one thousand two hundred and fifty dollars (\$1,250.00)~~ FIVE THOUSAND DOLLARS (\$5,000.00), the two percent (2%) tax rate shall apply to the first ~~\$1,250.00~~ \$5,000.00. Above ~~\$1,250.00~~ \$5,000.00, the measure of tax shall be at a rate of two percent (2%).

SECTION 2: Any person found guilty of violating any provision of this amendment to the tax code shall be guilty of a petty offense. Each day that a violation continues shall be a separate offense punishable as herein above described.

SECTION 3: If any section, subsection, sentence, clause, phrase or portion of the ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

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APPROVED/EXECUTED:

ROBERT A. IRVIN, MAYOR

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

ORDINANCE NS318

Published in the Range News on the _____ and _____.

Passed and Adopted by ___ of 7 Council Votes.

Posted on March _____, 2014.

Clerk's Initials _____

Option V Selections by Jurisdiction

City/Town	Regular Retail Rate	Single Item \$ Threshold	Rate Applied Up To \$	Rate Applied Over \$	Notes
Apache Junction	2.20%	\$2,000	2.20%	1.20%	
Avondale	2.50%	\$5,000	1.50%	1.50%	
Benson	2.50%	\$5,000	1.00%	1.00%	
Casa Grande	1.80%	\$5,000	1.50%	1.50%	
Coolidge	3.00%	\$10,000	1.50%	1.50%	
Douglas	2.80%	\$10,000	1.80%	1.80%	Expired 6/2010
Eagar	3.00%	\$1,001	2.00%	2.00%	
Eloy	3.00%	\$6,000	3.00%	1.50%	
Glendale	2.90%	\$5,000	2.20%	2.20%	
Globe	2.00%	\$15,000	2.00%	0.00%	
Goodyear	2.50%	\$5,000	1.20%	1.20%	Was \$2,000 thru 12/2004
Page	3.00%	\$3,000	1.00%	1.00%	
Parker	2.00%	\$2,500	1.00%	1.00%	
Pinetop-Lakeside	2.50%	\$5,000	2.50%	1.50%	
Quartzsite	2.50%	\$10,000	2.50%	1.00%	
Safford	2.50%	\$5,000	1.00%	1.00%	
St. Johns	2.00%	\$1,500	1.00%	1.00%	Expired 9/2010
Springerville	3.00%	\$1,000	2.00%	2.00%	
Superior	4.00%	\$500	1.00%	1.00%	
Thatcher	2.50%	\$5,000	1.00%	1.00%	
Tolleson	2.50%	\$5,000	2.50%	2.00%	
Wickenburg	2.20%	\$9,999	1.19%	1.19%	
Willcox	3.00%	\$1,250	2.00%	2.00%	
Yuma	1.70%	\$25,000	1.70%	0.00%	

