

**THE MINUTES OF THE WORK SESSION OF THE MAYOR AND CITY
COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA
HELD ON THE 6TH DAY OF APRIL 2009**

CALL TO ORDER-Mayor Gerald W. Lindsey called the work session to order on Monday, April 06, 2009 at 6:02 p.m.
Apologized for being a minute or two late.

ROLL CALL-The Mayor announced let the record show all council members are present.

PRESENT

Mayor Gerald W. Lindsey
Vice Mayor Larry Schultz
Councilman Elwood A. Johnson
Councilman Jimmy L. Norris
Councilwoman Monika Cronberg
Councilman Stephen Klump
Councilman Christopher Donahue

STAFF

City Manager Pat McCourt
City Attorney Hector M. Figueroa
City Clerk Cristina G. Whelan, CMC
Library Director Tom Miner
Public Safety Director Jake Weaver
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Building Inspector Jeff Stoddard

PLEDGE OF ALLEGIANCE TO THE FLAG-Mayor Lindsey.

DECLARATION ON CONFLICT OF INTEREST-There was no response from the Mayor and Council members or staff.

ADOPTION OF THE AGENDA

MOTION: Councilman Johnson moved to adopt the agenda as presented.

SECONDED: Councilwoman Cronberg seconded the motion. **CARRIED.**

DISCUSSION REGARDING FISCAL YEAR 2009-10 BUDGET

City Manager Pat McCourt reported staff is here to talk some more on the budget for Fiscal Year 2009-10. We are looking where we are in the current fiscal year and presented a power point with handout. Expected \$3,470,000 revenues and spend \$4,417,000 from the General Fund. Had \$2,248,000 to start Revenue \$3,470,000 and expenses \$4,417,000 and Inter-fund Transfer In is money coming from other funds. General fund provides services and those monies coming in and these run as private companies and therefore pay into General Fund. Transfer out is to give us cash flow in the grant fund. We have to pay first and then file for payment. After adding and subtracting we think ending balance is \$1,687,125. These numbers will not become final until after close year on June 30. Estimated the ending balance in each fund and each estimate are supported by a detail page. Utility Fund has not been done. The transfer out of \$23,750 is the City's match for the Senior Center Grant which will be considered during the regular meeting.

At this point all ending balances are in the black. We tend to project conservatively since we do not spend all budgeted every year. If we do not spend as much as projected then opening balance will go up. This presentation is the basic format staff will use.

Each department will have a narrative what services that department provides the community. Example is the 2009-2010 Development Services and includes number of full time positions that are being used to provide that services. Break down of cost and operating cost and capital costs. Capital cost is mostly equipment.

Mayor and Council need to decide if we are putting the money in the right place and public and employees will know where funds are at and what they are used for. Mayor and Council will have a balanced budget and need to know if on the right track to meet the needs of the community.

Mayor Lindsey asked if area needed to look at to increase fees such as the Refuse. City Manager McCourt stated that the Auditor suggested a change in that one. Staff is thinking that in September talk about all Enterprise Funds, what we

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plan to use those funds for, reserve established, and he think wise to maintain a reserve account in case economy goes down. We have to provide basic services and have to have reserves to fix it and take immediate steps to remedy those services. Major Capital item he asked are we going to save or raise the debt and we need to understand income, expenses and long term plan needs. Major concern the City Manager has is capital replacements. The Gas Regulator Station is old and needs to be replaced and that is a very large ticket item and have not been successful in finding a grant only in lending us monies.

Mayor Lindsey asked anything regarding HURF and the City Manager replied it is still looking very dismal. Predict next 2-years will continue to go down. The budget for June 30, 2010 does not look good. Staff continues to monitor the budget and modify. Budget books will have more information with State numbers too.

Mayor Lindsey stated appreciates the summary of the budget. Councilman Johnson asked the Finance Director if financials for February are ready. Ms. Graham replied she will bring that report for the next meeting. Mayor Lindsey stated he is curious on Bed Tax if it has continued to decline. Councilman Johnson said grocery stores are seeing a slight decline. Ms. Graham stated Occupancy Tax was at 30% now it is closer to 50% in 9-months or at the end of March. Mr. McCourt stated half of those monies we receive from the Bed Tax is shared with the Chamber.

ADJOURN

There being no further business before the Mayor and Council, Mayor Lindsey adjourned the meeting at 6:33 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the work session meeting of the City Council of the City of Willcox held on the 6th day of April 2009. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 9th day of April 2009

/s/ Cristina G. Whelan, CMC
City Clerk Cristina G. Whelan, CMC

PASSED, APPROVED AND ADOPTED this 20th day of APRIL 2009.

/S/ GERALD W. LINDSEY
MAYOR GERALD W. LINDSEY
Signed: April 21, 2009

ATTEST:

/s/ Cristina G. Whelan, CMC
City Clerk Cristina G. Whelan, CMC