

**THE STATEMENT OF LEGAL ACTIONS OF THE WORK SESSION OF THE  
MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE  
COUNTY, AZ HELD ON THIS 15<sup>TH</sup> DAY OF NOVEMBER 2010**

1. **CALL TO ORDER-** Mayor Gerald W. Lindsey called the work session to order on Monday, November 15, 2010 at 6:00 p.m. Welcomed those here and welcomed those that are here to make presentation.
2. **ROLL CALL-**City Clerk Cristina G. Whelan, CMC, called the roll:

**PRESENT**

Mayor Gerald W. Lindsey  
Vice Mayor Monika Cronberg  
Councilman Elwood Johnson  
Councilman Stephen Klump  
Councilman Robert "Bob" Irvin

**STAFF**

City Manager Pat McCourt  
City Attorney Hector Figueroa  
City Clerk Cristina G. Whelan, CMC  
Library Director Tom Miner  
Public Services & Works Director Dave Bonner  
Finance Director Ruth Graham

**ABSENT**

Councilman Christopher Donahue  
Councilman William "Bill" Holloway

3. **PLEDGE OF ALLEGIANCE TO THE FLAG-**Mayor Lindsey.
4. **DECLARATION ON CONFLICT OF INTEREST-**There was no response from the Mayor, Council members or staff.
5. **ADOPTION OF THE AGENDA**  
**MOTION:** Vice Mayor Cronberg moved to adopt the agenda as presented.  
**SECONDED:** Councilman Klump seconded the motion. **CARRIED.**

6. **DISCUSSION REGARDING THE PRESENTATION BY REVENUE DISCOVERY SYSTEMS –ROB HEIMBUCK AND TOM BELSHE, LEAGUE OF ARIZONA CITIES & TOWNS (LACTS)**

Presentation by Revenue Discovery Systems-Rob Heimbeck and Tom Belsche, League of Arizona Cities and Towns (LACT).

The representatives addressed and replied to the concerns expressed by the Mayor and Council members. Mr. Heimbeck explained Revenue Discovery Systems (RDS) is proposing a 5-year agreement. The percentage received is based on the taxes collected. There are numerous other advantages afforded to your staff besides getting reports and funding quicker. Today from the Arizona Department of Revenue staff receives one report which does not balance, discrepancy is mind boggling, and there are coding errors to value. RDS administration collection tax payers will get customer service that will answer their questions. RDS plans to meet with the taxpayers and opportunity for them to ask questions. They will make outbound calls to those that did not return calls. ADOR has one lady to answer all the calls. They have staff of 60 people and as base grows that too will grow. Staff reports useful to manage funds, grow and take care to tax payers in this community. Businesses that are sending incorrect codes RDS will make outbound call. They will not do audits unless asked by the City. They will talk to them what tax rate is now and what they should pay and work on plan to get them current on delinquency and that could work in reverse too. It is not to his or City's benefit to be forceful collection agency RDS does not want them to go out of business. RDS does want to find something in the middle so that they survive and get current on delinquency and consider payment plan. If the City wants to file liens that is staff choice and they will work with business. Concerned if the City can not afford to give employees a raise asking how is the City going to afford them. Mr. Heimbeck's replied the City of Willcox has \$2.5M tax revenue or \$200,000 month. After 30 days the City will get money owed from tax payers from RDS. The City can't afford to give raises RDS understands that. Cash will be coming in and that will help the City to continue to move forward. The City has been paying a minimal amount annually for Brink System and receives the money 30-60-90 days after the City should have. RDS does not want to skirt the issue but there will be a cost. Personally, Mr. Heimbeck thinks sometimes when have to pay for something can not put value on it. What is value is giving staff data to make good decisions and help everyone in this room to grow.

**THE STATEMENT OF LEGAL ACTIONS OF THE WORK SESSION OF THE  
MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE  
COUNTY, AZ** **HELD ON THIS 15<sup>TH</sup> DAY OF NOVEMBER 2010**

LACT's Mr. Tom Belsche came tonight to hear from communities what Mr. Heimbeck is talking about. When ADOR makes decision to cut auditors the Cities do not have any say. There are people who do not pay on time. RDS helps to locate those people and those that are not paying and should be. Reports will tell you where money is coming in from different sectors. Need to assist them to make good revenue decisions. League got involved after checking other Leagues in States and kept hearing Cities report on late payments and monies late. When economy turns around it will be big difference and 45 days will make big difference in interest earnings. Taxpayers know 24/7 will get an answer from RDS and every dollar they pay is coming back to the City. Currently reports do not jive from State and RDS can. Bullhead City has 2-years experience with RDS and there are 2-contacts pending Sedona and Sommerton in Arizona. There are people that operate a business in your community and staff does not know they are doing business here. There are lots of businesses that do contribute that you do not know about and coded to other communities. And there are lots of multiple jurisdictions in our area that you won't see in church or grocery store. Mr. Heimbeck explained those participating in Special Events have business permits in Willcox and the last time he was here at a Council meeting there was a gentleman that stated the City was not charging. He explained that in Sedona they have weekend sales all the time and it is big issue for store fronts for those coming in without business license and whether they pay Sedona tax they do not know. He asked does the City have those people come in for Special Events and pay \$25 for a Business License or fee and pay City tax or does the City charge them \$100 and that covers the sales tax. As partner RDS can give you ideas. If the vendors come in through the State of Arizona they will have a State License number doing business and 30 days of that event being over and staff does not know if paid RDS will be on the phone.

Discussion was held on time frames, spike in revenues usually occur during the first few months, and RDS believes that with their efficiency and taxes due pad to Willcox that will come close to paying their fee annually. Mr. Heimbeck stated he is sure there will be more questions and is happy to come back to Willcox and answer questions. The Contract has 90 days Out and thinks real impact if signed will be during those first 90 days and him coming to Willcox to meet with the people and tell them they will be getting a phone call from a Customer Representation explaining the forms. If the Mayor and Council think RDS is not what they expected from them the City can get out of it.

Mayor Lindsey thanked them for coming.

**7. ADJOURN-6:55 p.m.**