

**REGULAR COUNCIL MEETING**  
**7:00 P.M.**  
**TUESDAY, MAY 14, 2024**  
**SCHIEFFELIN HALL**  
**(CORNER OF FREMONT AND FOURTH STREET)**

**I. CALL TO ORDER** Mayor Dustin Escapule called the Regular Council Meeting to order on Tuesday, May 14, 2024.

**II. PLEDGE OF ALLEGIANCE** Mayor Dustin Escapule led the Common Council and the general public in a recitation of the Pledge of Allegiance.

**III. ROLL CALL**

Councilmember Colin Regan	Present
Mayor Pro-Tem Bill Barlow	Present
Councilmember Matt Faulk	Present
Councilmember Jim Newbauer	Present
Mayor Dustin Escapule	Present

Also, in attendance: Charissa Presti, Interim City Clerk

**IV. CALL TO THE PUBLIC**

*Mayor Escapule calls for public participants. With no participants, Mayor closes Call of the Public.*

**V. PRESENTATION: Representative from Hinton Burdick to present 2023 Audit Report to Mayor and City Council.**

*Financial Director Villa:* Good evening, Mayor and Council, members of the public. We have Jennifer Frank with us tonight. She will be providing a report to the Mayor and Council which finalizes the 2023 financial statements audit. It's the final step of a long and difficult process, and I want to thank her publicly. I was hoping to see Steve as well, the other partner. They made the process for the last two years a very inclusive, collaborative environment where we've been able to complete the audit report on time, within the boundaries of the independence that they must have as auditors. I'll be available for questions afterwards.

*Jennifer Frank:* Thank you. I'm happy to be here again. I love coming down here. You should have financial statements and the slides I tend to refer back and forth. Stop me if you have questions at all. I'm going to go right to the first thing that most people care about, which is the audit reports. I have on your first slide, the listing of the reports that are included. I'm referring to the page numbers in the financial statements, if you want to refer back and forth. The very first report you'll find in your financial statements is your independent auditor's report. I'm very happy to report that we had an unmodified, clean opinion again this year, which is always excellent. If you go towards the back of your financial statements, starting on page 93, you have your report on compliance and on internal control. We had no material weaknesses noted. That second bullet point should say one significant deficiency cleared, so you don't have any significant deficiencies this year that got cleared. That's always excellent. We did have the one compliance finding on the budget, department overages. Reuben has the report on that, should you need it. The very last report you're going to find in the financial statement is your state compliance report, which is your HEERF money report. That's another one we have to issue, and again, no findings on that.

I'm going to go into your government wide statements. Those are your full accrual statements; they encompass the government as a whole, and I just like to hit some highlights there. One page I would recommend you look at in your financial statements, which I always find handy, is on page nine and ten. You have those condensed comparative statements; it compares between this year and last year. I'm just going to hit some highlights. Your total net position, which is your equity, was at a little bit over 8.6 million at June 30. It's always a good number to watch. Ups and downs in that number can tell you the health of the city. Good number to watch over time. On the next page, just some more highlights. So, the city's total net position increased 262,000 for the fiscal year ended June 30, 23. Your governmental funds had a net position increase of 530,000. The business type activities, which are your utility funds, had a decrease of 267,000. When your capital assets, net of depreciation, totaled just a bit over 7.3 million. At year end, your total long-term liabilities were just a



bit over 2 million. Of that, the largest portion was the net pension liability. We saw increases in that statewide this year, and that was pretty consistent. Though you guys are in a good position there compared to other cities and towns. You had notes payable of 666,000. Your bonds were down to 204, and leases payable of 6600.

Now I'm going into the trend graphs. The very first one is your general fund, a governmental type fund, has a current resource focus. The big difference on the balance sheets between that and your government wide statements is it doesn't have capital assets or long term debt. Looking at this, we have the five-year trend. We have a generally positive trend as your general fund continues to report a healthy fund balance. We had a slight decrease of 35,000 on the fund balance or the equity of the fund for fiscal year 23. The next one is your five-year cash trend. We have total cash ending up at a bit over 1.3 million. Of that 1.3 million, just under 1.3 million is unrestricted. We have a small restricted balance for the municipal court. You have had positive trends, by looking back at 2019, you were at \$467,000 and you've got that up to 1.3 million in five years.

Next, five-year trend that you have is your general fund revenue and expense. When you look at a governmental funds, which don't have a profit motive but services, we expect to see revenue and expense lines crisscross periodically. You might be accumulating resources for capital asset purchases, infrastructure, etc., so your revenues will exceed your expenses. Then a year or two down the road, your expenses will get paid out. Looking at total revenues, excluding transfers to other funds, you had total revenues at 4.2 million. Your expenses were just a bit over 4 million. Combined, over the past years, revenues have exceeded expenditures by a little bit over 1.6 million.

Enterprise funds, which are your utilities, are kept on a full accrual. You have your capital assets. You have your debt on those balance sheets. Typically, our expectation is to see a net income in those funds each year to accumulate resources for infrastructure improvements that have to happen over the years.

Wastewater has total revenues in the fund of 262,000 and total expenses came in at 337,000. So, all combined, over the past five years, expenses have exceeded revenues by about 15,000, over the five years. For fiscal year 23, expenses exceeded revenues by 75,000.

Water fund, combined over the past five years, expenses have exceeded revenues by about 31,000. During fiscal year 23, expenses exceeded revenues by about 80,000. At year end, your total cash came in at 292,000. Restricted cash was the 116,000, that money is restricted for the customer deposits and the debt service.

Sanitation fund, combined for the past five years, expenses have exceeded revenues by 297,000. For 2023, expenses exceeded revenues by 113,000. Definitely something to keep in mind and keep an eye on. With those funds, you want to make sure they are self-sustaining funds. You want those to be paid for by the users of the systems.

Steve sends his regards. We know the audit process is not fun, it's kind of fun for us, but not necessarily for you. We know the amount of work that it takes to get ready for the audit, go through the audit, get the books ready, and answer all our random questions that come out of nowhere. We really do appreciate the effort that the city and the staff do to work with us and get us the information so quickly so we can get the audit done.

*Mayor Escapule:* No, I'll just say that you folks are a pleasure to work with.

*Jennifer Franks:* We're happy to be here. I love coming down here. If you guys have questions during the year, Reuben knows how to get a hold of us. Our contact information is on the back slide, too. We're always happy if you just need a sounding board, if you just, you know, need anything, give us a call.

*Mayor closes presentation.*

#### **/I. FIRE CHIEF'S REPORT: Monthly Fire Chief Reports on March 1, 2024 to April 30, 2024.**

Fire Chief Alleman: Good evening, City Council, Mayor, Marshal, ladies and gentlemen, this is my report for, April. We had 61 total calls. 42 were EMS calls; three of which were cardiac arrests, two off road



rescues and ten fire assists.

#### Training:

- All but two of our firefighters have been red card certified.
- We sent five firefighters to swift water rescue certification training on the Gila River. We now have a certified swift water rescue firefighter on each shift. OSHA and NFPA states that firefighters, must be swift water certified and go through the didactic, and rescue portion on the river. If we have any washes or flooded roadways where the water goes over the ankle, you have to have a swift water rescue certified person on scene. We have met that and are going to be deploying them during monsoon season.
- We're in the beginning stages of our firefighters for technical rescue training. The certification process starts with rope rescue. This is a state certification and we'll be getting all of our firefighters through this course. We hope to be having them through the course by the middle of July. We're bound by the different classes that the state puts on and getting our people in there with their schedule.
- We also sent a firefighter to what's called Shooter School. It's at Mesa and we were able to add another person to the list of firefighters that are certified to launch fireworks on the 4<sup>th</sup> of July and Christmas. I wish we were able to do more but unfortunately, the four people were doing the swift water rescue course and Shooter School were going on simultaneous, one on the Gila River and the other in Mesa.

#### Other Calls:

- We sent six firefighters, the tender, our brush truck and myself with my rig to the Whetstone Bowers fire a couple weeks ago. We ensured that we had adequate coverage in town, so we were able to commit these resources. We were on scene till 03:00 a.m. I was helping out with staging and our people were in charge of one of the far north wing brush fires that had occurred from one of the buildings that caught on fire. We were able to get that out but then our guys were reassigned to a tie in with state land firefighters. We were able to move in and get a lot of the brush fires out. They wanted to keep us till sunlight but we had to get our people back to town. I feel that we did a great job especially being able to commit our resources till three in the morning.
- We have our pumpkin system and what that is a 4000-gallon rubber reservoir that we have set up by the helipad. It allows the state or federal helicopters to come in with their buckets, scoop up water and put out brush fires in our area as well as other areas in the county. It keeps them from being delayed and going all the way into Sierra vista, or other areas, sometimes Fort Huachuca, to get water. It's something that is no cost to the city. We already had this equipment. We did a test with the state, about two weeks ago, and were able to fill it in three minutes. It was good and the state was impressed.
- We submitted the intergovernmental agreement this last month, it was accepted and signed by the state. What it does is allows us to be able to not only request governmental agencies, state, federal, wildland folks to any brush fire that we have, but it also gets us paid for a mutual response where our folks go to another fire in the county, and our equipment gets paid for. I believe that it's on the agenda for tonight to be voted on by the city council and get ratified.
- We hosted the state and county wildland group, which is an annual meeting, at our fire station. It was a rousing success. We were able, without having to be scattered about on a fire, to meet all the players from the state, the county, the feds, and get a plan going before we really hit the season.

*Mayor closes Fire Chief's report.*

## **VII. APPROVAL OF MINUTES**

**A. DISCUSSION AND/OR ACTION:** Approval of minutes for Regular Council Meeting for Tuesday, April 9, 2024.

**MOTION** by Councilmember Newbauer, **SECOND** by Councilmember Faulk to approve the minutes for Regular Council Meeting for Tuesday, April 9, 2024.

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION:** Carried

**VIII. NEW BUSINESS**

**A. DISCUSSION AND/OR ACTION:** Approval of Accounts Payable in the amount \$373,054.02 (April 1, 2024 through April 30, 2024).

**MOTION** by Mayor Pro-Tem Barlow, **SECOND** by Councilmember Newbauer to approve Accounts Payable in the amount of \$373,054.02 (April 1, 2024 through April 30, 2024).

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION:** Carried

**B. DISCUSSION AND/OR ACTION:** Approval of Ratification of 10-year Intergovernmental Agreement between the City of Tombstone and Arizona Forestry and Fire Management for use of Tombstone Fire Equipment.

**MOTION** by Councilmember Regan, **SECOND** by Councilmember Faulk to approve ratification of 10-year Intergovernmental Agreement between the City of Tombstone and Arizona Forestry and Fire Management for use of Tombstone Fire Equipment.

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION:** Carried

**C. DISCUSSION AND/OR ACTION:** Approval of amendment to special use permit from American Legion for the Memorial Day Ceremony on Monday, May 27th. Requesting the following:

- Closure of north and south side of Allen Street from 2<sup>nd</sup> Street to American Legion Driveway from 8 AM to 11:30 AM for Memorial Day Ceremony.
- Original approval was south side of Allen Street from 2<sup>nd</sup> Street to 3<sup>rd</sup> Street from 6 AM to 12:30 PM.

**MOTION** by Councilmember Faulk, **SECOND** by Councilmember Newbauer, to approve amendment to special use permit from American Legion for the Memorial Day Ceremony on Monday, May 27th.

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION:** Carried

**D. DISCUSSION AND/OR ACTION:** Approval of special use permit from American Legion for the 40+8 Prom on Saturday, May 18, 2024 from 11 AM to 12 PM. Requesting the following:

- To drive the 40+8 cooper train on Allen Street for the purpose of dropping off and picking up inductees attending the 40+8 Prom.

**MOTION** by Councilmember Newbauer, **SECOND** by Councilmember Regan, to approve special use permit from American Legion for the 40+8 Prom on Saturday, May 18, 2024 from 11 AM to 12 PM.

**DISCUSSION:** None

**ROLL CALL VOTE:**

Councilmember Regan	Yes
Mayor Pro-Tem Barlow	Yes
Councilmember Faulk	Yes



Councilmember Newbauer Yes  
Mayor Escapule Yes

**MOTION:** Carried

**E. DISCUSSION AND/OR ACTION:** Approval of special use permit from Tombstone Vigilantes for the Film Premiere of "Killin Jim Kelly" on Friday, August 9, 2024. Requesting the following:

- Use of Schieffelin Hall from 10 AM to 9 PM for meet and greet, movie viewing, and Q & A following viewing.

**MOTION** by Councilmember Regan, **SECOND** by Councilmember Newbauer, to approve special use permit from Tombstone Vigilantes for the Film Premiere of "Killin Jim Kelly" on Friday, August 9, 2024.

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION:** Carried

**F. DISCUSSION AND/OR ACTION:** Approval of special use permit from King Solomon Masonic Lodge #5. Requesting the following:

- To set up a table at the corner of 5<sup>th</sup> and Allen every Saturday and on Special Event Weekends from 10 AM to 4 PM for the purpose of welcoming Masons and other people to Tombstone.

**MOTION** by Councilmember Regan, **SECOND** by Councilmember Newbauer, to approve special use permit from King Solomon Masonic Lodge #5 request to set up an information table at 5<sup>th</sup> and Allen on Saturdays and Special Event Weekends.

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION:** Carried

**G. DISCUSSION AND/OR ACTION:** Approval of special use permit from The America Project on Friday, May 31<sup>st</sup>, 2024 from 10 AM to 3 PM. Requesting the following:

- Use of Schieffelin Hall for a press conference held by Steve Montenegro and other legislators working to protect the border. Award ceremony to honor Sheriff Daniels and other first responders for their work at the border.

**MOTION** by Mayor Pro-Tem Barlow, **SECOND** by Councilmember Regan, to approve special use permit from The America Project to use Schieffelin Hall from 10 AM to 3 PM on Friday May 31, 2024.

**DISCUSSION:**

*Steve Montenegro:* Thank you. Honorable Mayor Escapule, honorable councilmembers, also the honorable Marshal and honorable fire chief, distinguished guests, and of course, the great, wonderful citizens of Tombstone. Thank you for the opportunity to stand before you. Mister Mayor, yes, I wanted to speak a little bit to give you an idea as to what this event on the 31st and the 30th is about.

First of all, my name is Steve Montenegro. I'm a state representative for Arizona District 29. That's where Luke Air force base, Goodyear Arizona, Litchfield Park, Surprise, El Mirage and goes all the way up to Waddell Whittman area. I have the honor of representing that district and one of the things that we are noticing right now is the crisis at the border. We are trying to sound the alarm statewide, and not just here in the state of Arizona. I think it's pretty apparent to the citizens of the State of Arizona that this is a serious issue we've got. Not only is it a public safety issue, it's a public health crisis. I have the honor of serving as the chairman of the Health and Human Services Committee right now and we've been trying to sound the alarm on the fentanyl drugs that are pouring across the border.



With me today is also Sean Wilson, who is the CEO of MSG Risk Management, an organization that we partner with for different data and intel coming across the border, not to mention with our law enforcement. We really are trying to sound the alarm at this point. Not just in the state of Arizona, like I said, but we're trying to reach out to every state in the union. The alarm we're trying to sound is that every state is a border state. I don't want to get into the politics of it, but we know that this current administration is failing to do its job. We want to come to the border, as close as we can, and sound the alarm.

On the 30th, that is a Thursday night, we'd like to bring some legislators down here to Tombstone. At one of the restaurants, we will have a briefing, by certain intel officers from across the nation that can come, on what's truly happening at the border. Not what we see in the media or how they try to downplay it, but truly what's happening at the border. Mayor and council are invited to attend.

On top of that, we want to make sure we answer any questions. We are trying to push legislation in Arizona to fix this problem and to fight this porous border. For example, we've got a piece of legislation right now, that I've spearheaded, that designates drug cartels as terrorist organizations. We want to send that to the ballot because we believe that even the people of Arizona would see this for what it is and vote accordingly.

There are a couple of organizations, namely the America project, that we are partnering with and we want to try to do something nice. The purpose of Friday is to honor and thank border security agents and law enforcement that are on the front lines. America Project wants to do some meals, kind of like a meals-on-wheels, if I can label it that, and take them to the posts and be a service to them, to thank them for putting their lives on the line every day. Second, we want to bring awareness. We want to sound the alarm. We believe that Tombstone is just not just an amazing and intricate part of Arizona, but it's a perfect place for us to try and let this country know the crisis that's happened at the border.

At 04:00 p.m. with the law enforcement intel officers and other folks that collect data intel, we want to have a press conference. At 05:00 p.m., we want to have a town hall where we have a panel of legislators that can kind of explain what's happening. We do want to invite media. We want to invite whoever wants to be here for the panel of legislators from across the state.

I want you to know that we are working together with your senator and representative. Senator Gowan is going to be here and he is part of the team putting this together. Representative Lupe Diaz and Representative Gail Griffin, as well, who have been champions and stalwart. They are amazing representatives in the state. At the same time, we want to make sure that we are sharing with the citizens here and any others that we invite from across the state, what's happening, what needs to be done, as well as, public, sentiment to make sure we're here on the ground.

Right after that, we want to present Sheriff Daniels with an award. It's an amazing job what law enforcement is doing down, in spite of the challenges we have. They're doing their part and we want to honor them, show them that we have their back.

With that said, the purpose of this, Mayor, Council, is to honor Tombstone, the heritage, the history, and to work with you, as we move forward to.

*Mayor closes discussion.*

**MOTION** by Mayor Pro-Tem Barlow, **SECOND** by Councilmember Newbauer, to amend special use permit for The America Project to use Schieffelin Hall from 10 AM to 10 PM on Friday May 31, 2024.

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION** by Mayor Pro-Tem Barlow, **SECOND** by Councilmember Regan, to approve amended special use permit for The America Project to use Schieffelin Hall from 10 AM to 10 PM on Friday May 31, 2024.

**DISCUSSION:** None

**VOTE:** 5/0

**MOTION:** Carried

**H. DISCUSSION AND/OR ACTION:** Approval of special use permit from Helldorado Inc and Tombstone Lions for 94<sup>th</sup> Annual Helldorado Days Celebration on October 18-20, 2024. Requesting the following:

- Use of City Park from 10 AM to 3 PM for Bounce Tents and Information Booth.
- Use of Art Gallery Parking Lot from 6 AM Friday to 6 PM on Sunday, for Food Court.
- Use of Allen Street between 4<sup>th</sup> Street and 5<sup>th</sup> Street from 8 AM to 6 PM for Western Reenactments, a 10' x 10' tent for T-shirt and Raffle Sales
- Allen Street closed from 6<sup>th</sup> Street to 12<sup>th</sup> Street from 8 AM to 11 AM for Parade Set-up.
- Allen Street Closed from 2<sup>nd</sup> Street to 12<sup>th</sup> Street from 11 AM to 12:45 PM for Helldorado Days Parade.

**MOTION** by Councilmember Newbauer, **SECOND** by Councilmember Faulk, to approve special use permit from Helldorado Inc and Tombstone Lions for 94<sup>th</sup> Annual Helldorado Days Celebration on October 18-20, 2024.

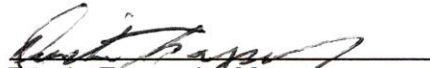
**DISCUSSION:** None


**VOTE:** 5/0

**MOTION:** Carried

**IX. MOTION TO ADJOURN**

**MOTION** by Mayor Pro-Tem Barlow **SECOND** by Councilmember Newbauer, to adjourn the Regular Council Meeting for Tuesday, May 14, 2024.

  
Dustin Escapule, Mayor

  
Charissa Presti, Interim, City Clerk