



OFFICE OF
THE CITY MANAGER
MEMORANDUM

DATE: October 6, 2016
TO: Mayor Oertle and City Council Members
FROM: Richard Marsh, City Manager
RE: City Manager's Weekly Report

This is the weekly report for the week ending October 7, 2016.

- **ANNUAL CITY OF BISBEE AUDIT**

The audit team of Fester & Chapman P.C. was here this week from midday Monday, 10/03/16 to Wednesday 10/05/16 to perform the Annual Financial audit. The exit interview was held Wednesday afternoon in which the audit team, led by Mrs. Olivia Brasher, discussed the progress of the audit and next steps. So far, a few journal entries were processed to cover minor issues (which should not appear on our annual audit report), and some Auditor Journal Entries (which may likely appear on the Audit Report) which addressed findings from last year's audit that were not correctly addressed by the prior Finance Director, some pertaining to the pension fund and one for a reversal of an invoice journal entry that was partially erroneously posted to this fiscal year by the prior Finance Director along with one for an inadvertent misclassification of revenue. They will continue their audit of our financial records through the end of November and will present their report to Council the second Council meeting in December 2016.

- **MEETING WITH AZ GOVERNOR'S OFFICE**

I met with Mr. Juan Ciscomani, Director of the Office of the Governor's Southern Arizona and Sonora division. The meet and greet was successful and Mr. Ciscomani was excited to learn and hear about our initiative to strengthen our relationship with our Southern neighbors in Mexico. We discussed Governor Ducey's administration priorities and discussed Arizona's Commercial relationship with Mexico as well. Mr. Ciscomani

extended his offer to facilitate my involvement with the Arizona Mexico Commission (AMC) to work towards helping Bisbee strengthen its commercial role in Mexico relating to the Airport and Bisbee economic development opportunities. He stated Governor Ducey loves to visit Bisbee and is excited to hear about the popularity we have received in recent months.

- **DONNA PULLING**

While I don't normally address the comment of citizens aimed towards my actions as City Manager, due to the nature of Ms. Pulling's slanderous attacks to my character and her statements against another city employee and misinformation she presented to Council, I feel the need to address the claims she made at this week's Council meeting.

For the past two Council meetings, Ms. Pulling has made it a point to comment on my actions as City Manager regarding the termination of Sharon Buono and my general performance as City Manager. Her attacks have now progressed to assassinations of my character and integrity. Therefore, I have decided to "Fact Check" her allegations which she claims were "influenced by KBRP radio":

Council Meeting 09/20/16 – Call to the Public:

1. *Ms. Pulling claims that I have made "negative statements against the previous City Manager (Jestin Johnson) and the faulty 2016/2017 budget".*

Fact: This claim is a blatant lie. I have never made a negative claim against the previous City Manager, Mr. Johnson, in any document. I did state in my Memorandum to Ms. Buono that I had concerns with the fact that important information regarding various issues that affect the revenue and the City budget were not projected for and presented to Council, based on conversations I have had with Mrs. Buono regarding these items; however, this is not a negative statement directed toward the previous City Manager's character in any way, shape or form.

2. *Ms. Pulling claims that I "assign(ed) (my)self the only Accountant in Finance, with no personal experience as (my) personal secretary and head of Personnel, during an announced hiring freeze".*

Fact: Various items in this statement are an outright lie. In fact, Mrs. Bagley, who was the lead Accountant, now the appointed Finance Director, was sitting in the audience at the time of Ms. Pulling's accusation. Mrs. Bagley was hired on as lead Accountant several years prior to Mrs. Flores' employ with the City. We are currently in the process of recruiting to fill Mrs. Bagley's vacant position as Accountant since her appointment to Finance Director.

Fact: Mrs. Flores has accomplished significant tasks and successfully managed an enormous workload in a little over two months while performing the duties of

three full-time positions, with absolutely no increase to her original Accountant salary for the additional roles she is now responsible for due to a lack of adequate funding and non-allocation for the Personnel Director position in the 2016/2017 budget.

- a. **Fact:** As I advised you in a prior report, Monica Flores, the current Interim Executive Assistant, has almost 20 years of experience in Public Government, close to 10 of which she spent in County Government holding a position which provided her government experience in Management, Administration, Finance, Human Resources and Facilities and Airport management related responsibilities. During this time, Mrs. Flores was identified for Succession Training and planning and actively participated in various Cochise County Leadership and Director Retreats, trainings and meetings. She also has over 1 year in the City of Bisbee, which is very similar in operation structure to the County. She will be attending the Arizona City Manager's Associations (ACMA) Next Generation of Leaders training in November. She holds a Bachelor's in Business Administration (graduating Magna Cum Laude, and achieving this degree throughout her pregnancy and delivery of her twins while working full time), and an Associates of General Studies from Cochise College.

The State of Arizona, along with the Arizona League of Cities and Towns recognize and emphasize the importance of Succession Planning in an organization. They encourage leaders to identify great talent within their organizations for succession planning and training and support their efforts. This has been a portion of my 90-day assessment of the internal and external operation of our organization. I have encouraged all City of Bisbee Department Heads and Managers to start looking at the talent within their departments and start identifying those individuals who show potential as possible candidates for Succession Planning.

- b. **Fact:** In assumption of the Personnel duties, she has efficiently organized the office (which was in disarray at the time of her assignment), organized and streamlined the On-Boarding process, is currently in the process of organizing our Personnel records and, for the first time ever, entering our employee data into the Human Resources module in Caselle (which will allow us to print reports and obtain information related to our employees for Human Resource purposes and is necessary information for some grant funding opportunities). She has started utilizing the Job Application module in Caselle (in order to get a better grasp of our Recruiting process). In addition to this, Mrs. Flores has taken the initiative to begin the planning stage of implementing our City Employee annual OSHA mandated safety trainings along with other employee trainings (which has been lacking in Personnel). She also processes all PAF's, On-Boarding, Health Benefits

enrollment/management, Job Interview scheduling/applicant tracking, and Workman's Compensation Injury Reporting/Tracking and implemented and managed the mandatory OSHA 300 and 300 A reporting, and other employee issues for the Personnel department.

- c. **Fact: Ms. Flores is also handling the Executive Assistant duties (answering phones, incoming and outgoing mail for my office, maintaining my calendar, scheduling appointments, taking notes at meetings and typing up reports), and she continues to perform the duties she was assigned in her position in Finance to include, Fire/Ambulance weekly receipt processing, spreadsheet tracking and forwarding to Fry Fire District, Biweekly timesheet entering, monthly Palominas Fire IGA interfacility transfer spreadsheet and payment request processing, AZ Debt Set-off and City of Bisbee cell phone management.**

3. *Ms. Pulling claims I have engaged in "criticism of the 2016/2017 budget".*

Fact: My concern with the 2016/2017 budget has been the following: a lack of proper projection or planning for anticipated cuts in revenue due to the Plastic Bag Ban issue, as well as (at the time), the loss in revenue relative to the issue with the Ambulance, and Copper Queen Hospital (which has fortunately been resolved and the issue is now moot).

Fact: I expressed concern over the lack of realistic budgeting for actual anticipated expenses. One of which is the lack of funding for a Personnel Director (which is specifically listed in the City Code and Personnel Rules and Regulations), and another is the Fire Department overtime budget (which was cut back further from projected and actual expenditures from the prior year). In fact, after discussing with Sharon Buono and Chief Burneleit, there was not a plan put in place at that time to reduce the Fire Department overtime in order to ensure this fund line stays within the current allocated budget.

4. *Ms. Pulling's final comments in the meeting of 09/20/16 were "for five years, this Council endorsed & praised Sharon Buono for her professional performance and commitment to the City as Finance Director".*

Fact: Mrs. Buono's five year anniversary of employment with the City of Bisbee would have been on 10/31/2016. She was hired 10/31/2011 as an Accountant and promoted to Interim Finance Director on 02/08/2013 and finally, Finance Director on 03/08/2013, exactly one month later.

Council Meeting 10/04/2016 – Call to the Public:

1. *According to Ms. Pulling after reviewing my calendar for the first two months I have been in Bisbee, in August I was "in the office for thirteen (13) days and out of town*

for six (6) days at conferences. Additionally, in September she claims I “was in the office for fifteen (15) days and out seven (7) days.

Fact: Nina Williams checked the City of Bisbee office days and hours for the months of August and September. Ms. Pulling’s total number of dates is incorrect for the month of September. She claims in August I was in the office for 13 days and out of town for 6 (to attend conferences) for a total of 19 days. In the month of August I was out of the office for two days to attend my sister’s wedding (which was approved leave) and was out of the office for 4 days to attend the League of Cities Conference.

Fact: In the month of September Ms. Pulling claims I was in the office for 15 days and out for 7 days for a total of 22 work days. The City of Bisbee only had 16 work days in the month of September (due to the holiday on 09/05/16) so she added 6 extra days to the work days. One of the days Ms. Pulling claims I was out, was for the holiday observance on 09/05/16 and the other was on 09/21/16 which was when Jennifer Luria and I attended meetings all day in Phoenix with the AZ Office of Tourism and Kimber Lanning regarding tourism development.

2. *Ms. Pulling also tried to insinuate that I was engaging in favoritism or some type of unethical business relationship with Mr. Scott Ries “a developer and partner in the Border City Land Corporation (BCLC)” due to my meeting “with Mr. Ries more than any other person in the city”, and that I “only met with Marc Burneleit, Fire Chief four times in August to discuss the Memorandum of Understanding”. Additionally she stated that I said I “attended grad school at the University of Michigan which was the alma mater of Mr. Ries and perhaps had been there during that same time” and that “coincidentally (I) landed the job in Bisbee and (I) was looking for work in Arizona because (I) wanted to be closer to (my) daughter”.*

Fact: Andy Haratyk was the employee who initially introduced me to Mr. Ries and recommended I set up a Meet and Greet with him to kick off my series of meetings to get to know the Business leaders in our community. In fact, Mr. Ries was the individual who initially facilitated the meeting on 09/27/16 to introduce me to Mr. Jim Dickson and thereby opened the door to the negotiation and talks with the Copper Queen Community Hospital.

Fact: My initial meetings with Mr. Ries have never been one on one. The first meeting included Mr. Ries and Andy Haratyk.

Fact: My third meeting with Mr. Ries on 08/09/16 was at his office in Old Bisbee to introduce me to Mr. Rob Page, another business owner in our community.

Fact: My fourth meeting with Mr. Ries was on 08/29/16 one at 9:00 a.m. to facilitate a meeting with Mr. Ries, and Randy Heiss and Larry Catten of SEAGO. My fifth meeting was also on 08/29/16 between Mr. Ries and Mr. Rob

Page to continue discussion on business and economic development ideas in the community.

Fact: My sixth meeting was on 08/31/16, organized by Andy Haratyk (who was also present) to discuss Airport issues with Mr. Ries.

Fact: My seventh meeting with Mr. Ries (included Chuck Alton, Britt Hanson to view the Getting to Great presentation by Mr. Alton). This was on 09/08/16 and I was late to the viewing and left early as I had a personnel issue to address. That same day, I had a 3:30 meeting with Mr. Ries and City Attorney Britt Hanson to discuss a Planning & Zoning issue pertaining to the BCLC rezoning.

Fact: This has been the extent of my meetings with Mr. Ries. In all occasions, there has been a legitimate reason for the meetings and the meetings have always been in the presence of another City employee or community business owner. Whether we attended the same college or not, or hail from the same region is irrelevant and entirely coincidental.

Fact: The fact that Ms. Pulling has the audacity to even mention, thereby bringing my eight year old daughter into her character assassination of me is uncalled for and I will not tolerate it. Nor will I tolerate her attacking our employees and belittling them with her slanderous statements.

Fact: Ms. Pulling's character attacks and false statements have diminished whatever credibility she may have had. Perhaps Mayor and Council would respectfully consider declining her or anyone an opportunity to the Call to the Public when it deals with personal character attacks against City Employees, and that the Call to the Public be limited strictly to viable issues and concerns within our community.

Whether Ms. Pulling's views were influenced by an outside source or not, and while she has every right to speak at the Call to the Public segment of our Council meetings, I believe that once she crossed the line to verbalize and publicize her slanderous and outright lies to the Council and the public, against my character and integrity and those of other City employees, I had a responsibility to address these comments and "set the record straight". I adamantly believe that my character, honor and integrity are non-negotiable and worth taking a stand for. We are public servants, and the public has the right to bring perceived and legitimate complaints/comments to the Call to the Public. However that does not give anyone the right to come to our City Council meetings and belittle and slander our employees with false accusations, nor does it give them the right to bring family members of City employees into their attack. This is a fine line which crosses respectful and professional dialogue and communication to one of disrespect.

That said, I would like to thank the Mayor and Council for your steadfast support and faith in me and thank you for the opportunity to serve.