



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 6/3/2025

*= Mandatory, information must be provided

Click or tap the boxes to enter text. If not applicable, indicate "N/A".

***Title:**

Budget Remediation Plan Updates

***Introduction/Background:**

The Board of Supervisors (BOS) Policy D22.2 – Budget Accountability requires departments or elected offices projecting expenditures to exceed their Appropriated Budget or projecting revenues under their Appropriated Budget for the fiscal year to develop and implement a budget remediation plan immediately. This item will provide an update regarding the remediation plans for the School Superintendent, Superior Court, and Constables.

***Discussion:**

As we approach the final months of the fiscal year. It is important to address budgetary concerns as outlined in the remediation plans to ensure financial and programmatic issues are addressed. These plans have outlined the steps departments have taken to attempt to realign their costs to stay within their appropriated budget.

***Conclusion:**

Managing budgetary concerns outlined in the remediation plans to address financial and programmatic issues is crucial. This item is for the Board to review and act on the remediation plans that the Elected Officials have submitted to carry out their programmatic needs through the remainder of the fiscal year.

***Recommendation:**

Approval is recommended on the remediation plans that the Elected Officials have submitted to carry out their programmatic needs through the remainder of the fiscal year.

***Fiscal Impact:**

Additional use of General Fund contingency is required to cover these deficits in the cumulative amount of \$1,366,882. The additional use of contingency will have an impact on the total amount of set aside available for grant contingency in FY 24/25

***Board of Supervisor District:**

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

Department: Finance and Risk Management

Telephone: 520-724-3138

Contact: Art Cuaron

Telephone: 520-724-3138

Department Director Signature: _____

Date: _____

5-21-2025

Deputy County Administrator Signature: _____

Date: _____

County Administrator Signature: _____

Date: _____

5/21/2025



Budget Remediation Plan

[Reset Form](#)

Fiscal Year	Department	Fund
2025-2026	Schools	General Fund
Adopted Expense Budget	Projected Expense	Expense Variance
\$ 2,988,840.00	\$ 4,004,221.00	(\$ 1,015,381.00)
Adopted Revenue Budget	Projected Revenue	Revenue Variance
\$ 240,000.00	\$ 240,000.00	\$ 0.00
		Overage or Shortfall Amount
		(\$ 1,015,381.00)

1. Identify the line item and provide an explanation as to why expenses are expected to exceed the budgeted amount.

Our office entered into a contract (IGA) with the Arizona Department of Education to provide services under the state's ARP-ESSER grant. However, our office has not receive payment to date of \$1,187,459.60 for services completed under a contract with ADE under the ARP ESSER program. All contracted services were invoiced to the ADE for payment on 12/31/2024, with a revision provided on 1/2/2024. Due to this revenue not being received as expected, our office's current available revenue is insufficient to meet our budgeted expenses. As a result, the general fund has needed to absorb more expenses than intended for this fiscal year.

2. Identify the line item and provide an explanation as to why revenues are expected to fall short of the budgeted amount.

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Budget Remediation Plan

3. Explain the steps the department will take or has taken to remediate the situation.

Our office has been working to receive payment of \$1,187,459.60 for services completed under a contract with the Arizona Department of Education, under the ARP ESSER program. The Board of Supervisors previously approved the County to proceed to arbitration, if needed. Currently, the ability for ADE to provide payment from this funding source has been impacted by actions of the US Department of Education (ED), which had frozen or denied all late liquidation requests under this program.

Arizona is party to a lawsuit (along with 15 other states and DC), which has led to a preliminary injunction order as of 5/6 regarding EDs actions of freezing or denying state's requests for late liquidation under ARP-ESSER. However, we have been informed that the order applies to all requests sent to ED up to March 28, 2025. ADE submitted their request pertaining to our situation on April 8, 2025.

We have been actively working with Rep. Juan Ciscomani and ADE to assist in moving ADE's late liquidation request to approval with ED. On 5/2 ED provided ADE a letter indicating they would deny the request - but did provide an additional potential appeal pathway for impacted states and their associated requests. Our office provided additional backup documentation to ADE on May 13 to facilitate ADE's next appeal to ED.

4. Please identify the timeframe in which the department projects to be back within budget.

We are cautiously optimistic that we will receive payment for our outstanding invoice prior to the end of this fiscal year (June 30, 2025). However, this is subject to either ED approving ADE's request for late liquidation, whereby ADE could then issue payment. If ED firmly and finally denies this request, then the County Attorney's Office would proceed with arbitration with ADE per the terms of the IGA. It is unclear if this process would extend beyond the end of this fiscal year.

Peter Laing

Digitally signed by Peter Laing
Date: 2025.05.20 15:37:48 -07'00'

05/20/2025

Signature, Appointing Authority or Designee

Date

☒ Finance has reviewed and concurs with plan.

Signature, Finance & Risk Management Director or Designee

Date

In accordance with BOS Policy D22.2 Budget Accountability, submit completed form by the 1st of the month following a projected overage or shortage to FIN_Budget_Remediation.



Budget Remediation Plan

[Reset Form](#)

Fiscal Year	Department	Fund
2025	Superior Court	1000FD General Fund
Adopted Expense Budget	Projected Expense	Expense Variance
\$ 50,600,151.00	\$ 50,916,970.00	(\$ 316,819.00)
Adopted Revenue Budget	Projected Revenue	Revenue Variance
\$ 754,228.00	\$ 647,160.00	(\$ 107,068.00)
		Overage or Shortfall Amount
		(\$ 423,887.00)

1. Identify the line item and provide an explanation as to why expenses are expected to exceed the budgeted amount.

Superior Court General Fund expenses are expected to exceed the budget due to increased costs for mandated services of \$465,000. These services must be provided to comply with state and federal law.

Mandated Expenses over budget are as follows:

- Medical Professionals - \$174,000 - increase in Rule 11 Mental Health and Return to Competency Evaluations.
- Interpreters - \$166,000 - increase in cases requiring interpreter services, including increased services for "Lesser Used Languages" for migrants. Also, an increase in interpreter rates.
- Jury Pay - \$60,000 over budget due to the increased number of jury trials and an increase in juror pay.
- Jury Cost - Mileage - \$25,000 over budget due to the increased number of jury trials and an increase in the mileage rate.
- Electricity - \$40,000 - PCFM charge for electricity for expanded hours for 2XIA Court at Pima County Consolidated Justice Court. Partial reimbursement of costs from courts participating in the 2XIA program.

2. Identify the line item and provide an explanation as to why revenues are expected to fall short of the budgeted amount.

A deficit in projected revenues is anticipated due to reduced Title IV-D reimbursements.

Budget Remediation Plan

3. Explain the steps the department will take or has taken to remediate the situation.

- Limit spending to only essential costs and services necessary to operate the court. However, the anticipated required expenses are for services mandated by statute.
- Utilize other funding sources when available.
- Limit hiring for vacant positions. Any surplus in personnel costs generated as a result of this action may be available to partially offset the operating deficit.

4. Please identify the timeframe in which the department projects to be back within budget.

Superior Court anticipates a budget deficit for the remainder of FY25 due to increased cost of services required by statute. The court expects these costs to continue and submitted a Supplemental Request for the FY26 budget but it was not approved.

Overholt, Ronald

Digitally signed by Overholt, Ronald
Date: 2025.05.15 10:35:40 -07'00'

Signature, Appointing Authority or Designee

Date

☒ Finance has reviewed and concurs with plan.

Signature, Finance & Risk Management Director or Designee

Date

In accordance with BOS Policy D22.2 Budget Accountability, submit completed form by the 1st of the month following a projected overage or shortage to FIN_Budget_Remediation.



Budget Remediation Plan

[Reset Form](#)

Fiscal Year	Department	Fund
<input type="text" value="FY25"/>	<input type="text" value="Constables"/>	<input type="text" value="General Fund"/>
Adopted Expense Budget	Projected Expense	Expense Variance
<input type="text" value="\$ 1,689,369.00"/>	<input type="text" value="\$ 1,724,051.00"/>	<input type="text" value="(\$ 34,682.00)"/>
Adopted Revenue Budget	Projected Revenue	Revenue Variance
<input type="text" value="\$ 283,000.00"/>	<input type="text" value="\$ 458,972.00"/>	<input type="text" value="\$ 175,972.00"/>
		Overage or Shortfall Amount
		<input type="text" value="\$ 141,290.00"/>

1. Identify the line item and provide an explanation as to why expenses are expected to exceed the budgeted amount.

52000_50068SC - Other Professional Services

53000_50241SC - RandM-Machinery and Equipment Services

50000_50380SC - Law Enforcement Equipment - Non-Capital

The budget overages in Other Professional Services, Machinery & Equipment, and Law Enforcement Equipment (Non-Capital) are primarily due to the onboarding of new constables. The new Constables require additional training and professional services, as well as essential equipment to perform their duties effectively. This includes items such as uniforms, radios, duty gear, computers, and other operational tools. The increase in staffing has directly contributed to the need for more resources to ensure all Constables are properly equipped and prepared for the job.

2. Identify the line item and provide an explanation as to why revenues are expected to fall short of the budgeted amount.

N/A



Budget Remediation Plan

3. Explain the steps the department will take or has taken to remediate the situation.

1. Other Professional Services

Review and renegotiate contracts with outside vendors to reduce costs.

Utilize in-house resources where possible to replace external services.

2. Machinery & Equipment

Postpone new purchases of office machines or non-critical equipment.

Repair over replace: Prioritize maintenance of existing equipment over buying new.

3. Law Enforcement Equipment (Non-Capital)

Limit purchases to only mission-critical items needed for officer safety or legal compliance.

Inventory existing supplies to avoid duplicate purchases and maximize use of current stock.

4. Please identify the timeframe in which the department projects to be back within budget.

The department projects to be back within budget by the end of the current fiscal year, assuming no additional unforeseen expenses arise. Cost-saving measures and spending adjustments have already been implemented to support this goal, with ongoing monitoring to ensure compliance with the revised budget plan.

Signature, Appointing Authority or Designee

Date

30 Apr 25

☒ Finance has reviewed and concurs with plan.

Signature, Finance & Risk Management Director or Designee

Date

5.21.2025

In accordance with BOS Policy D22.2 Budget Accountability, submit completed form by the 1st of the month following a projected overage or shortage to FIN_Budget_Remediation.