

BOARD OF SUPERVISORS' BUDGET HEARING MINUTES

The Pima County Board of Supervisors met at their regular meeting place in the Pima County Administration Building (Hearing Room), 130 West Congress Street, Tucson, Arizona, at 1:30 p.m. on Tuesday, May 2, 2017. Upon roll call, those present and absent were as follows:

Present: Sharon Bronson, Chair
Ramón Valadez, Acting Chair
Steve Christy, Member

Absent: Richard Elías, Vice Chair
Ally Miller, Member

Also Present: Chuck Huckelberry, County Administrator
Thomas Weaver, Chief Civil Deputy County Attorney
Julie Castañeda, Clerk of the Board
Charles Lopiccolo, Sergeant at Arms

1. PLEDGE OF ALLEGIANCE

All present joined in the Pledge of Allegiance.

2. COUNTY ADMINISTRATOR - Introduction

Chuck Huckelberry, County Administrator, explained this was the first of seven budget hearings and these hearings would give departments the opportunity to present their requested budgets and answer questions from the Board.

Mr. Huckelberry distributed a handout that provided a comparison from last year's budget expenditures to this year's budget expenditures as it related to the general fund, special revenue, debt service and capital projects. He also provided a handout for the justice and law enforcement agencies, a ten-year snapshot of expenditures and revenues by agency of the justice and law enforcement system.

Mr. Huckelberry informed the Board that the County was waiting on the state legislature to finish its budget to ascertain impacts on the County. He detailed some positive impacts that indicated there would be a reduction in contributions to the Juvenile Justice funds and \$30 million of Highway User Revenue Funds (HURF), would be restored. The HURF funds would be a permanent reinstatement.

Mr. Huckelberry indicated that an additional plan was being prepared for the Boards' consideration that addressed roadway rehabilitation. This report would be presented to the Board by mid-May.

Supervisor Christy asked for a timeline of the budget process.

Mr. Huckelberry explained the current year's budget timeline.

Supervisor Valadez inquired about last year's court action with respect to the 1% homeowners rebate. He also asked what the rate difference would have been if the County had not prevailed.

Mr. Huckelberry responded it was about 10 cents, \$17 million of potential transfers. Initially the tax rate was budgeted due to uncertainty and direction was provided to staff to pursue legal action. Upon settlement of the lawsuit, the rate was reduced.

Supervisor Valadez commented that approximately a third of the general fund was budgeted for cost shifts to the state. He then inquired as to what was the percentage.

Mr. Huckelberry responded about 26%. However, there could be additional relief by way of the juvenile transfers. The county could receive \$1 million in return.

Supervisor Valadez asked about the debt service, in terms of the Certificates of Participation (COPs) and previous bond issuances. He inquired as to when the debt would be reduced.

Mr. Huckelberry responded that service rate was at 70 cents, and that the \$30 million of debt would be paid back within five years. He indicated that in '19/20, there would be a dramatic drop in the service rate, and it would drop to approximately 50 cents.

Supervisor Valadez inquired about the court decisions regarding the Public Safety Retirement System (PSPRS) and the Elected Official Retirement Plan (EORP).

Mr. Huckelberry responded that the budget reserve was increased from \$61 million to \$66 million in anticipation of those costs.

3. **COUNTY BUDGET**

County Budget Fiscal Year 2017/2018

4. **DEPARTMENT BUDGET PRESENTATIONS**

- **Constables**

Michael Stevenson, Justice Precinct No. 10 Constable, explained there had been a 50% turnover of Constables, which had resulted in additional

cost for training, mileage and time utilized for training. He indicated there would be an increase to benefits due to the departure of officers and incoming replacements. They experienced a 33% turnover in office staff and were currently working on filling a vacant position. He stated the Constable's Office worked with multiple departments to address issues with the budget and to ensure they stayed within their budget allocation. He indicated that revenue was up 7% in comparison to the last 4 years, which was attributed to a 29% increase in the collection of wastewater papers. A major new project involved a collaboration with the Sheriff's Department regarding usage of the Spillman software program. He spoke of long-term goals meant to reduce cost.

Chuck Huckelberry, County Administrator, stated the Constable's budget would be adjusted accordingly to accommodate the increase in benefits. He stated that the Constable's Office had been cautious in their revenue budgeting and were expected to have enough revenue to pay for the Spillman program and any adjustment made to their budget.

- **Clerk of the Superior Court**

Toni Hellon, Clerk of the Superior Court, presented her department budget to the Board. She stated that the current year's budget was a little over \$1.8 million and the budget submitted would be the same as last fiscal year. She explained that 94% of the budget was for personnel. She also explained her office utilized the inter-salary credit, which paid salaried employees out of the document, storage and retrieval fund and the automation fund. She explained that over the past year, County departments had assisted the Superior Court in revamping processes and finances, which resulted in significant savings. She indicated that credit card fees were being contemplated as an effort to increase revenue, as well as some service fee increases. She described techniques used to stay within budget and elaborated on the duties of her department, which included processing marriage licenses and passports.

Chair Bronson asked if other jurisdictions charged a credit card fee.

Ms. Hellon affirmed most jurisdictions charged credit card fees and that the Superior Court was outdated in that respect.

Supervisor Christy requested more information on passport processes including costs and revenues.

Ms. Hellon explained passports were under the jurisdiction of the Department of State and that they contracted with governmental agencies.

Ms. Hellon stated her office was the primary agency that provided passport processing. She explained there had been discussions on acquiring additional locations to provide passport services.

Mr. Huckelberry, County Administrator, explained the Clerk's Office had worked with the State Department and Western Passport Center to open two more offices. These installations could potentially provide more revenue for Pima County and better services to its citizens.

Ms. Hellon added the Department of State had also considered increasing of the passport processing charge.

- **Sheriff**

Mark Napier, Pima County Sheriff, stated January 2017 projections had indicated that the Sheriff's Department would have been more than \$6 million in debt. He explained how the department had mitigated that deficit and did not compromise the safety of citizens. He stated that there were factors that contributed to the reduction of revenue, such as jail booking costs. He indicated the department had not requested employee compensation, but there had been a supplement for critical-needs. He indicated that employee's compensation were not addressed, but would be addressed in future budgets. He explained a new policy was adopted which dictated budget accountability at all levels of the organization. He reminded the Board that a safe County was a strong factor in economic development and requested the Board approve the Sheriff's Department budget.

David Theel, Captain, Pima County Sheriff's Department, detailed the department's supplemental requests: \$88,000.00 for 5-year lease for servers compatible with the Spillman program, \$25,000.00 for professional services from Spillman for program transition, \$65,000.00 for Spillman data replication module, \$200,000.00 for solid-state memory for virtual desktop environments at the jails and \$45,000.00 for IBM Tivoli storage software.

Supervisor Valadez asked if the software and hardware purchase requests capitalized on the economy of scale of the entire organization or if the Sheriff's Department were purchasing the programs on their own.

Captain Theel stated the Sheriff's Department worked with the Information Technology Department (ITD) to obtain the best prices for the servers and were working with the Constable's Office in regards to the Spillman program. The Sheriff's Department had not worked in conjunction with anyone in regards to the IBM Tivoli storage software and that this one item

could be delayed until next year's budget so that the Sheriff's Department and ITD could work on purchasing the item with economy of scale.

Chair Bronson explained the Board had been implementing a policy to combine all Pima County departments into similar ITD conditions for cost effectiveness and ease of accessibility.

Supervisor Valadez stated he appreciated the idea of budget accountability for the different levels of the Sheriff's Department and asked how they would handle the increase in costs of on-call pay, overtime pay and holiday pay.

Sheriff Napier explained that individual Commanders and Supervisors would be more aware of budget constraints and they would be in charge of keeping costs down.

Supervisor Christy questioned if the Sheriff's Department had applied for federal or state grants in regards to the Communication upgrades.

Captain Theel responded the Sheriff's Department was cognizant of grants and had applied to many but there were currently none available to provide for the needs of the department during the upcoming fiscal year.

Chair Bronson noted there had been a decrease in the State Criminal Alien Assistance Program (SCAAP) funding.

Sheriff Napier explained he would continue to campaign for federal funding to augment taxpayer monies used for border issues and agreed there had been a large decrease in federal funding available for law enforcement.

Supervisor Christy applauded the Sheriff for his insight that a safe County was a contributing factor in economic development and for noting that employee compensation would be addressed later. He asked how many cell phones had been revoked and what was the cost savings. He also queried their overall assessment of the motorized fleet.

Sheriff Napier replied approximately 300 cell phones had been revoked resulting in a saving of \$15,000.00 per month for the general fund. He stated the Sheriff's Department had worked with the County Administrator to review critical fleet needs in the hopes of avoiding major upgrades from occurring all at one time.

Chuck Huckelberry, County Administrator, indicated that Administration and ITD would look into the software requests and that his office would work with the Sheriff's Department on vehicle replacements.

- **Superior/Juvenile Courts/Justice Courts**

Kyle Bryson, Presiding Judge of Pima County Superior Court, explained that for the 2017/18 fiscal year, the Superior Court had requested a .4% increase. He described the methods used to stay within budget and indicated that the Courts had made long-term goals to remain within budget for the current and upcoming years. He explained the judicial and organizational structures, accomplishments, and programs within the Courts. He also described methods used to stay current with technological advances. He highlighted the budget requests of \$50,000.00 for the Adult Probation Community Restitution Program and \$62,165.00 for the Domestic Violence Arrest Team. He stated these amounts would match the funds granted, and described the importance of the Programs to Pima County and its citizens. He explained that for the past 11 years the Domestic Violence Arrest Team had received a grant from the Office of Violence Against Women, but had recently lost the grant and were in the process of reclaiming the grant for next year. He indicated that without the grant, the Domestic Violence Arrest Team would have to be disbanded.

Supervisor Christy inquired whether the employees of the Domestic Violence Arrest Team were Pima County employees.

David Sanders, Chief Probation Officer of Pima County Superior Court, explained that the Domestic Violence Arrest Team worked for the Adult Probation Department. He described the personnel involved and their responsibilities, and that they reported to Judge Bryson. He stated that 50% of Adult Probation funding came from the State of Arizona, 1/3 from Pima County and the remainder from grants and fee revenue, for a total of \$18 million.

Kathleen Quigley, Presiding Juvenile Court Bench Judge, provided a synopsis of the Juvenile Court system. She described court programs, including the consolidation of the Domestic Violence Alternative Center and the benefits of having incorporated it to the A.C.E.S. Center. She indicated that there had been discussions regarding improvements to the Probation Department processes, changes in procedures to the Dependency Alternative Program that had saved an estimated \$90,000.00 in attorney's fees and had reduced the workload for County employees. She explained how the Juvenile Court assisted families in Pima County and expressed her appreciation to the dedicated employees of the department.

Adam Waters, Presiding Judge of Pima County Justice Court and Chief Administrative Judge of the Pima County Consolidated Justice Court, provided an overview of all Pima County Justice Courts (Tucson). He

explained some of the innovative services the Justice Court provided and the courts relocation to the new Justice Court building. He stated the requested budget was identical to last years and that they anticipated being \$50,000.00 under budget this fiscal year due to the retirement of two senior administrators. He indicated that the Justice Courts utilized the Domestic Violence Arrest Team Program and recommended that the Board fund the program.

John Peck, Presiding Judge of the Ajo Justice Court, stated that the Ajo Justice Court had stayed within budget and were requesting less than one-quarter of a percent increase, or \$1,400.00, for the upcoming fiscal year. He reported on the Justice Court's achievement over the past fiscal year and explained they had been recipients of multiple grants that helped fund important programs.

Lisa Royal, Justice of the Peace for Green Valley, indicated that Green Valley Justice Court's budget request had not changed from last year's budget request. She stated that 96% of the budget was for personnel services, which left very little for operating expenses. She mentioned \$61,000.00 from special revenue funds had been used for general fund expenses, and that they relied heavily on special revenue funds. She stated filing income had diminished considerably but revenue as a whole had risen slightly and explained the services provided by Green Valley Justice Court.

- **County Attorney**

Barbara LaWall, Pima County Attorney, stated that the County Attorney's Department had not submitted any supplemental requests with the upcoming fiscal year's budget and that 95% of the budget was for personnel services. She declared that in the 20 years she had worked for the County Attorney's Office, they had never gone over budget. She mentioned that the department was working at capacity and any increase for legal services would put a strain on the department. She explained the majority of the department workload came from external factors, provided an overview of the department's responsibilities and detailed the reasons and by how much the workload had increased within the department over the past several years. She ended by declaring her support for funding the Domestic Violence Arrest Team Program and asked the Board to consider an employee compensation increase for fiscal year 2017/18.

Supervisor Christy asked if Tucson Police Department contracted with the County Attorney's Office for services rendered.

Ms. LaWall explained that she was required by law to provide services regardless of the jurisdiction that made the arrest.

5. PUBLIC SPEAKERS

Christopher Cole requested the Board place a line item that explained what statute provided authority to the County for expending taxpayer's money.

Willie Blake spoke in support of the elderly and handicapped, and the importance of the adult probation cleanup and asked the Board for their support in funding the program.

Rosemary Good, representative of the Pima County Probation Officers Association, encouraged the Board to provide the supplemental funding needed for the Community Restitution Program that would keep the adult probation cleanup program operational.

John Burkholder, Probation Unit Supervisor for the Pima County Domestic Violence Team, explained the services the Domestic Violence Team performed and the importance of keeping them funded.

Deborah Pela and Monica Lopez did not speak but submitted speaker cards in support of funding the Superior Court supplemental budget requests for the Community Restitution Program and the Domestic Violence Team.

6. ADJOURNMENT

As there was no further business to come before the Board, the meeting was adjourned at 4:18 p.m.

CHAIR

ATTEST:

CLERK