

## 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 9:00 a.m. on Tuesday, May 9, 2017. Upon roll call, those present and absent were as follows:

Present: Sharon Bronson, Chair  
Richard Elías, Vice Chair  
Ramón Valadez, Acting Chair  
Ally Miller, Member  
Steve Christy, 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 BUDGET

County Budget Fiscal Year 2017/2018

Chuck Huckelberry, County Administrator, commented that any questions or issues raised by the Board would be answered by memorandum to the Board.

### 3. DEPARTMENT BUDGET PRESENTATIONS

- **Superintendent of Schools**

Ricardo Hernandez, Deputy County School Superintendent, explained that they had a modest budget and no dramatic changes in expenditures and revenues were anticipated. He stated that the \$7,000.00 increase in the General Fund was due to the salary increases and adjustments made by the Information Technology Department. He indicated that the department was working on new office goals/activities that would be incorporated into next year's budget. Mr. Hernandez stated that several of their programs were not supported by County funds, and that most of the funding came from enterprise activities, limited grant funding, state funds for the Accommodation District and private partnerships/sponsorships. He further stated that their budget was the fourth smallest General Fund budget and second smallest General Fund budget for Elected Officials. The current budget was developed to continue many of the successful programs such as the STEMAZing Project and Healthy and Safe Schools Project. They explored a new partnership with the Arizona

Educational Foundation which was part of the \$30,000.00 supplemental budget request, which was not recommended for funding. He stated that they anticipated some budgeted revenues to increase and a larger reimbursement from the special elections being conducted in the Fall.

Supervisor Miller questioned the 200% increase in advertising.

Mr. Hernandez responded that it was moved to the appropriate line item, from professional services to advertising.

Supervisor Miller questioned the actuals for electricity versus the budgeted amount of \$0.00.

Mr. Hernandez explained that services needed to be provided to teachers during non-operating hours and a \$30.00 per hour charge incurred for using the facility during non-working hours.

Supervisor Miller questioned the four percent increase in the School Reserve Fund.

Mr. Hernandez responded that the increase was related to additional grant funding received.

Supervisor Miller questioned if there was a targeted percentage for the reserve.

Mr. Hernandez responded it was about two percent.

Supervisor Miller inquired if the \$37,000.00 supplemental request was for a part-time Program Manager to become a full-time Program Manager.

Mr. Hernandez confirmed that it was.

Supervisor Miller inquired about supplemental requests and approvals

Chair Bronson stated any approvals for supplemental funding was determined by the Board.

Chuck Huckelberry, County Administrator, stated that he had not recommended any supplemental funding to the Board.

- **Assessor**

Bill Staples, Pima County Assessor, explained that the Assessor's Office was committed to coming in below budget and that approximately \$800,000.00 of his budget was returned last year. He indicated that parcels counts were up,

values were up, staffing levels were down 20% and salaries and wages made up 90% of the budget.

Supervisor Miller inquired about a \$10,000.00 allocation from last year for office machines and computers that went unspent but was once again being requested. She questioned if it was related to IT and leasing.

Mr. Staples stated that this was for equipment and software outside the lease program.

Supervisor Valadez questioned the legal expense of outside attorneys, if anything had changed and what was the trend at this point.

Mr. Staples explained that the Assessor's Office was being represented by the County Attorney's Office in three tax cases and he anticipated using the County Attorney's Office going forward. He further stated that if previous cases that had been represented by outside counsel should return, the original counsel would be utilized.

Supervisor Valadez questioned why In-State training had exceeded the budgeted allocation.

Mr. Staples stated he believed that the actuals for In-State training had decreased, but indicated that the tax conference may have made the difference. He indicated that he would investigate and get back to the Board.

Supervisor Christy inquired about the amount spent on outside counsel.

Mr. Staples indicated that he would have to get back to the Board with those totals.

Supervisor Christy requested that the County Administrator provide a memorandum detailing the history and the necessity and expense of utilizing outside counsel versus County counsel.

Supervisor Valadez requested that Mr. Huckelberry also include in his memorandum the cost to contingency for litigation.

Supervisor Elías commended Mr. Staples for consistently coming in under budget during his 12 years as Assessor.

- **Public Defense Services**

Chuck Huckelberry, County Administrator, stated that the Public Defense Services presentation included the following departments: Public Defender, Legal Defender, the Office of Children's Counsel, Mental Counsel, Office of Court Appointed Counsel and the Public Fiduciary.

Chair Bronson stated that she had requested a 10 year expenditure and revenue history for all the Justice and Law Enforcement agencies. The report, prepared by the County Administrator, detailed the following increases by departments: Sheriff's 34% County Attorney 14%, and Public Defense Services 9%. She indicated that the Justice and Law Enforcement agencies combined budgets totaled \$358.7 million, which was 62% of the General Fund and 29% of all County expenditures and this contributed to the property tax rate. She further indicated that the McArthur Grant provided ways to drive those costs down while assuring public safety.

Lori Lefferts, Director of Public Defense Services, explained the department was a combination of six departments. She stated that this year's requested budget was under \$32.5 million, with a substantial reduction in spending and indicated that expenditures for FY15/16 were \$1.2 million less than the previous year due to the consolidation of departments. She indicated that felony case filings and indictments had increased, which contributed to the hiring of five additional child attorneys and contract lawyers. She stated that public defense was on target to meet their budget, but explained that expenditures were out of their control and unpredictable.

Chair Bronson questioned if all parents and children received lawyers and if any of those costs were recouped.

Ms. Lefferts explained that separate attorneys could be assigned to both the parents and children. She stated revenues were collected using an established fee schedule. Fees were assessed against an individual dependent on their ability to pay. She indicated that both the assessments and collections were handled through the courts and that efforts were being made to collaborate with the Courts to provide accurate assessments, establish a uniform approach, and maximize collections.

Chair Bronson inquired about the spike in revenue in 2009 and what had occurred.

Ms. Lefferts explained that at that time collections were being handled by the Office of Court Appointed Counsel and at some point were shifted to the Court.

Chair Bronson questioned if this was being discussed with the Justice Coordinating Council (JCC) or if it was part of the MacArthur Grant.

Ms. Lefferts stated that revenues were not part of the MacArthur Grant and it had not been discussed at JCC meetings, but discussion regarding collections and fee assessments were underway.

Chuck Huckelberry, County Administrator, explained that collections had transferred from a collection agency to the Superior Court and finally to the Arizona Office of the Courts.

Chair Bronson inquired about the increase in felony filings.

Ms. Lefferts explained that felony arrests made by any law enforcement agency were reviewed by the County Attorney's Office; and it was at their discretion to determine felony and indictment filings. She stated once they were arrested, the indigent would receive court appointed counsel.

Supervisor Elías questioned how the quality of defense for individuals was measured, how it previously compared, and what was the efficacy of the department.

Mr. Lefferts explained that there were no reductions in the quality of services after the departments were consolidated, trial acquittal rates remained high, the quality of lawyers and staff were high, and it was hard to measure quality because every case was different.

- **Attractions and Tourism**

Mike Holmes, Operations Program Manager, and Catherine Strickland, Marketing Program Manager, made the presentation. Mr. Holmes explained that this department had separated from the Economic Development Department and became its own entity. He indicated that the department's goal was to entice people to come to Tucson and spend their time and money in the hopes that they would spread the word about their experience. He indicated that they used marketing to accomplish this. The department also supported 13 family attractions through leased properties and other attractions were supported through the Southern Arizona Attractions Alliance. He stated that most of the expenditures were for outside agencies. The estimated budget is \$1.1 million.

Supervisor Miller questioned if the leased properties were for Sun Corridor.

Mr. Holmes responded that the 13-leased properties were managed by Pima County. He indicated that he would provide a list to the Board.

Supervisor Miller inquired if these properties were being leased by the County from other entities.

Mr. Holmes stated the properties were owned by Pima County and were leased out or had operating agreements.

Supervisor Miller questioned a budget item in the amount of \$276,000.00.

Mr. Holmes explained that the department's salaries were paid by revenues received from the hotel bed tax and the leased properties. He indicated that

the revenues were expended on office support and required contractual support provided to the properties. There were also five wells that they maintained and had expended \$25,000.00 for repair and maintenance.

Supervisor Miller questioned why they had lab and x-ray services listed.

Chuck Huckelberry, County Administrator, clarified those services were for water quality testing.

Supervisor Miller inquired about the lobbying services listed.

Mr. Holmes stated those services had been dictated to them, they supported lobbying efforts and this year's amount had decreased.

Mr. Huckelberry explained lobbying services were allocated based on the level of work expended in each legislative session regarding specific issues.

Supervisor Miller requested a list of the properties and revenue details for each line item. She inquired about the projected \$40,000.00 to \$50,000.00 losses regarding Crooked Tree Golf Course and if there had been any improvements.

Mr. Holmes stated there were improvements but could not provide final numbers because the season had not yet ended. Ms. Strickland explained that they assisted Crooked Tree Golf Course with their websites/social media and marketing ideas.

Supervisor Miller asked that the final numbers be provided to her when they were available. She questioned the increased Payments to Outside Agencies of \$1.5 million.

Mr. Holmes clarified that was the total amount spent and not an increase.

Supervisor Miller inquired about the bed tax.

Mr. Holmes stated that the bed tax revenue had increased and they projected an increase next year.

Supervisor Miller asked if their head count changed.

Mr. Holmes stated they had gone down one full time employee (FTE) because of the minimum wage increase.

Supervisor Christy questioned how they would address overlaps between Visit Tucson and the department's mission.

Mr. Holmes stated that he did not believe there were any overlaps and that they worked with them as a partnership. Ms. Strickland stated the department supplemented Visit Tucson's focus on attractions because Visit Tucson's core responsibility was to bring visitors and conventions, but did not have the staff power to focus on the attractions.

Supervisor Christy inquired if Visit Tucson had any interest in attractions in Southern Arizona.

Ms. Strickland stated Visit Tucson did have an interest in attractions and worked closely with Southern Arizona Attractions Alliance to provide marketing materials, websites and brochures to the visitor's center.

Supervisor Christy commented that the County helped fund Visit Tucson and Attractions and Tourism with similar connections and missions, he questioned overlap and if they should look at reducing effort in one area or supplanting another area.

Mr. Huckelberry explained that the statutory structure that funded Visit Tucson recognized that the County had a role in tourism related to economic development. He stated their goal was to enhance the entire region and that both entities complemented each other.

Supervisor Miller questioned why Attractions and Tourism was separated from the Economic Development Department.

Mr. Huckelberry explained that Attractions and Tourism dealt with only one small component of economic development and that historically the County had a reliance on tourism and now the reliance was for job growth, which made it necessary to separate those functions.

Supervisor Elías stated he understood Supervisor Christy's concerns of duplicative efforts, and that the County should not underestimate the value of protecting those assets by having staff specifically assigned.

- **Community Development and Neighborhood Conservation**

Margaret Kish, Community Development and Neighborhood Conservation Director, and Daniel Tylutki, Program Manager-Senior, made the presentation to the Board. Ms. Kish explained that the budget included related costs for various grant funds, and a reduction in staff cost due to the retirement of senior staff members. She stated that the General Obligation (GO) Funds for both neighborhood reinvestment and housing were in their final stages and that all projects would be completed by the end of the year. The General Funds leveraged about \$58 million of additional federal, state and local funds. Ms. Kish detailed some of the programs funded by grant funds.

Mr. Tylutki explained that they were continuing to pursue grants and anticipated a 25% increase in grant funding. He stated they received increased funding for homeless and special populations, wrapped up revitalization efforts, and recaptured and reprogrammed grant funds for which they received praise from Housing and Urban Development (HUD). He explained the success of all the programs they administered.

Supervisor Elías inquired about the home repair program.

Mr. Tylutki explained that the Home Repair Program was a consolidation of multiple repair programs ranging from emergency repairs to energy saving alternatives.

Supervisor Elías questioned the amount the County expected to receive for CDBG funds this year.

Mr. Tylutki stated the anticipated total amount was \$2.6 million.

Supervisor Miller questioned the increased amount of General Funds to Professional Services.

Ms. Kish responded that due to their small staff, they utilized other technical assistance and professionals to help develop grant opportunities and reports that staff did not have the capacity to deliver.

Supervisor Miller asked about the 740% increase in out-of-state training.

Ms. Kish explained that additional staff was hired this year and they required specialized training.

Supervisor Miller questioned payments to grant sub recipients and why it was being increased by \$1 million, but actuals showed a big underrun.

Ms. Kish stated as monies are recaptured they could be reallocated to fund other projects.

- **Community Services, Employment and Training**

Charles Casey, Community Services, Employment and Training Director, made the budget presentation and stated that the overall budget increased by \$4 million and an additional \$34,000.00 was received from Regional Wastewater Reclamation Department (RWRD) for the Summer Youth Program. He stated they had a budgeted revenue for the Ending Poverty Now initiative and most of the General Fund changes were for Information Technology Department costs allocated to their budget. There was a decrease of six FTE's due to the minimum wage increase.



Supervisor Elías questioned what the delta was of having the youth employees work full-time at minimum wage.

Mr. Casey stated it was about \$100,000.00 to \$120,000.00 for the Board program and about \$80,000.00 to \$100,000.00 for the subcontractors.

Supervisor Elías requested that Mr. Casey provide detailed information about the cost associated with having the youth work full-time.

Mr. Casey stated there was a possibility of \$2.6 million in additional grant funding for the Low Income Home Energy Assistance Program (LIHEAP). He discussed the YouthCareer Connect Grant, a new grant that helped individuals transitioning out of the Pima County Jail, requested an additional FTE for Grants, and there was a decrease of one FTE at Pima Vocational High School. He provided statistical information of the services they provided.

Chair Bronson asked what amount of funds were from the General Fund and what amount was Grant funded.

Mr. Casey responded that 1/4 was General Fund and approximately \$20 to \$21 million were from other types of funding.

Supervisor Elías questioned if contract administration was onerous especially with grant amounts shrinking.

Mr. Casey concurred and explained that federal monitoring was time consuming and the emphasis was less serving to the community and more serving to the administrative function.

Supervisor Miller questioned if this was due to the new uniform Grant Guidance Act that was passed.

Mr. Casey explained that that was part of the issue and there was a different level of accountability imposed.

Supervisor Miller inquired about the increase of \$1.5 million for Payments to Agencies.

Mr. Casey explained that the Finance and Risk Management Department requested that payments to subcontractors be classified under that line item.

Supervisor Miller questioned the increase in Telephone and Internet Port charges.

Mr. Casey explained there was a \$44,000.00 increase for port charge allocations and he stated that he would need to investigate it further and get back to the Board.

Supervisor Miller questioned the increase for payments to agencies.

Mr. Casey clarified that was for the Grants Budget, which would not stay on the line item since it was estimated for LIHEAP.

Supervisor Miller questioned what drove the increase in security costs.

Mr. Casey explained that additional security was necessary when they moved locations.

Supervisor Miller questioned the 56% increase in Other Professional Services for Pima Vocational High School.

Mr. Casey explained Other Professional Services were shifting out of the personnel line item.

Supervisor Valadez asked about the Ending Poverty Now Program.

Mr. Casey explained the program was going very well and they were working on an Employer Related Network (ERN) and liked the concept because it helped the employer reduce turnovers.

Supervisor Valadez questioned upcoming changes for Workforce.

Mr. Casey explained that the State of Arizona had rebranded to Arizona@Work, the U.S. Department of Labor rebranded OneStops to America's Job Center. Moving forward the biggest impact has been automation and how it impacted the workforce, and the skill sets needed for training.

- **Communications, Graphic Services & Print Shop**

Mark Evans, Public Communications Manager, made the presentation and stated there were changes in operational expenses, personnel decreases and both Print Shop revenues and IT charges increased. He stated that they purchased software to manage 30 social media accounts for archiving, to meet Arizona Public Records Law requirements.

Supervisor Miller questioned why there was a 150% increase in Printing and Microfilming.

Mr. Evans stated it was for printing and was a variance for their anticipated supplies when they relocate the Print Shop to Downtown.

Supervisor Miller questioned the increase in Software Maintenance, Support and Graphics.

Mr. Evans explained that it was for software they had to purchase since Adobe no longer provided subscriptions.

- **Library District**

Michelle Simon, Deputy Library Director, made the presentation and stated their budget was for operational expenditures of \$42 million and transfer out \$4 million which would encompass the costs of capital improvement projects for the Flowing Wells Library, Sam Lena South Tucson Library and the new Southeast Library in the Vail area as well as technology infrastructure. She provided statistics of the libraries and a general overview of programs available to the public, including the award-winning Library Nurse Program and Seed Library Program. Over the past year they upgraded their bookmobile with technology and added additional routes. She further stated that major costs of the Library Budget included personnel at over \$20 million, books, CDs, DVDs, subscriptions for electronic resources, and programs, services, utilities and building maintenance, which were huge expenses to the Library as they provided core services to community members. She provided some of the major costs including different formats, microfilm, technology and digitizing. Ms. Simon explained that computers would be upgraded to Windows 10. She also indicated that there would be budget constraints moving forward with building projects without bond funds. She stated they continued to have concerns of aging libraries and technology requirements and looked at upgrading the infrastructure for increased bandwidth and WiFi connectivity.

Supervisor Valadez questioned if there were any security issues related to the open WiFi.

Ms. Simon stated that the IT department worked with the Library to make sure that the wireless connectivity was secure. She indicated that there had been no incidents of security with WiFi access because the necessary filters were applied, anti-virus software was being use and IT provided monitoring. She added they requested four additional FTEs for reassignment of organizational staffing, the CIP fund balance impact was \$4.8 million and anticipated an \$8.3 million fund balance at the end of this fiscal year and \$3.3 million balance for fiscal year 17/18. There are significant overhead, technology, and staffing challenges, as well as the uncertainty of grant allocations.

Supervisor Miller questioned if the vacancies were budgeted.

Ms. Simon responded the vacancies were budgeted.

Supervisor Miller asked about the amount for outstanding receivables owed to the Library.

Ms. Simon clarified that collections meant DVDs and books, not collections for fines in arrears.

Supervisor Christy questioned what was the miscellaneous funding revenues.

Ms. Simon explained that was funding from Friends of the Pima County Public Library and a Trust Fund.

Chuck Huckelberry, County Administrator, stated they would get materials to the Board regarding collections, fines, fees and delinquency.

Ms. Simon stated that the Library supported other efforts in the County and they partnered with OneStop and the Health Department. She explained that they were working towards the Ending Poverty Now Initiative and took advantage of the Communications, Print Shop and RWRD training.

4. **PUBLIC SPEAKERS**

Christopher Cole, Libertarian Party, addressed the Board regarding the authority the public had to review line items within the County budget.

Tim Walrath and Frank Velasquez, Jr., Job Path, spoke to the Board and introduced Student, Krystyn Schuldt. Ms. Schuldt shared her JobPath experience and shared that she was enrolled in Pima Community College's Nursing Program. She thanked the Board for funding the JobPath program.

5. **ADJOURNMENT**

As there was no further business to come before the Board, the meeting was adjourned at 11:46 a.m.

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CHAIR

ATTEST:

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CLERK

## 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 9, 2017. Upon roll call, those present and absent were as follows:

Present: Sharon Bronson, Chair  
Richard Elías, Vice Chair  
Ramón Valadez, Acting Chair  
Ally Miller, Member  
Steve Christy, Member

Also Present: Chuck Huckelberry, County Administrator  
Paula Perrera, 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 BUDGET

County Budget Fiscal Year 2017/2018

### 3. DEPARTMENT BUDGET PRESENTATIONS

- **Recorder**

F. Ann Rodriguez, Pima County Recorder, provided an overview of the department budget. She stated that the projected budget for this year is \$2,899,000.00. The budget includes projected election costs of \$629,450.00 for the City of Tucson Primary and General Elections and Special Election for the Town of Oro Valley. The budget did not include any additional request for personnel or major capital expenditures and the majority of the costs were for personnel, postage, printing, and assembly/ mailing services. She stated that General Fund expenditures included a \$98,750.00 allocation for the statewide voter registration system, however these costs were currently being disputed due to the fact that Pima County does not utilize this system but pay a large portion of the costs. Projected revenues are estimated at \$363,000.00 due to fee increases for Deeds of Trust and document recording fees. She stated that they continued to make upgrades and improvements to the recording and voter registration systems and projected revenue increases in the Document Storage Fund, which offset those increased costs. Ms. Rodriguez recognized and thanked her staff for an outstanding job.

Chair Bronson thanked Ms. Rodriguez for her professionalism and stated that Pima County Elections was a model for other counties.

- **Treasurer**

Beth Ford, Pima County Treasurer, provided an overview of the Treasurer's Office, indicated no additional funding had been requested, and that the department would be implementing a new payment gateway that allowed taxpayers to pay online.

Chair Bronson questioned if they auctioned property.

Ms. Ford responded that they did not but they were working with the Real Property Division on possibly auctioning property.

Supervisor Miller asked about the new payment gateway and why there was no additional costs.

Ms. Ford stated the taxpayers would be picking up the fees.

Supervisor Miller questioned why postage increased 200%.

Ms. Ford stated she would provide those details to the Board.

- **Behavioral Health**

Danna Whiting, Behavioral Health Administrator, made the budget presentation. She stated the projected budget was \$25,816,182.00 that represented a 36.7% reduction over last year's budget. She indicated this change was attributed to a \$15,000,000.00 allocation for Graduate Medical Education and for Disproportionate Share of Hospital matching funds for the Arizona Board of Regents that was not budgeted for FY 17/18; however it was in the County Administrator's recommended budget. She explained that increases included a total of \$38,432.00 for raises awarded last year and increased cost of employee benefits. Ms. Whiting provided an overview of the different programs and services, and stated they were committed to saving, maximizing productivity and improved access to care for citizens.

Supervisor Christy questioned the difference between the behavioral services provided by Banner Health and the County.

Ms. Whiting explained that the County did not provide direct services, but monitored the process and paid for services as mandated by statute.

Supervisor Christy questioned the services provided to detention/juvenile courts and if Banner Health was contracted for those areas.

Chuck Huckelberry, County Administrator, responded behavioral and detention health was contracted through Correct Care Solutions and approximately \$12,000,000.00 was allocated to Adult Detention and \$1,500,000.00 was allocated to Juvenile Detention. These were direct costs related to medical services and Restoration to Competency (RTC) Programs operated by the Department.

Supervisor Christy questioned if the \$15,000,000.00 that Banner Health received from the County was for psychiatric services.

Mr. Huckelberry explained that it was for a contract with the Arizona Board of Regents for Banner Health to operate and lease the Kino Hospital facility and to allow for funds to be transferred back to the center for Graduate Medical Education.

Supervisor Christy commented he was under the impression that the arrangement with Banner Health was for psychiatric services to the County.

Mr. Huckelberry stated that it was for all medical services and included psychiatric services.

Supervisor Christy questioned if the department ensured services being contracted were being performed.

Ms. Whiting responded that they ensured contractors followed the statutes as it pertains to court-ordered evaluation and then paid them for the services. She indicated that they also contracted with Palo Verde Hospital and Sonora Behavioral Health.

Supervisor Elías questioned the \$691,530.00 for forensic exams of sexual assault survivors and whether they were more survivors needing services.

Ms. Whiting confirmed the total and stated she would need to get back to the board with totals for survivors.

- **Medical Examiner**

Dr. Greg Hess, Chief Medical Examiner, explained the duties of the Medical Examiner. He indicated that most deaths in Pima County were not reported to the Medical Examiner's Office, but their office provided services for the deaths that occurred due to non-natural causes. He stated that in 2016, they had 57 deaths in Pima County, which was the highest they have had.

Supervisor Elías asked what drove the increase.

Dr. Hess stated it was a fluctuation and the numbers went up and down over time. He further added that other counties contracted with the Medical Examiner's Office for services.

Chair Bronson questioned whether they were reimbursed for services provided to other counties.

Dr. Hess explained that the revenue amounts included in the budget were for reimbursements, personnel was 83% of their budget and the remainder was for operating expenses. He further explained their budget would increase next budget cycle due to a new toxicology contract. He added that they were the only fully accredited office in Arizona.

Supervisor Elías questioned how they were doing on unidentified border crosser deaths in the past year.

Dr. Hess explained there were 154 people they believed to be undocumented border crossers in calendar year 2016 and 45 in calendar year 2017, which had been an unabated problem since 2000.

- **Health Services**

Dr. Francisco Garcia, Health Services Director, made the budget presentation and explained there are two funds: the Health Fund and the Health Grants Fund. Both of these funds are special revenue funds of the Board of Supervisors. The Health Fund consists of contribution from the General Fund, about \$10,000,000.00 and fees collected for services, approximately \$4,500,000.00. It is anticipated that \$15,000,000.00 will be used for operating expenditures and any overages will be off offset by \$2,500,000.00 maintained in the fund balance. He indicated that next year two items would have an impact on the budget; \$200,000.00 for software and hardware for the new inspection system, and \$180,000.00 for updates to the mobile RV. He stated that for the past four years the department has had a very positive bottom line. The Health Grants Fund is pass through money from the Center for Disease Control (CDC) through the Arizona Department of Health Service (ADHS). Operating expenditures are anticipated at \$12 million and revenue approximately \$10 million. He indicated that both funds would realize a slight increase due to pay increases and employee benefits. He explained that the department had completed its implementation of the new electronic health record system, improved billing and collections and had gradually implemented a cost recovery model for consumer health and food safety. He further added the department continued to evaluate their range of services and the possible repeal of the Affordable Care Act.

Supervisor Elías expressed concern about a possible measles outbreak and questioned if the department had reached out to the refugee community in District 5.



Dr. Garcia responded that they were actively working to improve vaccination awareness and there was a possibility that those public health funds could be eliminated with the repeal.

Supervisor Christy asked when the decision was made to close the Green Valley Health Clinic.

Dr. Garcia stated that due to the decrease in demand for services, the decision had taken place over the past year and a half.

Supervisor Christy questioned if mobile units were available for visits.

Dr. Garcia explained they were currently working on replacing the mobile.

Supervisor Christy asked when the mobile vehicle would be activated.

Dr. Garcia responded within four months.

Supervisor Valadez inquired about the impact on the Health Department if Centers for Disease Control funds were repealed.

Dr. Garcia stated that the projected operating revenues amount for this year was \$10,000,000.00, of which 85% was federal funding.

- **Pima Animal Care Center**

Dr. Francisco Garcia, Health Services Director, explained that Pima Animal Care Center (PACC) continued to be a positive influence in animal welfare in Southern Arizona and was recognized nationally as a high performing animal shelter with the highest save rate at 90%. He explained that since the decision to invest in infrastructure, intake had decreased due to low costs for spay and neutering and increased adoption.

Chair Bronson commented that it was in conjuncture with partners.

Dr. Garcia concurred that none of this would have been possible without a true partnership across many animal welfare agencies and rescue partners. He indicated that PACC would become its own department by the end of this year and had a budget of \$9,400,000.00. He detailed successes for the year, the development of the Professional Development Program, and estate donations. He explained the statutory requirements and indicated that both the Town of Marana and Sahuarita have opted to seek new vendor for services. He stated that they historically struggled to maintain a full contingency of staff due to salaries, work involved and organizational changes.

Supervisor Miller asked what was the total amount of revenue lost from Marana and Sahuarita.

Dr. Garcia stated \$300,000.00.

Supervisor Miller questioned if they anticipated any issues with the City of Tucson being able to make payments.

Chuck Huckelberry, County Administrator, responded that the City of Tucson had entered into an Intergovernmental Agreement and they did not anticipate any issues.

Supervisor Miller inquired about the half million dollar waived for the City of Tucson because they were unable to pay.

Mr. Huckelberry stated that they were now making full payments, and that some of those costs waived were disputed charges.

Supervisor Miller expressed concern with comments made by Councilmember Steve Kozachik about this agreement.

Dr. Garcia reassured the Board that the City of Tucson was aligned with expectations and roles to be undertaken.

Supervisor Miller asked about the construction and remodel of the PACC facility.

Dr. Garcia explained that the new facility was expected to be completed by December 28, 2017. The remodeling was expected to commence shortly after and continue until July 2018.

Supervisor Miller questioned if there would be any additional operational costs once the facility was completed.

Dr. Garcia explained that the facility's current design was out of date and many operational costs were due to bad drains and layout. He believed that many of those costs would go away with the new facility and the impact would be minimal.

Supervisor Miller questioned if the cats program through Best Friends was still in operation and if the County would continue to receive the grant.

Dr. Garcia explained the Trap, Neuter and Release Program funding would continue until July, but they had budgeted another three years for the program with the bequest dollars.

Supervisor Miller questioned if there was a decrease in the cat population due to the program.

Dr. Garcia responded that they had effectively decreased the intake of cats by about 40%.

Supervisor Miller requested a report on the amount bequeathed and where the money was being spent.

- **Stadium District and Kino Sports Complex**

Maureen Ochoa, Stadium District Director, made the presentation and provided a synopsis of the amount of visitors to the complex, the facilities they managed and forecasted \$1.4 million in revenue. She stated the biggest concerns continued to be maintenance and operations, requested an additional \$125,000.00 to replaster the Mulcahy YMCA pool and two additional Full Time Equivalent (FTEs). She further explained that the debt service expense would be relieved next December.

Supervisor Miller request a report on investments.

Ms. Ochoa stated she would have to get back to the Board.

Supervisor Miller questioned the reduction in Payment to Agencies to \$0.00, but had \$52,000.00 in actuals.

Chuck Huckelberry, County Administrator, explained that the Stadium was expected to be paid this year, which would provide relief to the County, but the County would be obligated to relinquish the recreational vehicle tax and car rental tax.

#### 4. **PUBLIC SPEAKERS**

Edward Cizek addressed the Board regarding the Behavioral Health Department, commented that spending money on mental health was a good thing, questioned why allocated dollars had not been spent and stated that if mental health funds kept getting cut, they would see an increase in expenditures in the corrections system.

5. **ADJOURNMENT**

As there was no further business to come before the Board, the meeting was adjourned at 2:49 p.m.

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CHAIR

ATTEST:

\_\_\_\_\_  
CLERK

DRAFT