

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, April 7, 2015. 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
Ray Carroll, Member

Also Present: Chuck Huckelberry, County Administrator
Thomas Weaver, Chief Civil Deputy County Attorney
Robin Brigode, Clerk of the Board
James Ogden, Sergeant at Arms

1. PLEDGE OF ALLEGIANCE

All present joined in the Pledge of Allegiance.

2. COUNTY ADMINISTRATOR

Introduction

Chuck Huckelberry, County Administrator, stated there would be seven public hearings regarding the budget where the Board would hear from the various departments, agencies and the public on requested budgets. He indicated he had previously provided to the Board a report on Budget Strategies and Policies. He stated this budget cycle would be challenging and that he had asked for a two percent reduction in budget expenditures based on the anticipated outcome of the Arizona Legislative Session. He said the County had anticipated covering between \$7-\$10 million dollars of State cost transfers with the 2% reduction, but that figure had now risen to \$23 million. He added the recommended budget would be transmitted to the Board on April 30.

3. FINANCE AND RISK MANAGEMENT

- **County Funds**
- **County Budget Process**
- **General Government Revenues**

Tom Burke, Deputy County Administrator, provided an overview of the types of County funds which were the General Fund, Special Revenue Funds, Capital Projects and Debt Service Funds and how they were funded.

Robert Johnson, Budget Manager, provided an overview of the County budget process. He explained it was complex and year round, that next year's budget was simultaneously developing while the current year was monitored and reviewed against prior years. He reviewed the budget cycle up to the mailing of approximately 440,000 property tax statements.

Mr. Johnson also spoke on general government revenues and their sources, the valuation of property, State shared sales tax, the vehicle license tax and determining primary property tax rates. He explained the annual allocation of centralized county services and overhead costs to the various departments. He also discussed other revenue sources.

Chair Bronson questioned how inflation affected the revenue sources.

Mr. Huckelberry said that generally the fees collected from various revenue sources were up to approximately \$8 million, however budgeted benefits for health care and retirement funding have risen to \$7.5 million.

4. **REQUESTED BUDGET**

Requested Budget Fiscal Year 2015/2016

5. **DEPARTMENT BUDGET PRESENTATIONS**

- **County Attorney**

Barbara LaWall, County Attorney, provided a video presentation of the services provided by her department.

David Smutzer, Legal Administrator, presented the financial issues facing the County Attorney's Office.

Questions were posed regarding the drop in funding for supplies and services, the increase in General Fund support since 2012/13, whether the forfeited positions were vacant, the restricted use of RICO Funds, trial rates, the loss of prosecutors and the trending loss of grant funding.

Mr. Smutzer responded to the questions and explained funding strategies for the department. He added that the majority of the forfeited positions were vacant, some represented positions for staff that would be retiring and that the assumption was there would be no planned layoffs for next fiscal year.

Amelia Cramer, Chief Deputy County Attorney, explained the budget initiatives in the department to enhance efficiency and the challenges facing the office.

Mr. Huckelberry stated the County Attorney had offered unused Employer Sanction Funds in the amount of \$1 million to help the County offset state cost transfers and that it equated to a 2 to 1 dollar exchange for the department's 2% decrease.

- **Superior Court and Juvenile Court**

The Honorable Sally Simmons, Presiding Judge of the Superior Court, opened the Courts presentation and stated the mission of the Courts and explained the five benches. She asked that during budget review it be noted that the Courts had no control over the amount of business it received, that the increase in self-represented litigants required more court resources, and that the impact of the dismantling of the Clerk of the Superior Court's Collection Unit had yet to be realized.

Kent Batty, Court Administrator, presented the budget detail of the Courts and the process change for this budget cycle regarding the surrender of 31 vacant positions in each court and the refiling of Supplemental Packages to address the funds. He stated those funds needed to be reallocated into operating line items for actual expenditures.

Judge Simmons outlined the following non-mandated programs that may be eliminated if the Supplemental Packages were not approved: Mental Health Court, Drug Court, Pre Trial Services, and the Eastside Probation Office.

The Honorable Kathleen Quigley, Presiding Judge of the Juvenile Court, stated the General Fund support of the Juvenile Court budget has remained essentially the same for the past several years while dependency cases have increased 100%. These increases have been covered through vacancy savings. She explained the following successful programs which could be eliminated if the Supplemental Packages were not approved: Domestic Violence Alternative Center, Mediation, Family Drug Court, and Youth Recovery Court. She added that a new roof for the Juvenile Courthouse had also been submitted as a Supplemental Package and that it had been approved in the 2014/15 budget but remained unfunded. She cautioned that should the roof repair not be made before the beginning of the summer monsoons, the courthouse would be at risk for structural failure.

Judge Quigley stated that the State cost shift for the Arizona Department of Juvenile Corrections in the amount of \$1.8 million would be an annual expense that cannot be absorbed by the Juvenile Court.

Supervisor Miller questioned the repair to the roof at the Juvenile Court Center.

Mr. Huckelberry stated that Facilities Management was in the process of receiving estimates.

Supervisor Elías stated the money the County spent on prevention was a savings several times over in the long run and at all levels of the Court system. He added that some of the non-mandated programs were crucial.

Mr. Huckelberry added that the transparency provided by the Courts this budget season would allow for the consideration of the distribution of funding for actual expenditures.

- **Clerk of the Superior Court**

The Honorable Toni Hellon, Clerk of the Superior Court, explained the services performed by the Court Clerk's Office, and the difficulty the office had experienced in absorbing the employee compensation increases of the current fiscal year. She explained how the department would be addressing the 2% department decrease and stated the Collection Division would be closed with those employees being absorbed into different areas.

- **Justice Court Ajo**

The Honorable John Peck, Presiding Judge, presented his budget. He discussed access to justice, the increase in case filings and logistical problems associated with being so far removed from urban Pima County.

- **Justice Court Green Valley**

The Honorable Lisa Royal, Presiding Judge, discussed her budget citing decreases in staff, decreases in civil traffic case filings and associated revenue.

- **Justice Court Consolidated - Tucson**

The Honorable Maria Felix, Chief Administrative Judge, spoke on the move to the new court. She described the savings and advantages of conducting specialty courts and the collaboration between agencies.

Doug Kooi, Justice Court Administrator, discussed the base budget, staff reductions, the reductions that would provide the requested 2% decrease, the revenues collected by the Consolidated Justice Courts, and that the department had a positive net General Fund impact to the County.

- **Sheriff**

Chief Deputy Chris Nanos recognized the strategies the County was undertaking to address the State cost shifts and stated the department was committed to having a balanced budget. He identified areas of concern as

the present IT system, employee related expenses and the issue of compensation to retain officers.

Chief Chris Radtke, Administrative Bureau, reported that the current attrition rate for deputy sheriffs was 1.5 deputies per pay period and corrections officers was 4.5 officers per pay period. He explained that vacancy savings would be used for the 2% reduction.

Supervisor Miller requested a distribution analysis of the number of deputies by salary bracket and the cost of training including analyses of other jurisdictions and agencies. She added that some action would be required to retain deputies.

Chief Paul Wilson spoke on the IT needs of the department and the status of Fiscal Year 14/15 projects which have not been moved forward.

6. **PUBLIC SPEAKERS**

Christopher Cole addressed the Board regarding the proposed budget, fees for lawyers and that it seemed very easy to slip things into the budget that should not be there.

7. **ADJOURNMENT**

As there was no further business to come before the Board, the meeting was adjourned at 5:15 p.m.

CHAIR

ATTEST:

CLERK