

Special Session

April 15, 2015

Presentations and audio files of the meeting can be found at www.pinalcountyz.gov

The Pinal County Board of Supervisors convened at 9:35 A.M. this date. Chairwoman Chase called the meeting to order.

Present: Chairwoman Cheryl Chase; Vice-Chairman Pete Rios; Supervisor Stephen Q. Miller; Supervisor Anthony Smith; Supervisor Todd House; Chief Civil Deputy County Attorney, Chris Keller; County Manager, Greg Stanley; Clerk of the Board, Sheri Cluff and Deputy Clerk of the Board, AmberLee Taylor.

Call to Public – Lynn Hurley, Chief Deputy Clerk of the Superior Court, said that the budget cuts being considered by the Board, if too severe, will result in less service to the county residents and constituents. Clerk of the Court's Finance Manager Lacy Medez was also in attendance to answer any questions.

Virginia Ross, Pinal County Recorder said that if the Board approved an additional 7% in budget cuts, services levels would be negatively impacted. She suggested looking into a furlow of non-mandated services and employees.

Roberto Reveles of Gold Canyon, Arizona, commented that he saw the flags at half staff and wanted to take a moment to memorialize the recent passing his friend and public servant, Raul H. Castro.

Chairwoman Chase announced that the Work Session item to present, discuss and review the draft of the San Manuel Airport Master Plan would be removed from the agenda to be discussed at a later date.

Executive Session:

9:49 A.M. - Motion was made by Supervisor Smith and seconded by Supervisor Rios to recess into executive session for legal advice on one or more of the items pursuant to A.R.S. 38-431.03(A)(3). Motion carried by unanimous vote.

Present: Chairwoman Cheryl Chase; Vice-Chairman Pete Rios; Supervisor Stephen Q. Miller; Supervisor Anthony Smith; Supervisor Todd House; County Manager, Greg Stanley and Clerk of the Board, Sheri Cluff.

Outside Counsel, Brad Holm participated by telephone.

10:06 A.M. – Chairwoman Chase adjourned the executive session and reconvened the Board of Supervisors Special Session.

Direct staff to develop the Fiscal Year 2015-2016 budget based on the following guidelines:

- A) Increase the primary property tax rate to \$3.9999 or leave the rate at \$3.7999;**
- B) Use the full MGT study recommendation to develop the Adult Detention Center General Fund budget target, or set the Adult Detention General Fund budget target at the same reduced percentage as all other departments, or do neither;**
- C) Reduce General Fund Operating budget targets by an additional 4%, 5%, or 7% and;**
- D) Use alternative revenue sources to pay for approximately \$3.1M of State cost shifts (fund sweeps).**

In addition, direct staff to itemize on future property tax bills the tax rate attributable to the new and continuing State cost shifts.

County Manager, Greg Stanley discussed the impact of the State legislature cost shifts. The total new impact to Pinal County was \$4.6 million, but when combined with the continuing impacts, the total is just over \$6.6 million. Mr. Stanley discussed, at length, the different budget scenarios for the Board to consider and asked for direction regarding the guidelines set forth in the agenda item.

Supervisor Rios, Supervisor House and Chairwoman Chase all agreed that no one wants to increase the tax levy, but felt it was necessary to help offset the amount of state cost shifts and to avoid a negative impact on the services being provided.

Supervisor Smith and Supervisor Miller said that to raise the tax levy would send the County in the wrong direction.

Sheriff Paul Babeu said that his office could handle a 4% budget cut. He also did not want to raise the tax levy, but the County has been directly affected by the state cost shifts and he felt it was prudent for the Board to take that action at this time.

Greg Stanley explained that each item in the agenda description would be voted on separately.

Motion was made by Supervisor Smith and seconded by Supervisor Miller to provide budget guidance to the County Manager that the primary property tax rate remain at 3.7999. Motion failed by a 3:2 vote.

Motion was made by Supervisor House and seconded by Supervisor Rios to provide budget guidance to the County Manager to increase the primary property tax rate to 3.999. Motion carried by a 3:2 vote.

Mr. Stanley explained that item B was to set the budget target for the detention center and staff recommended moving 7 positions, that perform non-detention duties, from cost center 1018 to cost center 1016. He also said that cost center 1016 would be subject to the across the board reductions.

Motion was made by Supervisor Rios and seconded by Supervisor House to approve the transfer of the 7 officer positions from fund 1018 to fund 1016 and that it be subject to the across the board budget reductions. Motion carried by unanimous vote.

With regard to item C, Mr. Stanley recommended a 4% overall budget reduction. Comments from various departments indicated that a 7% cut would negatively impact services and their operations would not be sustainable.

Motion was made by Supervisor Rios and seconded by Supervisor House to reduce the general fund operating budget targets by an additional 4%. Motion carried by unanimous vote.

Mr. Stanley explained that item D discussed the authority given to the County by the legislature to do fund sweeps of approximately \$3.1 million. All of the budget projections presented by staff included the assumption that staff would move forward with the sweeps. The next agenda item will be to discuss which funds will be swept.

The Board directed staff to move forward.

Supervisor House asked staff to itemize the tax bills so that the increase in the rate is attributable to the new and continuing state cost shifts as previously discussed.

Discussion and guidance regarding alternative revenue sources for management to follow up on for potential "fund sweeps".

Greg Stanley presented the list of funds that could be swept and asked the Board for direction as to which funds they would prefer to access. Staff recommended holding discussions with the Board of Supervisors departments as roughly 80% of the potential cuts are in those departments. He also suggested holding discussions with the Clerk of the Court, Superior Court, Treasurer and County Attorney offices.

The Board held discussion and directed staff to move forward.

The Board held discussion and directed staff to

Work Session to present, discuss and review the proposed Copy and Imaging Service Fees provided by Pinal County through the Pinal County Recorder's Office.

Virginia Ross said staff researched the fees for non-statutory funds, some of which are already in effect and staff did not find where the fees were ever approved by the Board. She presented the proposed fees for service as well as new fees for special projects for commercial purposes. She did note that no existing fees will be increased. Ms. Ross will be bringing an action item to the Board for consideration at a future meeting.

The Board directed staff to move forward.

Point of Personal Privilege

Supervisor Rios thanked the County Treasurer Dodie Doolittle for taking the lead on the fight against SB 1071.

Work Session to present, discuss and review the draft of the San Manuel Airport Master Plan with anticipated adoption at a future Board meeting.

The above item was removed from the agenda to be discussed at a later date.

Work Session on Air Quality updates.

Mike Sundblom, Air Quality Director gave an update on the Pinal PM10 Non-attainment, the Cowtown Monitor Relocation and the I-10 Corridor Pilot Project. The details of Mr. Sundblom's presentation can be viewed in the "Minutes" section of the Board of Supervisor website.

Executive Sessions:

12:10 P.M. – Motion was made by Supervisor Rios and seconded by Supervisor Smith to recess into the following executive sessions. Motion carried by unanimous vote.

Executive session pursuant to ARS 38-431.03 (A)(3)(4) for legal advice and discussion of potential legal challenges to provisions of recently enacted Arizona SB 1476.

Present: Chairwoman Cheryl Chase; Vice-Chairman Pete Rios; Supervisor Stephen Q. Miller; Supervisor Anthony Smith; Supervisor Todd House; County Manager, Greg Stanley; Chief Civil Deputy County Attorney, Chris Keller; Deputy County Attorney, Kevin Costello; Clerk of the Board, Sheri Cluff;

12:23 P.M. - The above executive session ended and the next one began.

Executive Session for discussion related to the evaluation of the Clerk of the Board pursuant to A.R.S. 38-431.03 (A).

Present: Chairwoman Cheryl Chase; Vice-Chairman Pete Rios; Supervisor Stephen Q. Miller; Supervisor Anthony Smith; Supervisor Todd House; Clerk of the Board, Sheri Cluff;

12:51 P.M. – The above executive session ended and the next one began.

Executive Session for discussion related to the evaluation of the County Manager pursuant to A.R.S. 38-431.03(A).

Present: Chairwoman Cheryl Chase; Vice-Chairman Pete Rios; Supervisor Stephen Q. Miller; Supervisor Anthony Smith; Supervisor Todd House; County Manager, Greg Stanley.

1:47 P.M. – Chairwoman Chase adjourned the executive session and reconvened the regular meeting.

The meeting stood adjourned at 1:47 P.M. The next regular meeting of the Pinal County Board of Supervisors will be on Wednesday, April 22, 2015 at 9:30 A.M.

PINAL COUNTY BOARD OF SUPERVISORS
AmberLee Taylor

AmberLee Taylor, Deputy Clerk of the Board