

**PROCEEDINGS OF THE
COCHISE COUNTY BOARD OF SUPERVISORS SPECIAL MEETING
HELD ON MONDAY, JULY 16, 2012 @ 10:00 A.M.
IN THE BOARD OF SUPERVISORS CONFERENCE ROOM
LOCATED AT 1415 MELODY LANE, BUILDING G, BISBEE ARIZONA**

Chairman Searle called the Special Meeting of the Board of Supervisors to order at 10:16 a.m. All three supervisors were present: Richard Searle, Chairman; Pat Call, Vice-Chairman; Ann English, Supervisor. Also attending were Mike Ortega, County Administrator; Dave Fifer, Deputy County Attorney; and Katie Howard, Clerk of the Board.

CALL TO THE PUBLIC (MATTERS RELATED TO COUNTY GOVERNMENT - LIMIT OF 3 MINUTES PER PERSON OR AT THE DIRECTION OF THE CHAIRMAN)

Chairman Searle opened the Call to the Public. No one wished to address the Board and Chairman Searle closed the Call to the Public.

CONSENT

ITEM 1

Adopt Resolution 12-27 to approve establishing a revolving line of credit for the County from JP Morgan Chase Bank, N.A. pursuant to A.R.S. Section 11-604.01 and authorize the County Treasurer to enter into an agreement with the bank to provide the line of credit to the County for all districts on the attached Schedule 1-A.

Vice-Chairman Call made a motion to approve item 1 of the Consent Agenda. Director English seconded the motion and it carried unanimously.

ACTION

ITEM 2

Adopt the Tentative County Budget for Fiscal Year 2012-2013 in the amount of \$186,831,071 (this amount is composed of \$84,185,960 in General Fund and \$102,645,111 in Special Revenue funds) and approve the Decision Packages as set forth in attached exhibit.

Supervisor English made a motion to adopt the Tentative County Budget for Fiscal Year 2012-2013 in the amount of \$186,831,071 (this amount is composed of \$84,185,960 in General Fund and \$102,645,111 in Special Revenue funds) and approve the Decision Packages as set forth in attached exhibit. Vice-Chairman Call seconded the motion.

Mr. Michael Ortega, County Administrator presented this item using a PowerPoint presentation. Mr. Ortega said the Board has seen these slides in previous budget work sessions but there are two changes he detailed: 1) the shortfall has dropped from \$1.4 million to \$1.2 million due to better than expected sales tax revenue; 2) the projected cash carry forward amount has increased from \$800,000 to \$1 million. He showed historical revenues pointing out the County Supervisors Association (CSA) recommendations versus the County's and said if you look at CSA's approach, in the past, they have been pretty optimistic and have missed in recent years; the County's projections have been closer. He

discussed other budget issues and unknowns; exploring medical examiner contracts, transportation costs; and personnel costs. He said the property tax rate has not changed along with the secondary Flood Control District and Library District rates and is expecting a second wave of Decision Packets later in the year. He recommended a one-time distribution to personnel in lieu of ongoing raises and has allocated \$1.5 million for that purpose. He concluded by reviewing the schedule of final budget adoptions.

Chairman Searle reiterated the budget figures and Mr. Ortega concurred.

Vice-Chairman Call asked about the reason for the cash carry forward amount and Mr. Ortega stated three reasons: 1) good business practice to create savings from operational efficiencies due to scaled back workforce; 2) giving the Board an opportunity to address some road issues; 3) the future issue of financing the new jail due to overcrowding.

Supervisor English commented over the period of months that we have worked on the budget, that we have developed a reasonable budget. And, in addition to the one-time distributions for personnel, there are positions that need to be looked at and brought up to market standards in the future.

Vice-Chairman Call commented that the cash carry forward may be a bit of a misnomer, and we may need to rename to something more indicative of the purpose because it is confusing to the public.

Mr. Ortega explained it is basically a cash management tool that is needed to fund operations from July to October and future expenditures or the County would have to borrow money.

Chairman Searle called for the vote; approved 3-0.

There being no further business before the Board, Chairman Searle adjourned the meeting at 10:36 a.m.

APPROVED: _____
Richard Searle, Chairman

ATTEST: _____
Katie A. Howard, Clerk of the Board