

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
WORK SESSION HELD ON
Tuesday, April 23, 2018**

A work session of the Cochise County Board of Supervisors was held on Tuesday, April 23, 2018 at 2:00 p.m. in the Board of Supervisors Executive Conference Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Ann English, Chairman; Patrick G. Call, Vice-Chairman; Peggy Judd, Member

Staff Present: Edward T. Gilligan, County Administrator
Lynette Nowlan, Finance Director
Arlethe G. Rios, Clerk of the Board

Attendees: Amanda Baillie, Public Information Officer
Shar Porier, Sierra Vista Herald

Chairman English called the meeting to order at 2:00 p.m.

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

PLEDGE OF ALLEGIANCE

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

INTRODUCTIONS

ITEMS FOR DISCUSSION

Board of Supervisors

1. Budget Work Session - Discussion of County budget for Fiscal Year 2018-2019 specifically: General Government.

Mr. Gilligan presented this item using a PowerPoint presentation. He said he wanted to give the Board an overall look at the current budget picture.

Chairman English asked if the expenditure limit for the County had changed at all from the previous year.

Ms. Nowlan said that the County's expenditure limit was raised for the County at an estimated amount of \$1,300,000.

Mr. Gilligan said he wanted to keep budgeting at the expenditure limit, especially with the pension increases impacting next year's budget.

Chairman English said that all counties would be impacted by State cost shifts since the

Governor wanted to invest in teacher increases.

Ms. Nowlan showed a slide of the current revenue picture.

Mr. Gilligan noted that as property values increase and the economy gets better the revenue brought in through penalties will decrease.

Ms. Nowlan informed the Board that State-Shared Sales Tax, County 1/2 Cent Sales Tax, County Auto Lieu Sales Tax were all increasing by 9% total. She noted that the Highway User Revenue Fund was also increasing.

Mr. Gilligan said that staff would continue working on the accuracy of revenues.

Ms. Nowlan showed a handout that reflected current general fund budgets to actuals for all departments.

Mr. Gilligan said that many departments were doing very well in saving money, which would help with the compensation plan.

Chairman English asked about the Medical Examiner expenses.

Ms. Nowlan said that the total amount will be spent.

She moved on and stated that next year's revenue would increase by 2.7%. She noted that the increase was based on the levy rate revenues; state shared sales tax, 1/2 cent sales tax, and vehicle lieu sales tax.

Mr. Gilligan explained how the levy rate had positively impacted increase in revenues.

Ms. Nowlan moved on to expenditures. She noted that even with increased revenue there was still a shortfall of \$2,250,000 by the end of the year. She added that health insurance rate increases and the three retirement system cost increases continued.

Mr. Gilligan said that the County's goal should be to reach rate stability.

Ms. Nowlan moved on to the new budget increases for the Southeastern Arizona Communications Center (SEACOM).

She added that one major concern for the budget was that staff state cost shift impact has yet to be determined.

She moved on to strategic initiatives.

Economic Development

1. \$1,500,000 to be spent on improvements at the Bisbee Douglas International Airport (BDI)
2. \$225,000 for Port of Entry Project
3. \$16,000 increase to current Tourism budget for Marketing

Environmental Issues

\$10,000 additional funding for legal services

The Board asked for the total cost spent on environmental issues and for a work session regarding these same issues.

Infrastructure

\$2,000,000 for construction at the Colonia de Salud Center

Chairman English asked if the Facilities Department budget provided funding for construction, remodel, and reallocation.

Mr Gilligan said that their budget should be able to do small projects.

Chairman English clarified that any projects in the strategic plan should be funded and she wants to ensure that they are funded.

Workforce Development

1. Human Capital Management System - \$292,570
2. Compensation Plan (Market Median Program) - \$1,000,000
3. Training and Education - \$100,000

Mr. Gilligan said that he would like to keep funding training and education at \$100,000 to take advantage of training opportunities and strategies.

Chairman English asked if jail medical still has to be funded.

Mr. Gilligan said that it is still an issue and unless there is new revenue we would have to take away from another part of the budget. He added that jail staffing is still an issue that has to be discussed with the Sheriff and even with added jail medical coverage in the Bisbee jail at a cost of \$450,000 it would still not provide medical services in the satellite jails in Willcox or Sierra Vista. He suggested having a separate work session on jail medical.

Mr. Gilligan discussed increased revenue and stated that it would only be addressing the increased retirement costs. He added that he would not be recommending a tax rate increase this year, but ask that the Board keep the rate stable.

The Board thanked Mr. Gilligan and Ms. Nowlan for the information.

Chairman English adjourned the meeting at 3:20 p.m.

APPROVED:

Ann English, Chairman

ATTEST:

Arlathe G. Rios, Clerk of the Board