



Cochise County
Board of Supervisors Manual
January 5, 2021

Vision:

Cochise County fosters diverse, vibrant and safe communities, planning for the future while honoring our legendary cultural heritage.

Mission:

Provide regional leadership and effective, high-quality services with personal and professional integrity

Board of Supervisors:

Tom Crosby
District 1

Ann English
District 2

Peggy Judd
District 3

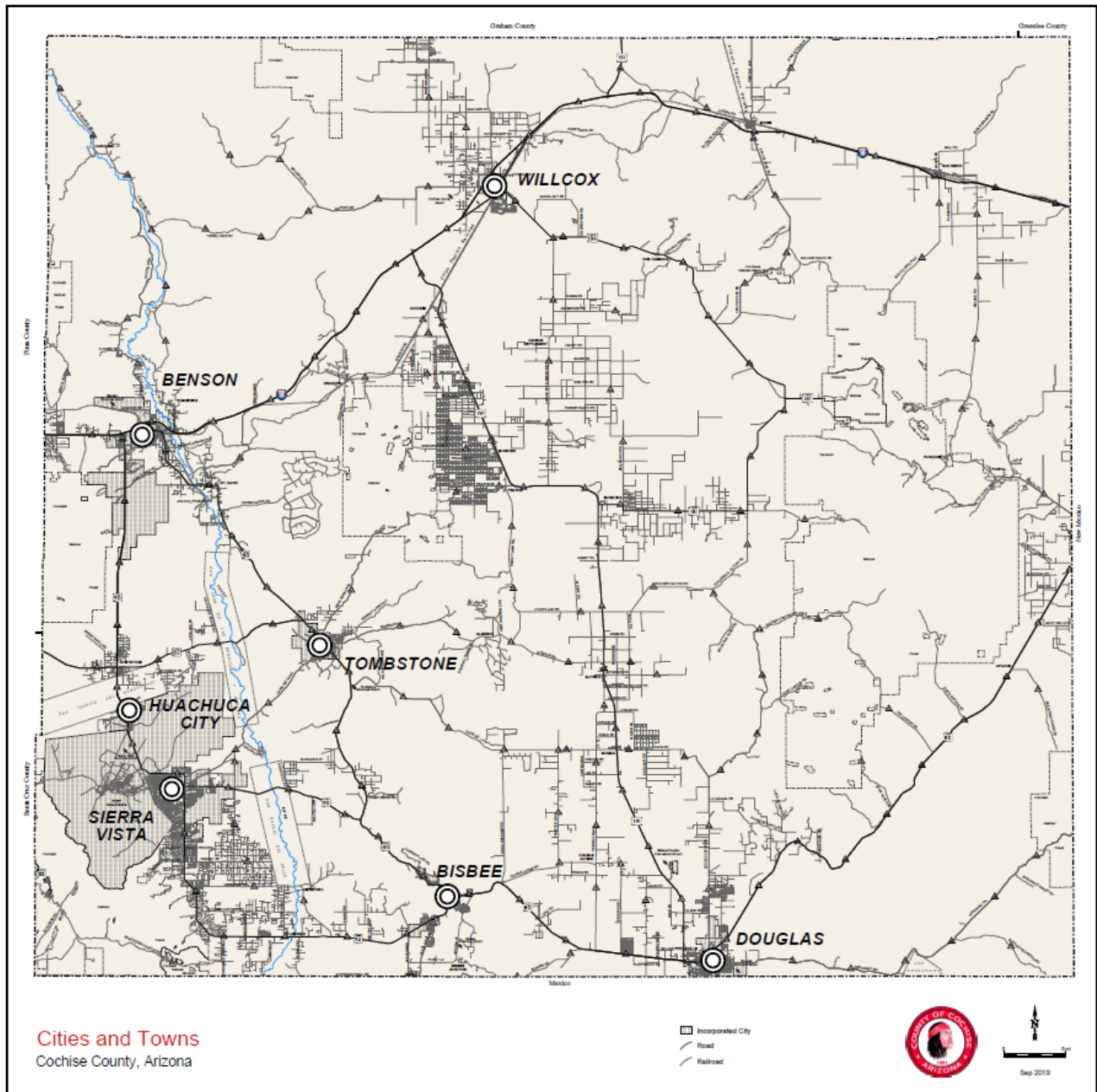
County Administration:

Richard Karwaczka
County Administrator

Sharon Gilman
Associate County Administrator

Kim Lemons
Clerk of the Board

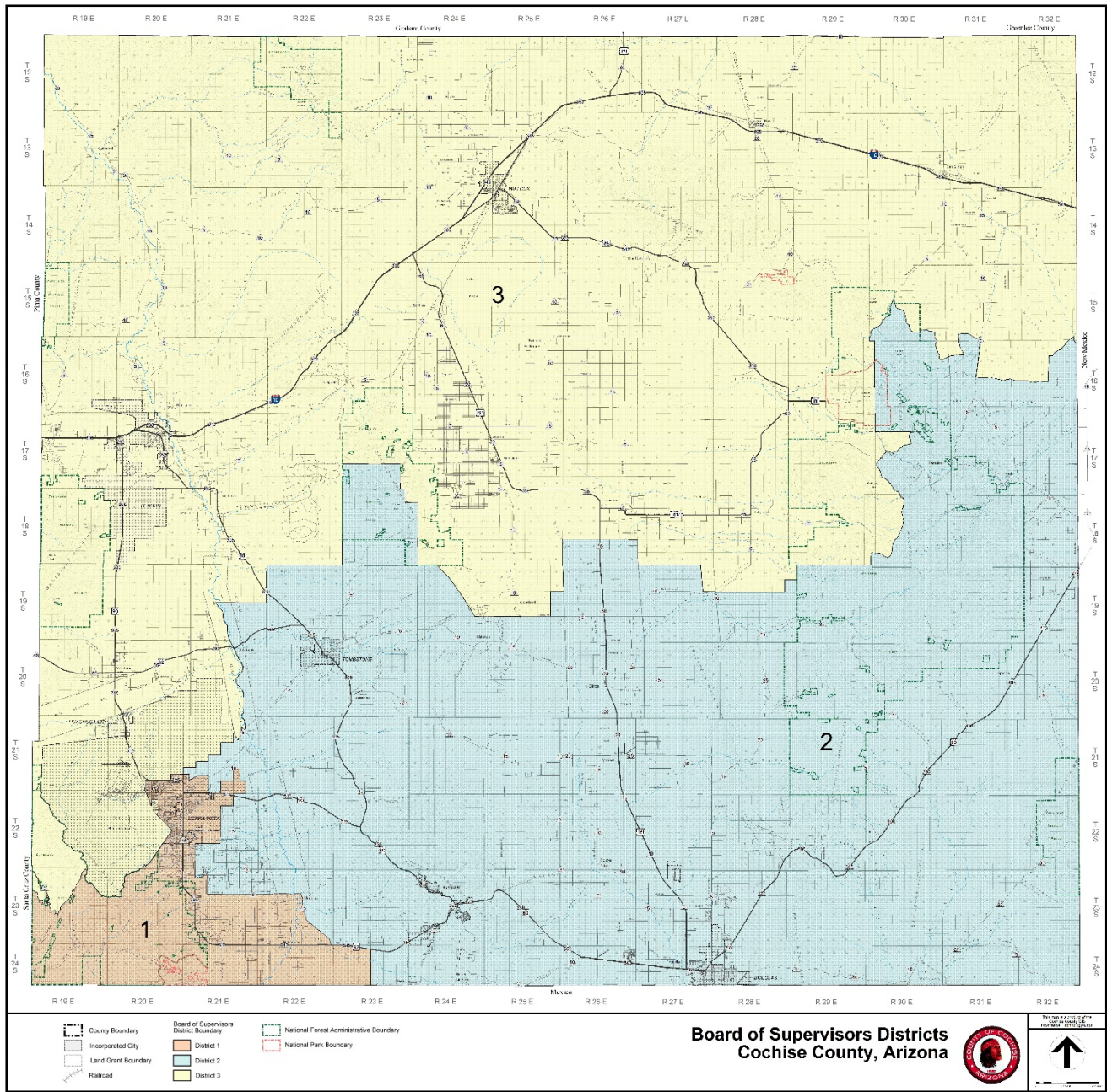
Community Profile



Cochise County

Cochise County, home to an estimated 130,319 residents, encompasses 6,219 square miles of the Southeast corner of Arizona. It is one of fifteen counties that cover the State of Arizona. Cochise County is bordered to the east by New Mexico, to the north by Graham and Greenlee Counties, to the west by Santa Cruz and Pima Counties, and to the south by the Republic of Mexico. There are two international border crossings with the Republic of Mexico, located at Naco, and Douglas, Arizona, providing access to Naco, and Agua Prieta, Sonora, respectively.

Cochise County Map & Supervisor Districts



County Officials

Board of Supervisors

District 1Tom Crosby
District 2 Ann English
District 3 Peggy Judd
County AdministratorRichard Karwaczka
Associate County Administrator.....Sharon Gilman
Clerk of the BoardKim Lemons

Elected Officials

Clerk of the Superior Court.....Amy Hunley
ConstableMelissa Wirthlin
Constable Donald Fenn
County Assessor Philip S. Leiendecker
County Attorney Brian McIntyre
County Recorder..... David W. Stevens
County Sheriff..... Mark Dannels
County Superintendent of Schools..... Jacqui Clay
County Treasurer..... Catherine Traywick
Justice of the Peace - Bisbee Janus Poppe
Justice of the Peace - Douglas Alma Vildosola
Justice of the Peace - Benson Bruce Staggs
Justice of the Peace - Willcox Trevor Ward
Justice of the Peace – Sierra Vista.....Kenneth Cushman
Justice of the Peace - Bowie Ruben Adame
Superior Court Judge – Division 1 Laura Cardinal
Superior Court Judge – Division 2 John F. Kelliher Jr.
Superior Court Judge – Division 3 David Thorn
Superior Court Judge – Division 4Timothy Dickerson, Presiding Judge
Superior Court Judge – Division 5 Jason Lindstrom
Superior Court Judge – Division 6 Terry Bannon

Appointed Department Heads

Chief Probation Officer..... John Schow
Development Services Director..... Daniel Coxworth
Elections Director Lisa Marra
Juvenile Detention Director James Blount
Public Defender Vacant
Legal Defender Sara Dent
Legal AdvocateXochitl (So-Chi) Orozco
Finance Director Keith Bounocore
IT Director/Chief Information Officer..... Joe Casey
Facilities Director - Henry Meraz
Human Resources Director Elda Orduno
Risk Management Director Julie Morales
Emergency Services Director Vacant
Health & Social Services DirectorAlicia Thompson
Public Works Director Martin Haverty
Engineering & Natural Resources Director..... Jackie Watkins
Library Director Amadee Ricketts
Housing Director Anita M. Baca

SPECIAL DISTRICTS 2020-2021

Districts Governed by Cochise County

Cochise County Flood Control
Cochise County Library District
Bowie, Golden Acres, Naco, Pirtleville and Sunsites-Pearce Light Districts

Districts with Non-County Governing Boards

District 1

Palominas Fire District

Fairfield Estates Road Improvement
Maintenance District
High Knoll Roads Road Improvement
Maintenance District

Cochise College

District 2

Elfrida Fire District
Mescal-J6 Fire District
Naco Fire District
Pirtleville Fire District
Pomerene Fire District
San Jose Fire District
Sunnyside Fire District

Elfrida Water Improvement District
Pomerene Water District

Naco Sanitary District

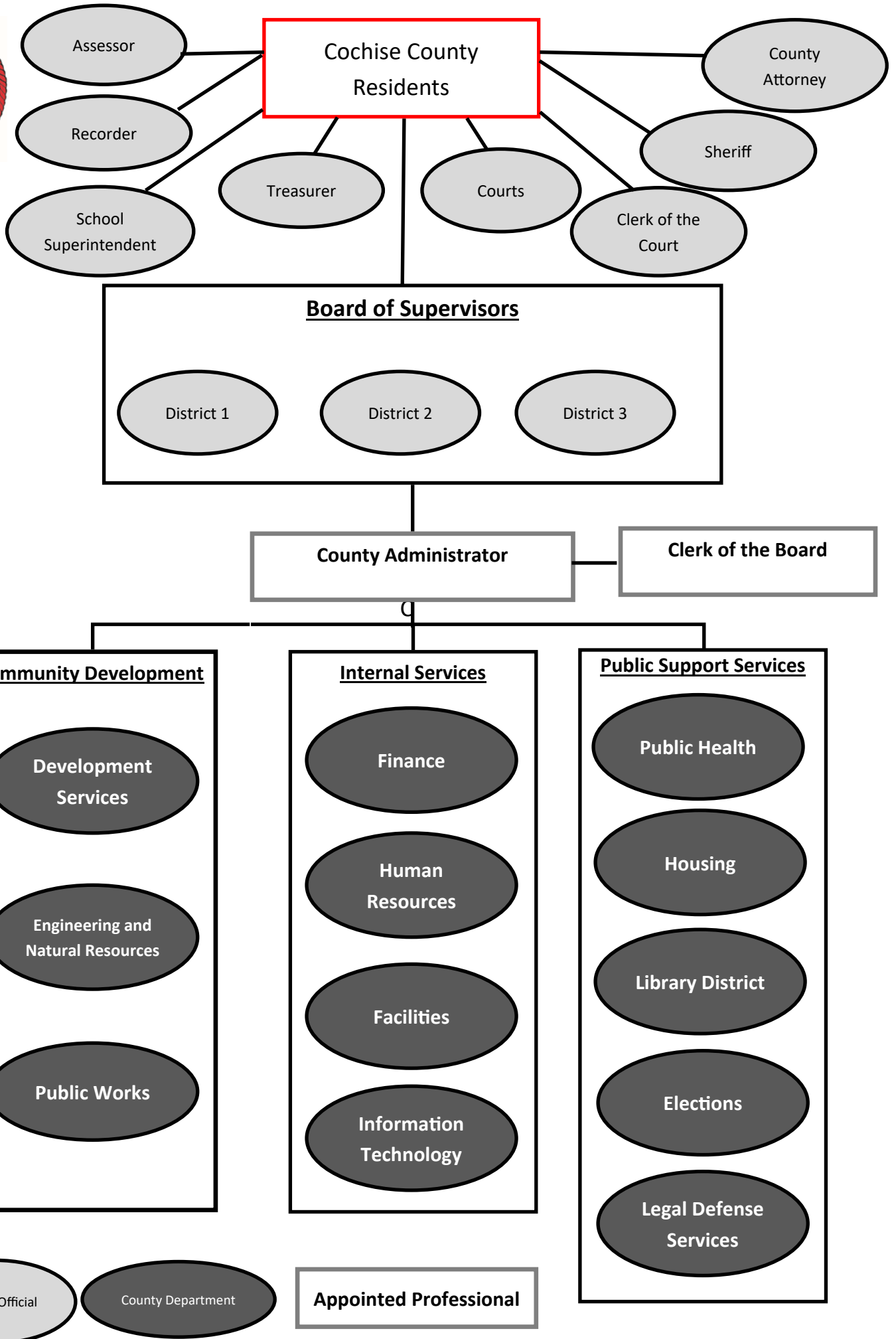
District 3

Bowie Fire District
Fry Fire District
San Simon Fire District
St. David Fire District
Sunsites-Pearce Fire District
Whetstone Fire District

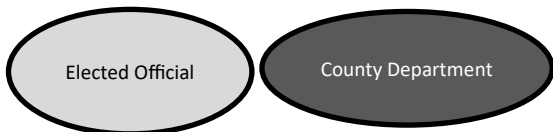
Bowie Water Improvement District
St. David Water District
San Simon Water District
Whetstone Water District
St. David Flood Control District

Northern Cochise Community Hospital
District
San Pedro Valley Hospital District

Pistachio Pass Irrigation District
St. David Irrigation District

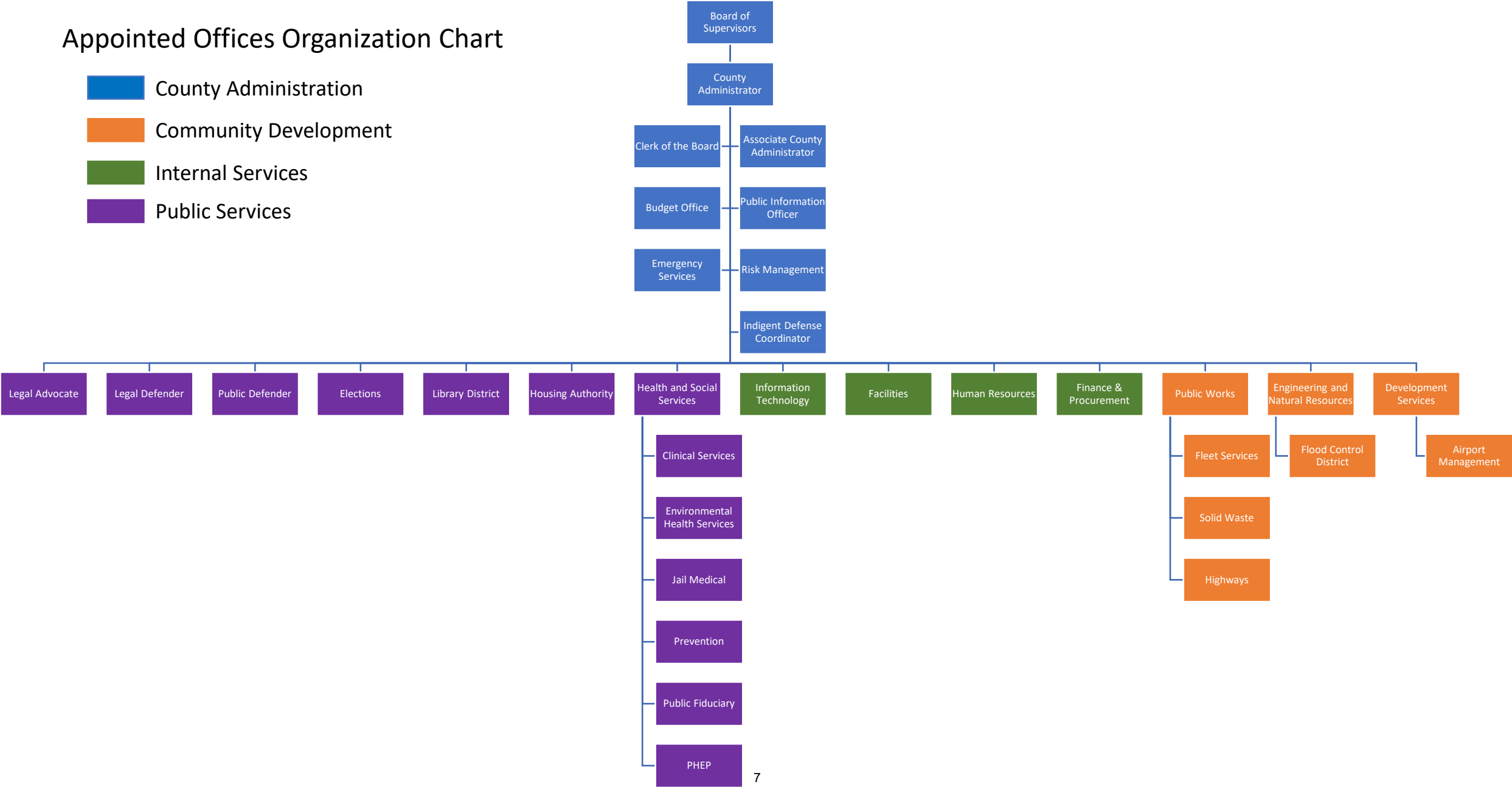


KEY:



Appointed Offices Organization Chart

- County Administration
- Community Development
- Internal Services
- Public Services



Long Term Strategic Goals

The 2016-2020 Cochise County Board of Supervisors adopted a three-year Strategic Work Plan on March 13, 2018. In January 2021, the new County Board of Supervisors will be tasked with creating a new Strategic Plan. As background, the Vision, Mission and Priorities from the previous Strategic Plan are outlined below. Important updates and accomplishments are listed as bullet points under each priority.

Vision

Cochise County fosters diverse, vibrant and safe communities, planning for the future while honoring our legendary cultural heritage.

Mission

Provide regional leadership and effective, high-quality services with personal and professional integrity.

Priority 1: Economic Development Countywide

Commercial Port of Entry near Douglas

- The Board of Supervisors adopted resolution 19-09 supporting a two-port solution in Douglas to enhance commercial opportunities related to cross-border trade. A Master Plan for water and wastewater was completed in December 2020 in partnership with Stantec Consulting, City of Douglas, and Cochise County.

Keep County Data Current

- Implementation of ADP time and attendance for payroll and an employee portal for internal workforce management.
- Improved transparency through public access to county data through TROCS (Treasurer's Office) GIS (Assessor/Development Services) and Public Access (Public Document Search).

Support the Growing Wine Industry

- Robb's Road Improvement Project made possible through the award of a \$475,000 Arizona Commerce Authority grant in 2018. The County applied for the Economic Strengths Project Grant. Robb's Road, which leads to local vineyards and tasting rooms and is currently a dirt road, will be paved from Kansas Settlement Road, east to Wayward Winds Road.
- New signs directing visitors to local tasting rooms installed in the area, following a \$5,000 donation from energy company Kinder Morgan.
- Development Services working with two new projects: Tirrito Farm and Equine & Wine

County Airports

- County signed twenty-year lease for hangar at Bisbee Douglas International Airport to an aircraft painting company.

Technology Infrastructure

- Infrastructure to K-12 schools
- Upgraded internet connectivity for rural Library Branches
- Rural County Library Branches now loaning out internet Hotspots
- FY21 Budget continued implementation of County-wide paperless transition

Marketing - Economic Development and Tourism

- County joined the Arizona/Mexico Commission to promote international opportunities
- Marketing and rebranding efforts on hold after Citizens did not like the new logo

Priority 2: Promote Environmental Issues

Policy Development for Water Issues

- Restructured Highway and Floodplain department to create the Engineering and Natural Resources Department. This department provides focus on water resources and conservation efforts.

Water Conservation

- Member of the Cochise County Recharge Network (CCRN), a non-government entity consisting of local stakeholders.
- BOS approves agreement to purchase effluent from the City of Bisbee, for possible future discharge into the San Pedro River.

Wildlife Management

- Continued participation with the Eastern Counties Coalition regarding predatory species

Support Access to Public Lands

- Partnered with El Dorado Holdings and Forest Service to establish easement for parking area and road for access to the Whetstone Mountains, 2018
- Reconvened the Public Lands Committee in 2018
- Constructed a walking trail along the Palominos Recharge Site

Priority 3: Increased Intergovernmental Cooperation

SEACOM (Southeast Arizona Communications Center)

- SEACOM fully operational, and recruiting new organization members
- An Intergovernmental Agreement established with the City of Sierra Vista for cost sharing

Cochise County Tourism Council

- Continued partnership in the Cochise County Tourism Council, including funding of \$34,000

Explore offering additional services to other government organizations when resources allow

- Continued revision and enhancement of Animal Control IGA's with local cities/towns
- BOS exploring the sustainability of a County Animal Shelter

Community Health & Wellness

- Completion of Community Health Improvement Plan 2017-2022
- Improved Environmental Health inspection and revised fee schedule approved by BOS for FY20
- FY20 Budget includes additional staff in Emergency Services Department

Priority 4: Workforce Development

Recruitment and Succession Planning

- Tuition reimbursement revised and funded in FY21 Budget
- Continued use of compensation data to drive market compensation policy

Staff Development Plan

- Human Resources expanding leadership training opportunities
- Employee evaluations focused on continuous performance improvement

Priority 5: Efficient Administration Practices

County Organization Chart Review

- Reorganized the following departments:
 - Solid Waste and Highways combined into Public Works
 - Highways and Floodplain changed to Engineering and Natural Resources
 - Planning and Zoning changed to Development Services
 - Human Resources and Risk Management separated into individual departments

- Office of Legal Advocate created to enhance Indigent Defense services
- Review All Job Descriptions
- FY21 Budget included classification and compensation study completed by HR and Budget Departments

Priority 6: Maintain Fiscal Responsibility

Determine Healthy Reserve Goal

- FY21 Budgeted at approximately 18 million in reserves

Strategies for Funding Employee Retirement Systems

- BOS adopted PSPRS funding policy as required by Statute
- Continue practice of pre-paying minimum payment at beginning of the Fiscal Year

Priority 7: Infrastructure Management and Development

Develop a 3-year Capital Budget for Infrastructure from Sales Tax Budget

Evaluate Current and Future Building Needs

- County-wide department relocation adopted by BOS

Develop County Road Improvement Plan

- County completed a survey of all County maintained roads. Data will drive road maintenance and improvement decisions for future.

ARIZONA COUNTIES INSURANCE POOL

Cochise County has an Intergovernmental Agreement (IGA) and Memorandum of Coverage (MOC) with the Arizona Counties Insurance Pool (ACIP). ACIP currently consists of 13 of the 15 Counties. Cochise County has a \$75,000 deductible with the Pool, (the 13 County members), paying for anything beyond a \$75,000 settlement. County staff sits as ACIP's Officers and Trustees.

It was determined that ACIP will provide coverage for – property, auto liability, workers' compensation and employer's liability, general liability, including employment practices liability, public officials' liability, and law enforcement liability and auto physical damage. At the option of the Board, other coverages may be available as permitted by law.

The Loss Control Department works to assist ACIP members to control and prevent worker injuries, property losses and third-party claims. The department also creates a safe and healthful environment for member employees, visitors and citizens.

In addition, ACIP will work together with member counties concerning Workers' Compensation Claims.

Each participant in the IGA appointed the Executive Director of ACIP as its attorney in fact with full authority to settle claims within the authority provided by the IGA, the Bylaws, the MOC, or by the Board.



Cochise County Board of Supervisors

Public Programs...Personal Service
www.cochise.az.gov

Policy Title: Organizational Expectations and Standards of Conduct

Policy Number: 2200

Effective: February 1, 2017

Supersedes:

Last Reviewed/Updated:

Scope/Coverage: All County employees

Policy Contact: Director, Human Resources

I. Vision Statement

Cochise County fosters diverse, vibrant and safe communities, planning for the future while honoring our legendary cultural heritage.

II. Mission Statement

Cochise County provides regional leadership and effective, high-quality services with personal and professional integrity.

III. Statement of Public Accountability

Public accountability embodies the concept that public agencies and all public employees and officers are held to a higher level of responsibility under the public trust that demands effective and efficient use of public funds to serve the public interest. This means that public funds should always be expended (for personnel, equipment, services and supplies) in the best public interest and not for individual or private gain.

IV. Code of Ethics for All County Employees

The Cochise County Board of Supervisors has adopted a Code of Ethics applicable to all County employees and Department Directors. The Code of Ethics represents the County's agreed-upon expectations of conduct and provides an over-arching framework for the core values of the organization.

- Enhance the reputation of Cochise County and its employees through superior public service.
- Treat all citizens and fellow employees with courtesy, fairness and respect.
- Provide efficient service to the public while giving a full day's work for a full day's pay.
- Avoid real/potential conflicts between private and public responsibility. The public interest must be our principal concern.



Cochise County Board of Supervisors

Public Programs...Personal Service
www.cochise.az.gov

- Keep your supervisor informed of any activity that may be perceived as a conflict of interest.
- Avoid soliciting or receiving anything of value which may, or may appear to, influence the performance of official duties. Use County vehicles, equipment, supplies, or property for work only. Avoid using your position with the County to influence the general public for political purposes.

V. Customer Service Culture & Expectations

Customer service is the day-to-day treatment of everyone who needs services or assistance in the work environment: co-workers and the public alike. The attitude, knowledge, treatment of others and ability and willingness to provide a solution is the essence of customer service. Excellent customer service is a primary and fundamental component of each employee's job and performance measurement systems will include an assessment of this critical function.

VI. Confidentiality

Due to the requirements of employment with Cochise County, employees may, upon occasion, have access to data and files that contain information that is sensitive or confidential in nature. This confidential or sensitive information is for official use only and may only be used in the official performance of duties as an employee of Cochise County. Under no circumstances may an employee access, reveal, disclose, copy, retain, misuse or share such data or information with anyone inside or outside of Cochise County government for unofficial, unapproved purposes. Employees may not use their access to confidential or sensitive information to search files and databases to locate, review, collect or gather information not directly related to their current work assignment. An employee's responsibility to maintain confidentiality does not diminish even after they have left County employment. Any public record(s) request an employee receives for data or files that do or may contain sensitive or confidential information shall be coordinated through the Cochise County Public Records request process. This policy is not intended to apply to situations where an employee is, in good faith, exercising their rights. Violations of this policy may constitute a basis for serious disciplinary action, up to and including termination of employment with Cochise County, and could, in addition, result in criminal prosecution.

Policy Title: Board of Supervisors Community Enhancement Funds

Policy Number: 1605

Effective: July 9, 2019

Last Reviewed/Updated: February 25, 2020

Scope/Coverage: Board of Supervisors

Policy Contact: County Administrator/Finance Director/Clerk of the Board

I. Authority

ARS 42-17101 requires the County to prepare a schedule of estimated expenditures and revenues each year, i.e. an annual budget. This annual budget may include community enhancement funds for each supervisor district for specific purposes.

II. Community Enhancement Funds Accounting:

1. Providing adequate General Fund revenue exists, \$100,000 in community enhancement fund money may be allocated to each Board member per **fiscal year**.
2. Community Enhancement funds shall fall under each supervisor's district fund line.
3. A **project information form** shall be completed for each request; the Clerk of the Board in conjunction with the appropriate department shall add the project to an agenda for consideration by the Board.
4. Projects shall be on the action agenda.
5. Expenditures shall be tracked per district and shall include the total cost of the project, to include labor, materials and other associated costs.
6. Any funding not used during the fiscal year shall move to a consolidated **carry forward** fund line under the Community Enhancement fund line as part of the general fund budget.

III. Authorized Projects: Authorized project categories are listed below. Projects that do not fit within these categories shall require a unanimous vote by the Board.

1. Multi-Use Paths
2. Hazard Abatement/Community Clean Up
3. County Maintained Road Improvements
4. Streetlights
5. Natural Resources Projects
6. Transit Support
7. Assistance with Right of Way Costs
8. Public Works Projects

Community Enhancement Fund Project Information Form

Project Name: _____

Authorized Project Category:

- Multi-Use Path
- Hazard Abatement/Community Clean-Up
- County Maintained Road Improvements
- Street Lights
- Natural Resources Projects
- Transit Support
- Assistance with Right-of-Way Costs
- Public Works Projects
- Other: _____

Responsible Department: _____ Department Contact: _____

Supervisor's District Fund Line, G/L: _____

Project Total Budget Amount (*includes all labor and materials*): _____

Project Description (*attach additional information/photos/maps as needed*):

Date Approved: _____

FY 21 Budget Overview

- The Fiscal Year 2020-21 County Budget is balanced at \$187,842,969.
- The Fiscal Year 2020-21 General Fund is balanced at \$84,675,999.
- The Fiscal Year 2020-21 County Budget includes a General Fund Contingency of \$17,900,000.
- Pursuant to ARS 41-563 and the Arizona Constitution, Article IX, Section 20 - the Fiscal Year 2020-21 budget is within the Expenditure Limit of \$70,932,839.

Revenue Projections in FY21

General Fund

- Total General Fund revenues are projected to decrease by \$1.0m from FY20 Amended Budget
- Property Tax Levy will increase to \$26,027,089 with the same rate as FY20, 2.6747. Levy increase is due to new construction and the increased value of current properties – therefore a Truth in Taxation (TNT) advertisement/hearing was necessary. Property tax is budgeted, conservatively, at a lower collection rate (95%). Lower collection rate results in a roughly flat budgeted amount.
- State Shared Revenue (Transaction Privilege Tax) is projected at \$13.1m, down from 13.2m budget in FY20. However, TPT is projected to be 14.5m at the end of FY20. We have budgeted roughly flat compared to FY20 – projecting a decrease of roughly 10%.
- County half cent sales tax is projected conservatively at \$6.4m, down from 6.9m in FY20. Yet, the half-cent sales tax is projected to top 8.0m in FY20. Again, we have budgeted extremely conservatively compared to FY20 – projecting a decrease of 20%. Half-cent Sales Tax is distributed to the General Fund (4.1m), Rural Transfer Stations (374k), IT Capital (500k), and Capital Projects (1.4m).
- Vehicle License Tax (VLT)(General Fund) budgeted at 3.6m, down from 3.9m in FY20 – based on a decrease of 20% from our highest years since 2007.

Highway Fund – Public Works Department & Engineering and Natural Resources Department

- Highway User Revenue Fund (HURF) is projected at \$9.2m, a decrease from 9.6m in FY20. FY20 is showing strong HURF revenues – projected to top 10.0m. As with VLT – we have budget a decrease of 20% from the highest years since 2007.
- Vehicle License Tax (HURF) is projected at 1.8m, a slight decrease from 1.9m in FY20. Again, based on a decrease of 20% from the highest years looking back to 2007.

Library Secondary Taxing District

- Property Tax Levy will increase to \$1,411,945 if the rate remains 0.1451. Levy increase is due to new construction and the increased value of current properties – therefore a Truth in Taxation (TNT) advertisement/hearing will be necessary. Property tax is budgeted, conservatively, at a lower collection rate (95%). Lower collection rate results in a roughly flat budgeted amount.

Flood Control Secondary Taxing District - Engineering & Natural Resources Department

- Property Tax Levy will increase to \$2,146,641 if the rate remains 0.2597. Levy increase is due to new construction and the increased value of current properties – therefore a Truth in Taxation (TNT) advertisement/hearing will be necessary. Property tax is budgeted, conservatively, at a lower collection rate (95%). Lower collection rate results in a roughly flat budgeted amount.

Budget Expenses

The proposed Fiscal Year 2020-21 Final Budget was largely driven by projected decreases in revenues due to the COVID-19 situation. No new initiatives were approved, and most departmental expenses remained flat. Major changes for FY21:

- Total expenses decreased by \$1.0m from FY20 Amended Budget
- Closure of the Juvenile Detention Center effective end of CY2020. Projected FY21 savings of \$525k and projected future annual savings of approximately 1.0m.
- Development Services Department – eliminated a position resulting in approximately \$90k savings in salary and EREs
- Travel & Training was reduced, as most conferences and out of County trainings were cancelled – resulting in a saving of \$112k
- Fleet Department normally charges departments based on mileage, R & M, and projected replacement costs. For FY21, Fleet will not charge the replacement component of the departmental charge. This means Departments, i.e. the General Fund, for this year only will not invest in replacement vehicles. The Fleet Department will still be able to purchase new vehicles, yet not at the pace of previous years. This resulted in a General Fund savings of \$490k
- Arizona Counties Insurance Pool (ACIP) annual costs increased from \$681k to \$830K
- The Arizona CARES Act funding of potentially 5.7m is not included in this budget. When the funds become available, and the exact amount determined – it will be brought to the Board of Supervisors for acceptance.
- Projected increase of \$225k for 2020 Election costs in the Recorder and Election Departments.

Market Salary Adjustments

For the three years of FY18, FY19, & FY20 the County disbursed approximately 1.0 million each year to bring the workforce to a market-based pay plan. For FY21, all previously disbursed funds are now part of each Departments' base budget and no salaries were affected due to budget cuts in FY20.

Employee Benefits (employee related expenses (EREs))

As a whole – the cost of benefits provided for employees remained roughly flat.

- Arizona State Retirement System (ASRS) – increased from 12.11% to 12.22% on the employee and employer portions. The 0.11% employer increase was absorbed by the County. The 0.11% increase on the employee side will be included in the market compensation plan. This will allow Directors and Appointing Authorities to disburse the increase in their workforce as they determine necessary to meet the market pay plan.
- Public Safety Personnel Retirement System (PSPRS) – the total annual payment remained roughly flat at approximately \$2.5m.
- Health Insurance – the Cochise Combined Trust saw some mild increases in fees, however, our costs remained flat due to changes in plan enrollments with more employees now selecting the High Deductible Health Plan (HDHP).

State Cost Shifts

State Cost shifts are now reflected in their own Department, which will allow better tracking and visibility to the local taxpayers.

- Arizona Department of Revenue (ADOR) mandatory county contribution projected at \$82,662.
- Arizona Department of Juvenile Corrections (ADJC) was eliminated in FY20.

- Arizona Health Care Containment Cost System (AHCCCS) mandatory County contribution projected at \$7,644,000.

Expenditure Limit

Pursuant to ARS 41-563 and the Arizona Constitution, Article IX, Section 20 - the Fiscal Year 2020-21 budget is within the FY 2020-21 Expenditure Limit of \$70,932,839. This limit is reached via calculation which considers population and inflation, with a baseline of 1978.

Unfunded Pension Liabilities

Cochise County is solely responsible for fully funding the Public Safety Personnel Retirement System (PSPRS) pension plan, and the Corrections Officer Retirement Plan (CORP). Additionally, Cochise County is jointly responsible for the Elected Official Retirement Plan (EORP).

Position Summary

Full-Time Equivalent (FTEs)	FY19-20	FY20-21	Change
General Fund	613.05	603.30	(9.75)
Special Revenue Funds	307.97	285.00	(22.97)
Total	920.02	888.30	(31.72)

Changes in FY20-21

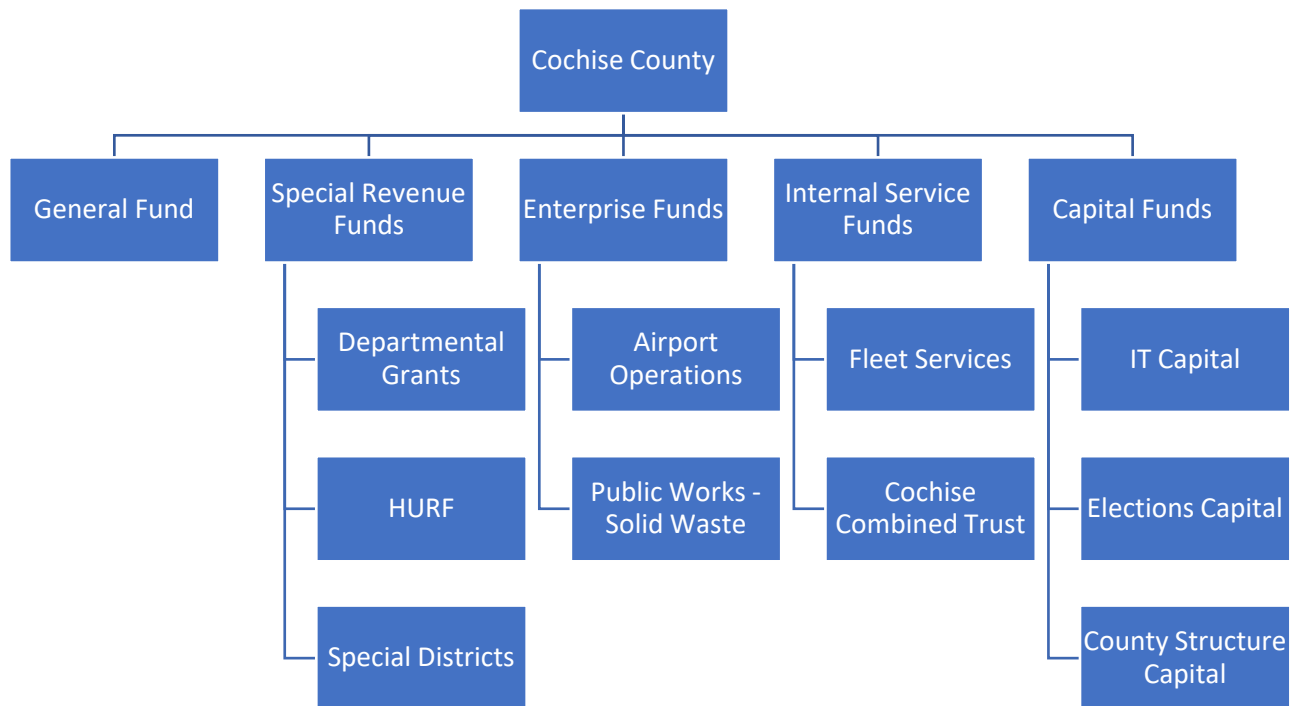
- No new positions were approved in the FY21 Budget
- The Juvenile Detention Center is slated to be closed on December 31, 2020 – resulting in the elimination of approximately 9.20 FTEs
- The drastic decrease in FTEs between FY20 and FY21 is not the result of layoffs or a reduction in force. It is the result of the County no longer counting positions that were held vacant, “frozen”, or defunded throughout the previous several years. In the Spring of 2020, in preparation of the FY21 Budget process, the County undertook an FTE Inventory – leading to a more accurate accounting of approved FTE positions.

Fund Descriptions and Structure

Fund Types:

- General Fund – the Counties main operational fund. Revenues include property tax, State sales tax, County sales tax, fees, fines, vehicle license taxes, and intergovernmental revenue. Expenditures operational costs associated with all departments except those departments with a dedicated special revenue source (Floodplain, Library, Highways)
- Special Revenue Fund – funds reserved for legally restricted revenues and expenses. This includes departmental grant funds, Highway User Revenue Funds (HURF), and Special District funds such as Library and Floodplain.
- Enterprise Fund – funds that act as a business unit, responsible for collecting revenue and providing services with that revenue.
- Internal Service Fund – funds that provide services to, and generate revenue from, other County Departments, such as Fleet Maintenance.
- Capital Improvement Fund – funds that are utilized for long term capital projects.

Fund Structure



Departmental/Fund Relationship

	General Fund	Special Revenue	Enterprise	Internal Service
Board of Supervisors	X			
Treasurer	X			
Assessor	X			
Recorder	X			
Elections	X	X		
County Attorney	X	X		
Clerk of the Court	X	X		
Court Administration	X	X		
Superior Court Divisions	X	X		
Court Security	X	X		
Law Library	X	X		
Mandatory Judicial Services	X	X		
Justice Courts 1 -6	X	X		
Constables	X			
Adult Probation	X	X		
Juvenile Probation	X	X		
Juvenile Detention	X			
Public Defender	X	X		
Legal Defender	X	X		
Legal Advocate	X	X		
Indigent Defense Coordinator	X			
General Government	X			
Procurement	X			
Finance	X			
Information Technology	X			
Development Services	X			
Airport Operations	X		X	
Facilities	X			
Human Resources	X			
Risk Management	X			
Sheriff	X	X		
Medical Examiner	X			
Emergency Services	X	X		
Public Works		X	X	
Engineering & Natural Resources		X		
Health & Social Services	X	X		
Aging & Social Services	X	X		
School Superintendent	X			
General Government Overhead	X			
Housing		X		
Library District		X		
Flood Control District		X		
Fleet Services				X
Cochise Combined Trust				X

FY20-21 Budget

Legal Requirements

- ARS 11 -401 and ARS 11-201 (A) states that the Board of Supervisors must determine the budgets of all elected and appointed county officers
- ARS 42-17101 requires all Counties to prepare annual budgets for all funds
- By the Tentative Budget, the budget must be in the format prescribed by the Auditor General
- The budget must include an estimate of the prior year's expense (FY20)
- The budget for the next fiscal year (FY21) must include estimated revenues and expenditures
- ARS 42-17105 states that the final budget expenditures (July) cannot exceed the estimated expenditures in the tentative budget (June) – meaning new expenses cannot be added after the tentative budget is adopted in June.
- The total budget for the County cannot exceed the Expenditure Limit for the fiscal year

Things to keep in mind when budgeting because once the budget is passed ...

- A County may not:
 - Spend money for a purpose that is not included in the budget
 - Spend money or incur or create a debt, obligation, or liability in excess of the amount stated in the adopted budget for that year ARS 42-17106(A)
- However, the BOS may transfer monies if all the following apply:
 - The monies are available.
 - The transfer is in the public interest and based on a demonstrated need.
 - The transfer does not put the county in a position where it will go over the expenditure limit for the year.
 - The BOS approves the transfer by a majority vote at a public meeting. ARS 42- 17106(8)
- For these reasons, Interfund transfers will be itemized this year

Budget Process

1. February – Budget meets with all Departments and Offices to discuss process and answer any questions
2. Due end of February - Restructures
 - a. Any change to how your budget is structured
 - i. Fund/Dept/Activity/Line-item
 - ii. Add a new activity; not using an activity; combine two activities into one?
 - iii. This cannot be changed after budget has opened
3. March 2 to April 10 - Departments and Offices will enter operating budgets in New World
 - a. Departments and Offices enter revenue projections
 - i. Only for revenues generated by the department/office
 - ii. See attached templates to better project revenues
 - b. Fleet Department will determine Departments', Offices', and Special Revenue Funds' Fleet rates and costs (heavy and light fleet) for FY21
 - c. Grant Funds – Entered in New World March 2 to April 10
 - i. All funds must be budgeted for FY21
 - ii. For ALL Funds - estimated revenues MUST EQUAL estimated expenditures
 - iii. If revenues exceed expenses – balance using Contingency
 - iv. Project excess revenues over expenses in FY20 – put into FY21 Cash Carry Forward
 - v. Grant cycles crossing into FY21 – work with finance/budget (federal fiscal year)
4. All Departments and Offices must complete FTE inventory by April 10
 - a. For all funds (general fund, grants)
 - b. Budgeted positions, not people, include vacancies
 - c. See template
5. Budget will complete all Personnel Budgets, to include: Salary, Wages, Elected Official Wages, and all Employee Related Expenses (EREs - aka Benefits)
 - a. Departments/Offices will enter Overtime (401.600) and Temp Wages (401.500) line items
 - b. See attached for Market Salary Budgeting expectations
6. Funding requests due April 10, 2020 – No exceptions
 - a. See attached request process below
 - b. See template from budget
7. Interfund Transfers – entered into New World by Budget
 - a. Must complete form – due April 10, 2020

- b. Any interfund transfers (391s/550s) entered by the Department/Office will be erased
- 8. Budget Book information – two types
 - a. First is the tentative/adopted budget book – due May 1, 2020
 - i. Focus is for the budget adoption process
 - ii. Short narrative about why the Department or Office exists, its mission
 - iii. Stats or Performance Measures – how do you measure your volume of work?
 - iv. Itemize major changes from FY20 budget
 - v. See attached samples/templates
 - b. Second is the GFOA budget book – due August 28, 2020
 - i. Audience is general public and the budget book is completed in accordance with GFOA standards for public education and presentation
 - ii. Narratives about department/office mission, statutory mandates
 - iii. Goals for FY21
 - iv. Accomplishment for FY20
 - v. Performance Measures:
 - 1. To who are you accountable?
 - 2. What are your goals?
 - 3. How do you know if you’ve accomplished these goals?
 - vi. This is a great opportunity for Departments/Offices to brag (to constituents) about what they have accomplished over the last year
 - vii. See attached samples/templates
- 9. Submit items to budget@cochise.az.gov
 - a. All items: FTE Inventory, Funding Requests, Interfund Transfer Requests, Restructures
 - b. Budget documents will be available on the Finance Drive, yet you will not upload anything there. Everything will be submitted via email

Market Based Budgeting

Personnel budgets will be calculated based on the number of positions and the market value of each position. Positions can be filled from 20% below to 20% above market amounts, per HR policy. Budget/HR will provide market data to all departments/offices in March/April.

Budgeted Positions	FTE	Market	Budget
Elected Official	1.00	63,000	63,000
Deputy Director	1.00	65,000	65,000
Administrative Manager	2.00	55,000	110,000
Administrative Assistant	6.00	35,000	210,000
	10.00		448,000

Overtime (401.600), and temp wages (401.500) will be entered into New World by the department or office during the open budget process (March 1 – April 10). All Employee Related Expenses (EREs) will be entered into New World by Budget (ASRS/PSPRS/CORP/EORP/Health/Worker’s Comp).

Current	FTE	Market	Budget
Elected Official	1.00	63,000	63,000
Deputy Director	1.00	62,500	62,500
Administrative Manager	2.00	53,000	106,000
Administrative Assistant	6.00	33,000	198,000
	10.00		429,500

Salary Adjustment line item (401.800) will be the difference between the current staffing and the budgeted market positions. For example: the top table lists the funding of the department based on funded positions and market rates. The bottom table lists the current staffing at current salaries. The salary adjustment line will be the budgeted amount (448,000) minus the current actual (429,500) = 18,500 in salary adjustment funds.

The goal of the market compensation plan is to allow changing revenues to determine volume of work performed (the number of employees/programs/services offered), while NOT changing compensation or benefits.

I.E. - As revenues fluctuates – we provide greater, or fewer services, yet with properly compensated employees.

Funding Requests

Due April 10, 2020

Submit to: budget@Cochise.az.gov

- Funding Requests – any new positions or increases to operational budgets over \$5,000 will go through the funding request process
 - All funding requests must be turned into Budget (budget@cochise.az.gov)
 - Courts – all Elected Officials and Department Directors in the Courts will submit funding requests to the budget email. These requests will be reviewed by the Presiding Superior Court Judge and the Court Administrator
 - This includes: Superior Court; Clerk of the Superior Court; Probation; Juvenile Detention; all Justice Courts; all of Court Admin.
 - All Elected Officials’ funding requests will be itemized and presented to the BOS – so, regardless of the organizational path of your funding request – it will not be washed out – the BOS will see ALL requests
 - All other Elected Officials’ (non-courts) funding requests will be reviewed by the Board of Supervisors
 - Department Directors Reporting to the County Administrator will have their funding requests reviewed by the County Administrator
 - Requests for HR, Fleet, Facilities, or IT items will be reviewed by that respective Department
 - You will take your request to HR/IT/Fleet/Facilities/Procurement for review; they will sign or make recommendations/adjustments; and you will then submit the completed request to budget – by April 10, 2020
 - New vehicles, or increased vehicle usage, requests will go through Fleet
 - Requests for new classifications/job titles will go through HR
 - Facilities items, remodels, furniture, moves, etc... will be funded via the Building Enhancement Funds (half cent sales tax). Departments/Offices will not have individual furniture line items in their budget.
 - Requests for items to be procured, work with Procurement for a reasonable estimate
- Data to justify funding requests
 - Provide data/performance measures on workload/caseload/etc...
 - Provide information regarding changes in statute, policy, technology
 - See template and sample of properly completed funding requests
- Connection to Strategic Plan
 - The BOS will evaluate funding requests to its applicability to the strategic plan
 - See attached latest version of the strategic plan

Budget FY20-21

Important Dates:

- February – Budget meets with all Departments/Offices
- February 28 – All restructures due
- March 2 - Budget open in New World
- April 10
 - Budget closed in New World
 - Funding Requests Due
 - FTE Inventories Due
 - Interfund Transfer Requests Due
- Late April
 - Department Director meetings with Budget/County Admin
- Early May
 - BOS Work-sessions with Elected Officials
- May 4 - Budget Book Narratives/Performance Measures Due
- Mid May – BOS Work-session for Revenues and Funding Requests
- June – Tentative Budget Adopted
- July – Final Budget Adopted
- August – Tax Rate Adoption
- September – GFOA Budget Book Prep
 - Narratives, performance measures due
- October – GFOA Budget Book submitted for review

OVERVIEW OF OPEN MEETING LAWS

The Open Meeting Laws (OML) are set out in *A.R.S. § 38-431 et seq.* The OML requires that Board meetings be conducted openly, and that notices and agendas contain enough information to reasonably inform the public of the matters to be discussed. **If a Board is not certain whether the OML requires that a matter be discussed in private or public, the Board “shall construe ... (the OML) in favor of open and public meetings.”** *A.R.S. § 38-431.09.*

All discussion and action must occur at a public meeting. Under the OML, all discussion and legal action, including collective decisions, commitments and promises, must take place in a duly noticed public meeting. *A.R.S. § 38-431(3) & § 38-431.01(A)* A “meeting” is deemed to occur whenever a quorum of the board gets together, in person or through technological devices to discuss, propose, or take legal action. *A.R.S. § 38-431(4).*

The public must receive prior notice of the meeting. Except in an actual emergency, no meeting may take place unless the public was given written notice of the meeting at 24 hours in advance. The notice must include the date, time and location of the meeting and an agenda listing the specific matters to be discussed, considered or decided upon. *A.R.S. § 38-431.02.* The board cannot consider or discuss matters not listed on the Agenda! *A.R.S. § 38-431.02.* Once a meeting has been properly convened with proper prior notice to the public, it may be recessed and resumed with less than twenty-four (24) hours’ notice if, prior to recessing, notice is publicly given as to the time and place of resumption. (In the rare case of an actual emergency, a meeting may be held upon such notice as is appropriate but the notice of the agenda and a notice declaring that an emergency session was held must be posted within twenty-four hours after the meeting.)

The board must receive the agenda and packet in advance of the meeting. Although not required by the OML, most board policies (and common sense) require that the board receive the agenda and supporting information at least 24 hours before a meeting.

Superintendent or Board Member reports ok if generally noticed on agenda The superintendent or a board member may present a brief summary of current events without the specific items being listed on the agenda, as long as the summary is on the agenda and the board does not propose, discuss or take legal action on any matter raised in the summary unless it is specifically noticed on the agenda. *A.R.S. § 38-431.02(K)*

The board may allow the public to speak at a Call to the Public. The OML permits (but does not require) boards to allow the public to speak at board meetings. Public input may be limited to items on the agenda or expanded to also include an open Call to the Public on issues that are not on the agenda but are within the Board's jurisdiction. Whatever form of public input is allowed, it should be subject to reasonable time, place and manner restrictions. Board members should avoid arguing or engaging in lengthy discussions with members of the public who address the board on matters that are on the agenda. Response is even more limited with respect to non-agenda issues raised at call to the public. As to those items, the Board must wait until conclusion of the open call, at which time individual board members may respond to

criticism, ask staff to review a matter or ask that a matter be put on a future agenda. However, board members must not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. *A.R.S. § 38-431.01(G)*.

The public is entitled to minutes within three working days after a meeting. The board must make written minutes or a recording of meetings available to the public within three working days after a meeting. Minutes of a public meeting must include:

1. the date, time and place of the meeting;
2. the members present and absent;
3. a general description of the matters considered; and
4. an accurate description of all actions proposed, discussed or taken, including names of members who propose each motion; names of anyone making a statement and presenting material; and a reference to the action to which such statement or material relates. *A.R.S. § 38-431.01(A & 8)*

Minutes of executive sessions shall include the information in 1, 2, and 3 above, plus an accurate description of all Instructions *given* to the board's attorneys or representatives regarding its position on contract negotiations, litigation, settlement discussions, real property transactions and employee benefit negotiations, and such other matters as may be deemed appropriate by the public body. *A.R.S. § 38-431.01(C)*.

Consequences of Violating the OML: Any action taken at a meeting held in violation of the OML is null and void (*A.R.S. § 38-431.05(A)*) unless ratified within 30 days after discovery pursuant to *A.R.S. § 38-431.05*. In addition, anyone who knowingly violates the open meeting laws or aids, agrees to aid or attempts to aid another to violate the laws is subject to civil fines of up to \$500.00 for each violation. Public funds may not be used to pay for legal services to defend an action brought under the OML unless the public body has authority to do so pursuant to some other provision of law and approves the expenditure at a properly noticed open meeting prior to incurring the obligation. *A.R.S. § 38-431.07*. If an action is brought and the court determines there was intent to deprive the public of information or opportunity to be heard, the offender may be required to pay the plaintiff's costs and fees personally and, if a board member, may be removed from the board.

38-431.01. Meetings shall be open to the public

A. All meetings of any public body shall be public meetings and all persons so desiring shall be permitted to attend and listen to the deliberations and proceedings. All legal action of public bodies shall occur during a public meeting.

B. All public bodies shall provide for the taking of written minutes or a recording of all their meetings, including executive sessions. For meetings other than executive sessions, the minutes or recording shall include:

1. The date, time and place of the meeting.
2. The members of the public body recorded as either present or absent.
3. A general description of the matters considered.
4. An accurate description of all legal actions proposed, discussed or taken, including a record of how each member voted. The minutes shall also include the names of the members who propose each motion and the names of the persons, as given, who make statements or present material to the public body and a reference to the legal action about which they made statements or presented material.

C. Minutes of executive sessions shall include items set forth in subsection B, paragraphs 1, 2 and 3 of this section, an accurate description of all instructions given pursuant to section 38-431.03, subsection A, paragraphs 4, 5 and 7 and other matters as may be deemed appropriate by the public body.

D. The minutes or a recording of a meeting shall be available for public inspection three working days after the meeting except as otherwise specifically provided by this article.

E. A public body of a city or town with a population of more than two thousand five hundred persons shall:

1. Within three working days after a meeting, except for subcommittees and advisory committees, post on its website, if applicable, either:
 - (a) A statement describing the legal actions taken by the public body of the city or town during the meeting.
 - (b) Any recording of the meeting.
2. Within two working days following approval of the minutes, post approved minutes of city or town council meetings on its website, if applicable, except as otherwise specifically provided by this article.
3. Within ten working days after a subcommittee or advisory committee meeting, post on its website, if applicable, either:
 - (a) A statement describing legal action, if any.
 - (b) A recording of the meeting.

F. All or any part of a public meeting of a public body may be recorded by any person in attendance by means of a tape recorder or camera or any other means of sonic reproduction, provided that there is no active interference with the conduct of the meeting.

G. The secretary of state for state public bodies, the city or town clerk for municipal public bodies and the county clerk for all other local public bodies shall conspicuously post open meeting law materials prepared and approved by the attorney general on their website. A person elected or appointed to a public body shall review the open meeting law materials at least one day before the day that person takes office.

H. A public body may make an open call to the public during a public meeting, subject to reasonable time, place and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

I. A member of a public body shall not knowingly direct any staff member to communicate in violation of this article.

J. Any posting required by subsection E of this section must remain on the applicable website for at least one year after the date of the posting.

ETHICS

"A public trust must be handled and must be managed by those who are motivated by the public interest. Those who hold the public trust must adhere to the highest ethical standards there are. The job requires it, and the public must demand it."

-Barbara Jordan
U.S. Congressional Representative 1973-1979

'There is almost unanimous agreement that offenses are impeachable when they involve' "misapplication of funds, abuse of official power, neglect of duty, encroachment on or contempt of legislative prerogatives and corruption."

-Supreme Court of Arizona
Mecham v. Ariz. House of Representatives
162 Ariz. 267, 268 (1989)

A. Statutory Considerations

1. Oath of Office:

A.R.S. 38-231

To support, bear true faith and allegiance to, and defend the Constitution of the United States and the Constitution and law of the State of Arizona

2. Misconduct in office by county supervisor:

A.R.S. 11-223

A supervisor who **neglects to perform any duty without just cause**, or who **willfully violates any law** provided for or relating to the office of supervisor, or **fraudulently or corruptly performs any duty** imposed upon him by law, or **willfully, fraudulently or corruptly attempts to perform an act as a supervisor unauthorized by law**, in addition to other penalties or punishment prescribed, shall forfeit to the county five hundred dollars for every such act, which may be recovered on his official bond, and is further liable on his official bond to any person injured thereby for all damages sustained.

3. Nonfeasance in public office

A.R.S. 38-443

A public officer or person holding a position of public trust or employment who knowingly omits to perform any duty the performance of which is required of him by law is guilty of a class 2 misdemeanor unless special provision has been made for punishment of such omission.

4. Duties of the office:

A.R.S 11-201; 11-251

A.R.S. 11-201 and 251 list the basic powers of the board of supervisors. When these powers are exercised there is a duty to exercise them in accordance with the limitations set by the Arizona Constitution and the Legislature.

A county is a political subdivision of the state existing and created to aid in the administration of the state's laws and for the purpose of self-government. *Board of Supervisors of Maricopa County v. Stanford*, 70 Ariz. 277, 219 P. 2d 769 (1950).

A county board of supervisors may exercise no powers except those specifically granted by statute and in the manner fixed by statute. *Mohave County v. Mohave-Kingman Estates, Inc.* 120 Ariz. 417, 586 P. 2d 978 (1978).

5. Misuse of public funds

The board of supervisors has authority to levy and collect taxes for purposes as are authorized by law and to determine the budgets of all elected and appointed county officials. A.R.S. 11-201 A(5),(6).

All expenditures of public funds must serve a public purpose. *Town of Gila Bend v. Walled Lake Door Co.*, 107 Ariz. 545,490 P.2d 551 (1971)

- The county ***must not ever*** give or loan its credit, or donate or grant, by subsidy or otherwise, to any individual, association or corporation. **Ariz. Constitution Art. 9, sec. 7. (The "gift clause")**

- Restricts direct expenditures of county funds as well as indirect uses of county resources such as personnel, equipment, and facilities.

- Community Initiative Funds

Two questions are asked when spending public funds and using public resources:

1. Is the board of supervisors authorized to spend public monies for the purpose requested?

2. Is the purpose a "public purpose" as viewed by the Arizona courts?

•Court will look at all pertinent circumstances before coming to a conclusion¹

•The term "public purpose" is "incapable of exact definition and changes to meet new development and conditions of the times. "²

6. Use of county resources to influence elections **A. R.S. 11-410**

Counties shall not use county personnel, equipment, materials, buildings, or other resources for the purpose of influencing the outcomes of elections.

County employees shall not use the authority of their positions to influence the vote or political activities of any subordinate employees.

Elected officials may communicate their views on pending ballot measures and may use their official titles when doing so. If there is a cost, it must come from private funds. Ariz. Atty Gen'l Op. 107-008

7. Money illegally paid **A.R.S. 11-641**

When a board of supervisors, without authority of law, orders any money paid from the county treasury, the board and the party in whose favor the order is made shall be jointly and severally liable for the money with interest at the legal rate, and twenty percent additional on the principal amount.

•County Attorney is authorized to institute an action against the board to enjoin the payment or recover it with interest and 20%.

8. Asking or receiving an illegal gratuity or reward **A.R.S. 38-444**

A public officer who knowingly asks or receives any emolument, gratuity or reward, or any promise thereof, excepting those authorized by law, for doing any official act, is guilty of a class 6 felony.

9. Nepotism **A.R.S. 38-481**

It is unlawful for an executive or legislative officer to appoint or vote for appointment any person related to him by affinity or consanguinity within the third degree to any office or position in the county or district of which the officer is a member. Penalty is a class 2 misdemeanor.

¹*Maricopa County v. State*, 187 Ariz. 275, 280, 928 P.2d 699, 704 (App.1996)

²*Wisturber v. Paradise Valley Unified School District*, 141 Ariz. 346, 348,687 P.2d 354,356 (1984)

10. Sale of appointment to public office A.R.S. 38-466

A public officer, who for a gratuity or reward, appoints another person to a public office is guilty of a class 6 felony and shall forfeit his office and is **forever disqualified** from holding office in this state.

11. Pecuniary Interest of supervisor A.R.S. 11-222

A supervisor shall not vote upon any measure in which he, any member of his family or his partner, is pecuniarily interested.

- No definition of "pecuniarily interested" or "partner"
- No exception for "remote interest" as in A.R.S. 38-501

12. Effect of personal interest of county officer A.R.S. 11-627

A demand in which a county officer is personally interested, or arising out of a contract to which a county officer while in office has been a party or otherwise personally interested, shall not be approved, allowed or paid, and every such contract, claim or demand is null and void, except for official compensation of the persons in whose name it is presented.

13. Prohibition against acquisition of certain interests by public officers A.R.S. 38-447

An officer or person prohibited by the laws of this state from making or being interested in contracts, or from becoming a vendor or purchaser at sales, or from purchasing evidences of indebtedness, who violates any provision of such laws, is guilty of a class 5 felony, and is **forever disqualified** from holding any office in this state.

14. Conflict of Interest A.R.S. 38-501; 38-503

See Arizona Agency Handbook, published by the Arizona Attorney General's Office. <https://www.azag.gov/outreach/publications/agency-handbook>

Basic rule: A County Supervisor shall not perform an act or make a decision in his or her official capacity which might affect his or her or his or her relatives' economic interests.

A board member who has a conflict of interest must refrain from participating in discussions in general study sessions, as well as refrain from making decisions on the matter, unless it is reasonably foreseeable that issue will not come before the board for action. Ariz. Atty Gen'l Op. 103-005.

B. Principles of Common Law

1. Fiduciary Responsibility

Definition of fiduciary: relating to or founded upon a trust or confidence, relating to or founded upon a trust or confidence, carrying a duty to act primarily for another's benefit, requiring scrupulous good faith and candor {Black's Law Dictionary}.

In financial decision making, a public officer has a fiduciary obligation to obtain the maximum return for each dollar spent which may, in some instances, require competitive bidding. Ariz. Atty Gen'l Op 184-035 {1984}.

A board's "right is measured by its duty, which is to act in the public interest, to be fair, honest, prudent and to exercise wise discretion in the awarding of its contracts." Hertz Drive Ur Self System, Inc. v. Tucson Airport Authority, 81 Ariz. 80, 85, 299 P.2d 1071, 1074 {1956}.

2. Appearance of a conflict or bias

Certain situations may appear to be a conflict of interest, but do not meet the statutory definition and are therefore not prohibited.

The board member may use his or her discretion in abstaining from the discussion and vote on such matters.

- Examples:
- a. Board member is a resident of the neighborhood which will be directly impacted by a zoning decision allowing a new 24-hour gas station and mini-mart nearby.
 - b. Board member is also a board member of a charitable organization which is seeking funding from the county.

Bias can be a legal concern in decision which are quasi-judicial in nature, a topic to be discussed in another section of this orientation.

Conflict of Interest of Officers and Employees – Article 8

38-501. Application of article

A. This article shall apply to all public officers and employees of incorporated cities or towns, of political subdivisions and of the state and any of its departments, commissions, agencies, bodies or boards.

B. Notwithstanding the provisions of any other law, or the provisions of any charter or ordinance of any incorporated city or town to the contrary, the provisions of this article shall be exclusively applicable to all officers and employees of every incorporated city or town or political subdivision or the state and any of its departments, commissions, agencies, bodies or boards and shall supersede the provisions of any other such law, charter provision or ordinance.

C. Other prohibitions in the state statutes against any specific conflict of interests shall be in addition to this article if consistent with the intent and provisions of this article.

38-502. Definitions

In this article, unless the context otherwise requires:

1. "Compensation" means money, a tangible thing of value or a financial benefit.
2. "Employee" means all persons who are not public officers and who are employed on a full-time, part-time or contract basis by an incorporated city or town, a political subdivision or the state or any of its departments, commissions, agencies, bodies or boards for remuneration.
3. "Make known" means the filing of a paper which is signed by a public officer or employee and which fully discloses a substantial interest or the filing of a copy of the official minutes of a public agency which fully discloses a substantial interest. The filing shall be in the special file established pursuant to section 38-509.
4. "Official records" means the minutes or papers, records and documents maintained by a public agency for the specific purpose of receiving disclosures of substantial interests required to be made known by this article.
5. "Political subdivision" means all political subdivisions of the state and county, including all school districts.

6. "Public agency" means:

(a) All courts.

(b) Any department, agency, board, commission, institution, instrumentality or legislative or administrative body of the state, a county, an incorporated town or city and any other political subdivision.

(c) The state, county and incorporated cities or towns and any other political subdivisions.

7. "Public competitive bidding" means the method of purchasing prescribed by title 41, chapter 23, or procedures substantially equivalent to such method of purchasing, or as provided by local charter or ordinance.

8. "Public officer" means all elected and appointed officers of a public agency established by charter, ordinance, resolution, state constitution or statute.

9. "Relative" means the spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse.

10. "Remote interest" means:

(a) That of a nonsalaried officer of a nonprofit corporation.

(b) That of a landlord or tenant of the contracting party.

(c) That of an attorney of a contracting party.

(d) That of a member of a nonprofit cooperative marketing association.

(e) The ownership of less than three percent of the shares of a corporation for profit, provided the total annual income from dividends, including the value of stock dividends, from the corporation does not exceed five percent of the total annual income of such officer or employee and any other payments made to him by the corporation do not exceed five percent of his total annual income.

(f) That of a public officer or employee in being reimbursed for his actual and necessary expenses incurred in the performance of official duty.

(g) That of a recipient of public services generally provided by the incorporated city or town, political subdivision or state department, commission, agency, body or board of which he is a

public officer or employee, on the same terms and conditions as if he were not an officer or employee.

(h) That of a public school board member when the relative involved is not a dependent, as defined in section 43-1001, or a spouse.

(i) That of a public officer or employee, or that of a relative of a public officer or employee, unless the contract or decision involved would confer a direct economic benefit or detriment on the officer, the employee or his relative, of any of the following:

(i) Another political subdivision.

(ii) A public agency of another political subdivision.

(iii) A public agency except if it is the same governmental entity.

(j) That of a member of a trade, business, occupation, profession or class of persons consisting of at least ten members which is no greater than the interest of the other members of that trade, business, occupation, profession or class of persons.

(k) That of a relative who is an employee of any business entity or governmental entity that employs at least twenty-five employees within this state and who, in the capacity as an employee, does not assert control or decision-making authority over the entity's management or budget decisions.

(l) The ownership of any publicly traded investments that are held in an account or fund, including a mutual fund, that is managed by one or more qualified investment professionals who are not employed or controlled by the officer or employee and that the officer or employee owns shares or interest together with other investors.

11. "Substantial interest" means any nonspeculative pecuniary or proprietary interest, either direct or indirect, other than a remote interest.

38-503. Conflict of interest; exemptions; employment prohibition

A. Any public officer or employee of a public agency who has, or whose relative has, a substantial interest in any contract, sale, purchase or service to such public agency shall make known that interest in the official records of such public agency and shall refrain from voting upon or otherwise participating in any manner as an officer or employee in such contract, sale or purchase.

B. Any public officer or employee who has, or whose relative has, a substantial interest in any decision of a public agency shall make known such interest in the official records of such public agency and shall refrain from participating in any manner as an officer or employee in such decision.

C. Notwithstanding the provisions of subsections A and B of this section, no public officer or employee of a public agency shall supply to such public agency any equipment, material, supplies or services, unless pursuant to an award or contract let after public competitive bidding, except that:

1. A school district governing board may purchase, as provided in sections 15-213 and 15-323, supplies, materials and equipment from a school board member.

2. Political subdivisions other than school districts may purchase through their governing bodies, without using public competitive bidding procedures, supplies, materials and equipment not exceeding three hundred dollars in cost in any single transaction, not to exceed a total of one thousand dollars annually, from a member of the governing body if the policy for such purchases is approved annually.

D. Notwithstanding subsections A and B of this section and as provided in sections 15-421 and 15-1441, the governing board of a school district or a community college district may not employ a person who is a member of the governing board or who is the spouse of a member of the governing board.

38-504. Prohibited acts

A. A public officer or employee shall not represent another person for compensation before a public agency by which the officer or employee is or was employed within the preceding twelve months or on which the officer or employee serves or served within the preceding twelve months concerning any matter with which the officer or employee was directly concerned and in which the officer or employee personally participated during the officer's or employee's employment or service by a substantial and material exercise of administrative discretion.

B. During the period of a public officer's or employee's employment or service and for two years thereafter, a public officer or employee shall not disclose or use for the officer's or employee's personal profit, without appropriate authorization, any information acquired by the officer or employee in the course of the officer's or employee's official duties which has been clearly designated to the officer or employee as confidential when such confidential designation is warranted because of the status of the proceedings or the circumstances under which the information was received and preserving its confidentiality is necessary for the proper conduct of government business. A public officer or employee shall not disclose or use, without appropriate authorization, any information that is acquired by the officer or employee in the course of the

officer's or employee's official duties and that is declared confidential by law.

C. A public officer or employee shall not use or attempt to use the officer's or employee's official position to secure any valuable thing or valuable benefit for the officer or employee that would not ordinarily accrue to the officer or employee in the performance of the officer's or employee's official duties if the thing or benefit is of such character as to manifest a substantial and improper influence on the officer or employee with respect to the officer's or employee's duties.

38-505. Additional income prohibited for services

A. No public officer or employee may receive or agree to receive directly or indirectly compensation other than as provided by law for any service rendered or to be rendered by him personally in any case, proceeding, application, or other matter which is pending before the public agency of which he is a public officer or employee.

B. This section shall not be construed to prohibit the performance of ministerial functions including, but not limited to, the filing, or amendment of tax returns, applications for permits and licenses, incorporation papers, and other documents.

38-506. Remedies

A. In addition to any other remedies provided by law, any contract entered into by a public agency in violation of this article is voidable at the instance of the public agency.

B. Any person affected by a decision of a public agency may commence a civil suit in the superior court for the purpose of enforcing the civil provisions of this article. The court may order such equitable relief as it deems appropriate in the circumstances including the remedies provided in this section.

C. The court may in its discretion order payment of costs, including reasonable attorney's fees, to the prevailing party in an action brought under subsection B.

38-507. Opinions of the attorney general, county attorneys, city or town attorneys and house and senate ethics committee

Requests for opinions from either the attorney general, a county attorney, a city or town attorney, the senate ethics committee or the house of representatives ethics committee concerning violations of this article shall be confidential, but the final opinions shall be a matter of public record. The county attorneys shall file opinions with the county recorder, the city or town attorneys shall file opinions with the city or town clerk, the senate ethics committee shall file opinions with the senate secretary and the house of representatives ethics committee shall file opinions with the chief clerk of the house of representatives.

38-508. Authority of public officers and employees to act

A. If the provisions of section 38-503 prevent an appointed public officer or a public employee from acting as required by law in his official capacity, such public officer or employee shall notify his superior authority of the conflicting interest. The superior authority may empower another to act or such authority may act in the capacity of the public officer or employee on the conflicting matter.

B. If the provisions of section 38-503 prevent a public agency from acting as required by law in its official capacity, such action shall not be prevented if members of the agency who have apparent conflicts make known their substantial interests in the official records of their public agency.

38-509. Filing of disclosures

Every political subdivision and public agency subject to this article shall maintain for public inspection in a special file all documents necessary to memorialize all disclosures of substantial interest made known pursuant to this article.

38-510. Penalties

A. A person who:

1. Intentionally or knowingly violates any provision of sections 38-503 through 38-505 is guilty of a class 6 felony.

2. Recklessly or negligently violates any provision of sections 38-503 through 38-505 is guilty of a class 1 misdemeanor.

B. A person found guilty of an offense described in subsection A of this section shall forfeit his public office or employment if any.

C. It is no defense to a prosecution for a violation of sections 38-503 through 38-505 that the public officer or employee to whom a benefit is offered, conferred or agreed to be conferred was not qualified or authorized to act in the desired way.

D. It is a defense to a prosecution for a violation of sections 38-503 through 38-505 that the interest charged to be substantial was a remote interest.

38-511. Cancellation of political subdivision and state contracts; definition

A. The state, its political subdivisions or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the state, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the state, its political subdivisions or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract.

B. Leases of state trust land for terms longer than ten years cancelled under this section shall respect those rights given to mortgagees of the lessee by section 37-289 and other lawful provisions of the lease.

C. The cancellation under this section by the state or its political subdivisions shall be effective when written notice from the governor or the chief executive officer or governing body of the political subdivision is received by all other parties to the contract unless the notice specifies a later time.

D. The cancellation under this section by any department or agency of the state or its political subdivisions shall be effective when written notice from such party is received by all other parties to the contract unless the notice specifies a later time.

E. In addition to the right to cancel a contract as provided in subsection A of this section, the state, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the state, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract.

F. Notice of this section shall be included in every contract to which the state, its political subdivisions, or any of the departments or agencies of either is a party.

G. For purposes of this section, "political subdivisions" do not include entities formed or operating under title 48, chapter 11, 12, 13, 17, 18, 19 or 22.

COCHISE COUNTY PROCUREMENT DEPARTMENT

1415 Melody Lane, Building C, Bisbee, AZ 85603

Phone: (520) 432-8394 Fax: (520) 432-8397

CONFLICT-OF-INTEREST STATEMENT AND DISCLOSURE

Arizona Revised Statutes (A.R.S.) §38-503 requires that all public officers and employees of a public agency who have, or whose relatives have, a substantial interest in any decision, contract sale, purchase, or service to that public agency to disclose that interest in the official records of that public agency and refrain from voting upon or otherwise participating in any manner as an officer or employee in such decision, contract, sale, purchase, or service.

“Substantial interest” is defined by A.R.S. §38-502 as any pecuniary or proprietary interest, either direct or indirect other than a remote interest.

“Relative” defined by A.R.S. §38-502 as a spouse, child, grandchild, parent grandparent, brother, or sister of the whole or half blood and their spouse, and the parent, brother, sister, or child of a spouse.

Except as otherwise noted, I, , hereby certify that:

- 1. I do not participate in any private contracts with the County to provide or receive equipment materials, supplies, or services.
- 2. I do not maintain a direct or indirect financial interest in any proprietorship, partnership, corporation, or governmental entity doing business with the County.
- 3. I do not have private contracts with any proprietorship, partnership, or corporation that maintains a business relationship with the County.
- 4. I do not have any relatives who have a direct or indirect financial relationship with the County.
- 5. I do not have any relative employed by the County who would receive a direct economic benefit or detriment from a contract or decision or who would confer a direct economic benefit or diriment upon me.
- 6. I do not have any relatives employed by another public agency or political & subdivision who would receive a direct benefit or detriment from a contract or decision or who would confer a direct economic benefit or detriment upon me.
- 7. I am not an elected or appointed officer of any other public agency and have not held such a position For the past 2 years.

Disclose any exceptions to the above statement here: If none, please state "None".)

Name Organization Relationship

Date: _____ Signed _____

BOS Meeting Overview

Quorum and Meeting Attendance

Two Supervisors constitute a quorum. There must be at least two Supervisors present at all Board Meetings in order for any business to be discussed or acted on. The Clerk of the Board schedules Board Meetings on the Supervisors' calendars. It is critical for Supervisors to monitor their calendars and ensure that they attend all Board meetings or notify the Clerk of the Board in advance of any meeting that they are unable to attend.

Regular Meetings

Regular meetings are held twice a month on Tuesdays at 10:00 a.m. at the Board Hearing Room or Executive Conference Room located at 1415 Melody Lane, Building G, in Bisbee. The Board annually approves its meeting schedule for the next calendar year.

Agendas are typically made available on the Friday prior to the Board Meeting date. Full agenda packets are available online through the County's website.

Regular Meeting Agendas are in the following order (the Board may reorder or delete any item on the agenda at the meeting):

Call to Order/Pledge of Allegiance/Roll Call

Consent Agenda – All items listed on the Consent Agenda are considered routine in nature and will be enacted with one motion by the Board of Supervisors. Members of the Board may remove any item from the Consent Agenda for separate discussion and consideration. Consent Agenda items are listed in order by the department requesting the item.

Examples of items on the Consent Agenda:

- Meeting minutes;
- Agreement amendments or renewals, with a dollar amount less than \$50,000;
- Other items, such as budget transfers, with a dollar amount less than \$50,000;
- Proclamations.

Public Hearings – A Public Hearing is an item that, by law, must be heard by the public, and on which the public can speak (generally for no more than three minutes). Public Hearing items are listed in order by department.

Public Hearings require advance notice to the public. An example of a Public Hearing item is a rezoning application.

Action – Action items are non-routine items that are considered by the Board individually and are listed in order by department.

Examples of items on the Action Agenda:

- Any new agreement, regardless of the dollar amount;

- Amendments to or renewals of any agreement with a dollar amount greater than \$50,000;
- Any changes to a public program.

Special Meetings

The Board may hold a Special Meeting to act on a particular matter outside of a regularly scheduled meeting. Contact the Clerk of the Board to discuss the necessity for a Special Meeting. Agendas are made available as far in advance of the meeting as practicable, but always more than 24 hours prior to the meeting. Full agenda packets are available online through the County's website.

Executive Sessions

Public bodies may hold private Executive Sessions under a few limited circumstances. In Executive Sessions, the public is not allowed to attend or listen to the discussions. The Board is not permitted to take final action, vote, or take a poll during an Executive Session. A.R.S. § 38-431.03(D). Agendas are made available as far in advance of the meeting as practicable, but always more than 24 hours prior to the meeting. Full agenda packets are available online through the County's website.

Nine topics are authorized to be discussed in an Executive Session (A.R.S. § 38-431.03(A)):

1. Personnel (requires at least a 24-hour written notice to the employee).
2. Discussion or consideration of records exempt by law from public inspection.
3. Legal advice with the public body's own lawyer(s).
4. Discussion, consultation with and instruction to the public body's lawyer(s) about pending or contemplated litigation, settlement discussions, or negotiated contracts.
5. Discussion and instruction to its representative regarding labor negotiations.
6. Discussion of international, interstate, and tribal negotiations.
7. Discussion and instruction to its representative regarding the purchase, sale, or lease of real property.
8. Discussion of matters relating to school safety operations, plans, or programs.
9. Discussion of security plans, procedures, assessments, measures, or systems relating to the security or safety of buildings, facilities, operations, critical infrastructure information and information technology maintained by the public body.

Notice and Agenda: Agendas for executive sessions may describe the matters to be discussed more generally than agendas for public meetings in order to preserve confidentiality or to prevent compromising the attorney-client privilege. A.R.S. § 38-431.02(I). Nonetheless, the agenda must provide more than a recital of the statute that authorizes the Executive Session.

Minutes of and discussions made at Executive Sessions must be kept confidential except from certain individuals. A.R.S. § 38-431.03(B).

Contact the Clerk of the Board to discuss the scheduling of an Executive Session.

Work Sessions

Scheduled and posted meetings for the Board and staff to discuss items without required action. Work Sessions are generally limited to one or two items to allow for in-depth review and discussion of a matter. Agendas are made available as far in advance of the meeting as practicable, but always more than 24 hours prior to the meeting. Full agenda packets are available online through the County's website.

A Work Session Request form (below) must be completed and returned to the Clerk of the Board. The Clerk is responsible for scheduling and inviting all participants to the Work Session.

Work Session Request Form

Specific Topic / Wording of Agenda Item:

Justification / Executive Summary:

Proposed Outcome:

Presenter:

Required Attendees:

Others to Notify:

Date Needed:

Estimated Time (Not to exceed 1.5 hours):

Supporting Material to Be Included:

Requested by:

**COCHISE COUNTY BOARD OF SUPERVISORS
MEETING SCHEDULE, PAYDAYS AND COUNTY HOLIDAYS ***

2021

January '21						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February '21						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

March '21						
Su	M	Tu	W	Th	F	Sa
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28	29	30	31			

April '21						
Su	M	Tu	W	Th	F	Sa
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May '21						
Su	M	Tu	W	Th	F	Sa
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23	24	25	26	27	28	29
30	31					

June '21						
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27	28	29	30			

July '21						
Su	M	Tu	W	Th	F	Sa
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25	26	27	28	29	30	31

August '21						
Su	M	Tu	W	Th	F	Sa
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29	30	31				

September '21						
Su	M	Tu	W	Th	F	Sa
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October '21						
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24	25	26	27	28	29	30
31						

November '21						
Su	M	Tu	W	Th	F	Sa
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

December '21						
Su	M	Tu	W	Th	F	Sa
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

- Denotes observance of a legal holiday – County Offices are closed**
- Regular Board Meeting (July 13 also has a Special Meeting, see below)*
- Special Meetings regarding the Budget will be held on:
June 15 (Tentative), July 13 (Final)*, and August 16 (Rates/Levies)
- County PayDays

NOTE: the Board holds two Regular Board meetings each month except December.

Common Terms

Abatement—A complete or partial cancellation of a levy imposed by the county. Abatements usually apply to tax levies, special assessments, and service charges.

Account classification—A name, number, or distinctive symbol that identifies general ledger accounts, such as assets, liabilities, fund equity, revenues, and expenditures.

Accounting system—The methods and records established to identify, assemble, analyze, classify, record, and report the county's transactions, and to maintain accountability for the related assets and liabilities.

Accounts payable—A short-term liability account reflecting amounts owed to individuals or organizations for goods and services received by the county. Amounts due to other funds or other governments are not classified as accounts payable.

Accounts receivable—An asset account reflecting amounts due from individuals or organizations for goods and services furnished by the county. Amounts due from other funds or other governments are not classified as accounts receivable.

Accrued liabilities—Amounts owed but not yet due. For example, accrued wages payable is a liability for wages earned by employees between the last payment date and the balance sheet date that are not yet paid.

Ad valorem tax—A tax based on value, such as a property tax or sales tax

Agency funds—One of four types of fiduciary funds. Agency funds are used to report resources held by the county in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Allocation of costs—The act of designating a portion of any allowable cost to a specific account, department, or program. The allocation may be made on any reasonable basis, such as square footage occupied, number of personnel, or salaries.

Amortization—The gradual extinguishment of an amount over a period of time, such as the retirement of a debt by serial payments to the creditor or into a sinking fund. Examples also include amortization of bond premium or discount.

Appointing Authority: The person or group of persons authorized by law or delegated authority to make appointments to fill positions. A.R.S. § 41-741(1)

Appointed Personnel: those employees in the departments under the authority of the County Administrator.

Assessed valuation—A valuation set for real estate or other property by a government as a basis for levying taxes.

Assessment roll—In the case of real property, the official list containing the legal description of each parcel of property and its assessed valuation. The name and address of the last known owner are usually shown. In the case of personal property, the official list containing the name and address of the owner, a description of the personal property, and its assessed value.

Annual Required Contribution: (ARC) - the annual minimum amount required to pay into the pension funds, as determined through annual actuarial valuations. It is comprised of two primary components: normal pension cost - which is the estimated cost of pension benefits earned by employees in the current year: and, amortization of UAAL - which is the cost needed to cover the unfunded portion of pensions earned by employees in previous years. The UAAL is collected over a period referred to as the amortization period. The ARC is a percentage of the current payroll.

Bond—A written promise to pay a specified sum of money (called the face value or principal amount) at a specified future date, together with interest until maturity, and secured by the issuer's faith and credit.

Budget—An itemized and systematic plan of operation for a given period that estimates proposed expenditures and the means of financing them.

Budgetary control—The control or management of financial activity, in accordance with an approved budget, to keep expenditures within the limits of available appropriations and revenues.

Capital assets—Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives of more than 1 year.

Capital budget—A plan of proposed capital expenditures and the means of financing them.

Capital expenditures—An expenditure intended to benefit future periods. Generally, the acquisition of or improvements to capital assets.

Capital projects fund—Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capitalization threshold—The dollar value at which a county elects to capitalize individual assets that are used in operations and that have initial useful lives of more than 1 year.

Cash—The term, as used in connection with cash flows reporting, includes not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposit accounts in that the county may deposit additional cash at any time and withdraw cash at any time without prior notice or penalty.

Chart of accounts—A list of all accounts used in an accounting system.

Compensated absences—Absences such as vacation, illness, and holidays, for which it is expected employees will be paid.

Comprehensive annual financial report (CAFR)—A financial report that encompasses all funds and component units of the county. The CAFR should contain (a) the basic financial statements and required

supplementary information, (b) combining statements to support columns in the basic financial statements that combine information from more than one fund or component unit, and (c) individual fund statements as needed. The CAFR is the county's official annual report and also should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data.

Debt service fund—Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deed—A written, notarized instrument conveying an interest in real property.

Delinquent taxes—Taxes remaining unpaid on and after the date on which a penalty for nonpayment is attached.

Department—A functional county unit. Examples are the county assessor and the board of supervisors.

Depreciation—Expiration in the useful lives of capital assets, attributable to wear and tear, deterioration, environmental factors, inadequacy, and obsolescence. Also, the portion of a capital asset's cost, charged as an expense during a particular period. In accounting for depreciation, a capital asset's cost, less any salvage value, is prorated over the estimated useful life of such an asset, and each period is charged with a portion of such cost.

Encumbrances—Commitments related to unperformed contracts for goods or services.

Enterprise fund—Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

Expenditure—Decrease in net financial resources under the current financial resources measurement focus. Expenditures are transactions that are not properly classified as other financing uses.

Expenditure limitation—A system mandated by the Arizona Constitution to control county expenditures and limit increases in spending to adjustments for inflation and population growth.

Fair Labor Standards Act (FLSA) - Establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in Federal, State, and local governments.

Family and Medical Leave Act (FMLA): The regulations providing entitlement to twelve (12) workweeks of unpaid leave during a one year period for reasons of the birth and first year care of a child or placement of a child for adoption or foster care; a serious health condition or to care for an immediate family member with a serious health condition; or a qualifying exigency arising out of an immediate family member being ordered to active duty. Up to a total of twenty-six (26) work weeks of unpaid leave may be taken to care for a covered service member with a serious injury or illness.

Financial audits—Audits designed to provide independent assurance of the fair presentation of financial information.

Fiscal year—Any period to which the annual operating budget applies and at the end of which a county

determines its financial position and reports financial transactions. The fiscal year for Arizona counties is July 1 through June 30.

Fund—A fiscal and accounting entity with a self-balancing set of accounts in which cash and other financial resources, all related liabilities and residual equities, and changes therein, are recorded and segregated to carry on specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

Fund balance—The difference between fund assets and fund liabilities reported in a governmental fund.

Fund type—One of 11 classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, capital projects funds, debt service funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and agency funds.

Funding Ratio: the relationship of fund assets to actuarial accrued liability that determines the County contribution necessary to reach a fully funded. For PSPRS, an employer's funding ratio indicates the amount of assets that are already available in the trust to pay future benefits. A funding ratio of 100% (commonly called being "fully funded") means there are enough assets in the trust to pay 100% of future expected benefits. A funding ratio of 75% shows that there are enough assets currently in the trust to pay 75% of future expected benefits.

General fund—The general fund is one of five governmental fund types and typically serves as the chief operating fund of the county. The general fund is used to account for all county financial resources except those required to be accounted for in another fund.

General ledger—A record containing the accounts needed to report the financial position and the results of a county's operations.

General obligation bonds—Bonds for which the issuing body pledges its full faith and credit for repayment. General obligation bonds are payable from taxes and other general revenues.

Generally Accepted Accounting Principles (GAAP)—The conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. The various sources of GAAP for counties are set forth by SAS No. 69, The Meaning of "Present Fairly in Conformity with Generally Accepted Accounting Principles" in the Independent Auditor's Report.

Generally Accepted Auditing Standards (GAAS)—The rules and procedures that govern the conduct of a financial audit. There are ten basic standards, classified into three broad categories: general standards, standards of fieldwork, and standards of reporting. The Auditing Standards Board of the AICPA publishes Statements on Auditing Standards and related interpretations to comment and expand upon these basic standards.

Governmental Accounting Standards Board (GASB)—The ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the National Council on Governmental Accounting.

Governmental funds—Funds generally used to account for tax-supported activities. There are five

different types of governmental funds: the general fund, special revenue funds, capital projects funds, debt service funds, and permanent funds.

Grant—A contribution or gift of cash or other assets from another government or private organization to be used or expended for a specified purpose, activity, or facility.

Indirect costs—Costs that are incurred for the common benefit of more than one county activity and are not specifically identifiable with a particular activity. Indirect costs may be allocated and charged to a state or federal project along with direct costs when an indirect cost rate has been approved.

Intergovernmental revenues—Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

Journal entry—The original record of an accounting transaction or adjustment for errors in amount or classification. It includes the date, account titles and numbers to be debited and credited, amounts, and an explanation of the entry.

Legal debt limit—The maximum amount of debt that a county is legally permitted to issue.

Levy—(verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (noun) The total amount of taxes, special assessments, or service charges imposed by a governmental unit.

Limited property value—A value determined by A.R.S. §42-13301 that is used as the basis for assessing, fixing, determining, and levying primary property taxes.

Management's discussion and analysis (MD&A)—A component of required supplementary information used to introduce the basic financial statements and provide an analytical overview of the county's financial activities.

Market Value - compensation that is competitive within the relevant labor markets in which the County competes to attract skilled and competent employees. A position's market value is based upon a range of 20% below to 20% above the identified median income of fully qualified, highly proficient workers in the identified market area.

Overtime - The hours worked over 40 in a workweek at a rate not less than time and one-half the employee's regular rate of pay.

Permanent funds—A governmental fund type used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the county's programs.

Perpetual inventory system—An inventory system in which receipts and issues of supply items are recorded in the inventory records as the transactions occur. When this inventory system is used, the quantity and value of inventory may be determined at any time from the inventory records.

Pooled investment—Monies of various funds commingled for investment purposes. Monies may be pooled to obtain a higher yield on investments and to allow for improved investment management.

Prepaid items—Amounts paid in advance for a benefit not yet received, such as prepaid rent and unexpired insurance premiums.

Primary property taxes—Ad valorem taxes that are based on value and levied against real property and improvements, except for secondary property taxes; used to fund the county’s general operating expenditures.

Public monies—Includes bonds, evidence of indebtedness, and money belonging to, received by, or held by, state, county, district, city, or town officers in their official capacity.

Public Road – the entire width between the boundary lines of a tract of land used or intended for use by the public for purposes of vehicular travel and which meets the following criteria:

- i. ownership of the property or of an easement across it has been transferred to the County or to the “public”; and
- ii. the County has the authority to control and manage the public use of this road upon appropriate governmental action. This may include, among other matters, the regulation of traffic or the maintenance and improvement of the roadway.

Public Safety Employee: (a) An individual who is a member of the public safety personnel retirement system or the corrections officer retirement plan. (b) A probation officer, surveillance officer or juvenile detention officer who is employed by this state or a political subdivision of this state.

Publicly Maintained Rights-of-Way – the entire width of the right of way for any road under the exclusive control of the Cochise County Board of Supervisors, whether held by deed, easement, dedication or other claim of right, including bridges, and which have been included in the County Road Maintenance System

Reserved fund balance—The portion of a governmental fund’s net assets that is not available for appropriation.

Revenue bonds—These bonds are generally used to finance the construction or acquisition of capital assets of revenue-producing projects and proprietary funds. The bonds are secured through project revenues or the assets purchased.

Revenues—Increases in the net current assets of a governmental fund type from other than expenditure refunds, interfund transfers, and debt issue proceeds. Also, increases in the net total assets of the government-wide financial statements and for a proprietary fund type from other than expense refunds, capital contributions, and interfund transfers.

Secondary property taxes—Ad valorem taxes used to pay the principal, interest, and redemption charges on bonded indebtedness or other lawful long-term obligations issued or incurred for a specific capital purpose. Includes amounts assessed under a county levy limit override.

Shared revenues—Revenues levied by one government but shared on a predetermined basis, often in proportion to the amount collected at the local level, with another government or class of governments. Single audit—An audit performed in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Special district—An independent unit of the county organized to perform a single function or a restricted number of related functions. Special districts usually have the power to incur debt and levy taxes.

However, certain types of special districts are entirely dependent upon enterprise earnings and cannot impose taxes. Examples of special districts are water districts, drainage districts, flood control districts, hospital districts, fire protection districts, transit authorities, and electric power authorities.

Special revenue fund—A governmental fund type used to account for the proceeds of specific revenue sources, other than for major capital projects, that are legally restricted to expenditures for specified purposes.

State of Emergency - the duly proclaimed existence of conditions of disaster or of extreme peril to the safety of persons or property within the State caused by air pollution, fire flood or flood water, storm, epidemic, riot, earthquake or other causes, except those resulting in a state of war emergency, which are or are likely to be beyond the control of the services personnel, equipment and facilities of any single county, city or town and which require the combined efforts o the State and the political subdivisions.

Tax roll—The official list showing the amount of taxes levied against each taxpayer or property. Frequently, the tax roll and the assessment roll are combined, but even in these cases the two are distinguishable.

Taxes—Compulsory charges levied by a government to finance services performed for the common benefit.

Unfunded Actuarial Accrued Liability (UAAL) - the difference between trust assets and the estimated future costs of pensions earned by employees.

Workweek - The fixed, regularly recurring period of 168 hours – 7 consecutive 24-hour periods - for Cochise County work beginning at 12:01 am on Sunday and ending at 12:00 am on following Saturday.