

COCHISE COUNTY

FY21-22 Budget Work-session

- Expenditure Limit
- Expenses
- Revenues
- Fund Balances

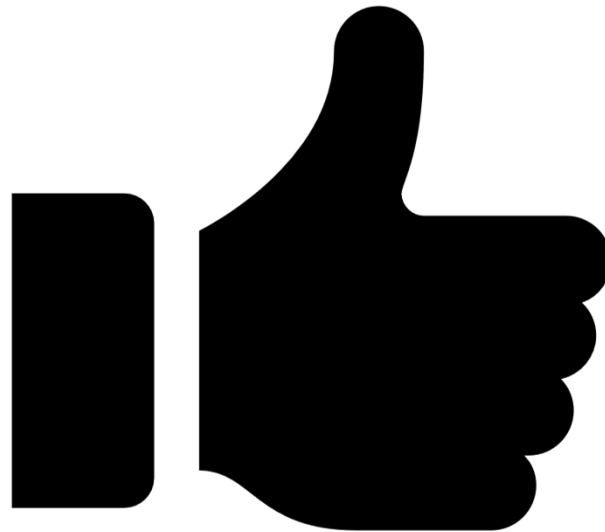


Public Programs...Personal Service

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Current Year Expenses - FY21

- As of third quarter, all Departments and Offices projected to be underbudget



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Expenses - FLAT

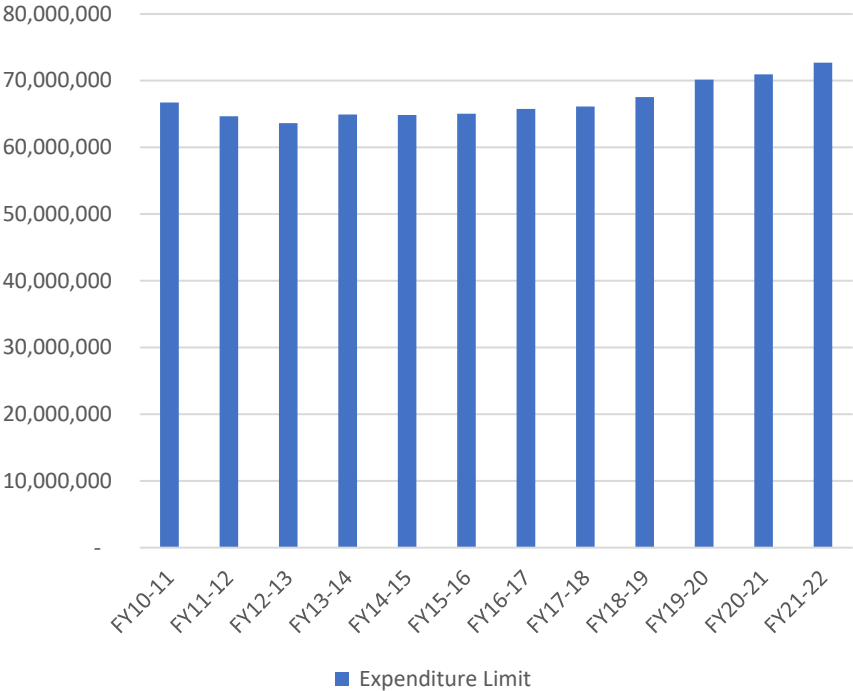
- Salary and Employee Related Expenses
 - Roughly flat
- All Office and Department Budgets flat
 - Unless approved increase via funding request
- County Market Compensation plan updates will be presented in Mid-May Work-Session



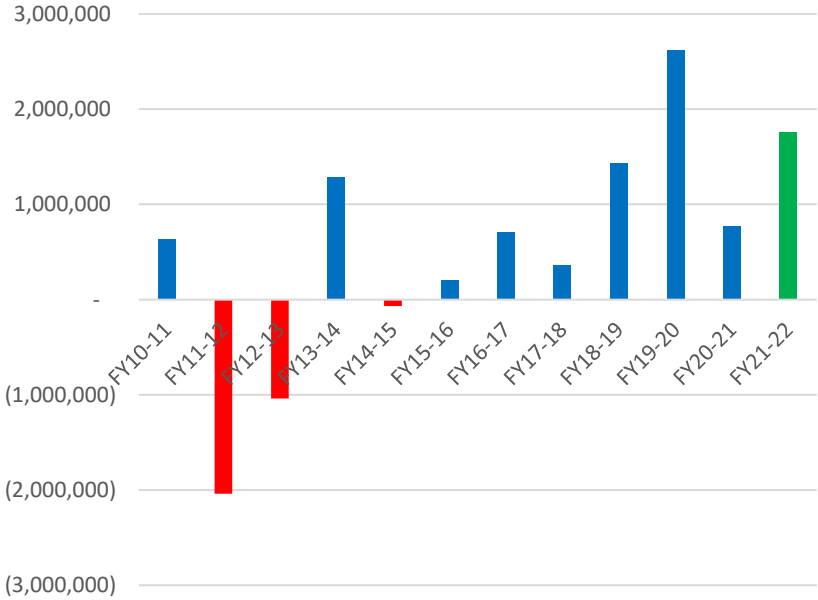
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Expenditure Limit – 72.7m

Expenditure Limit



Change over PY



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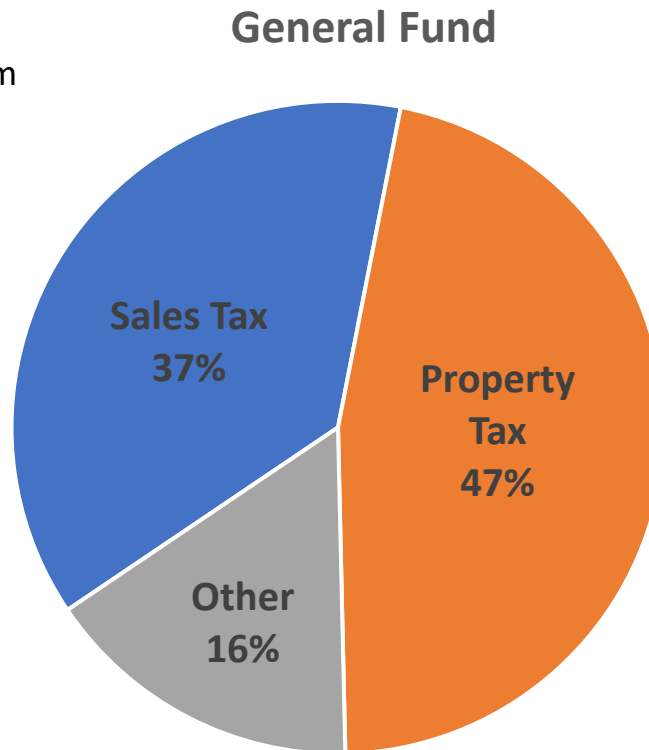
Revenues

Consumer Based = Sales Tax

- Pros - Quick to increase
- Cons
 - Volatile over short term
 - Dependent on State economy

Property Tax

- Pros - Stable over long term
- Cons - Collection rates may decrease



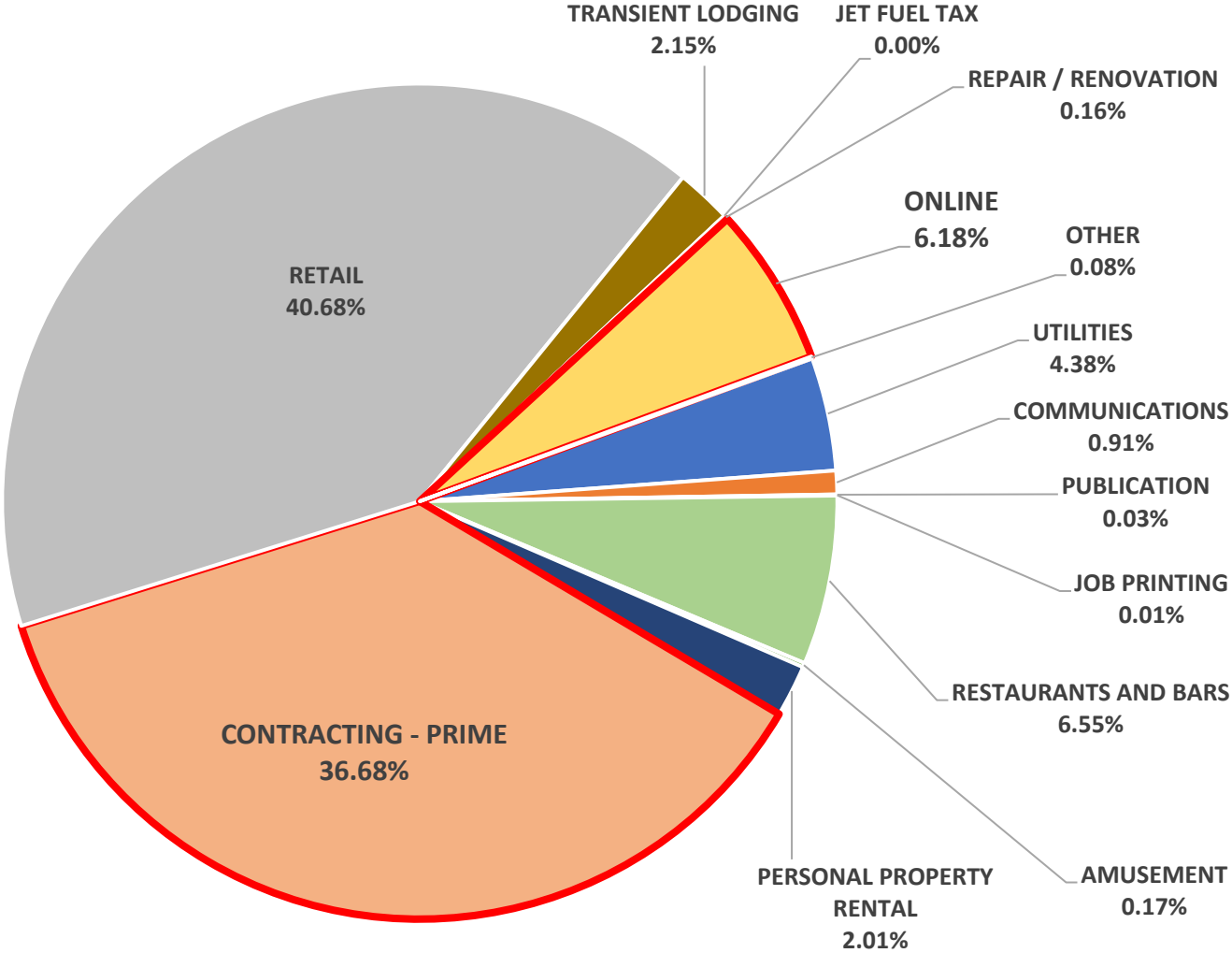
Other - Fees, Fines, Charges for Service, IGAs

- Pros – diverse
- Cons - smallest piece of the pie



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Sales Tax

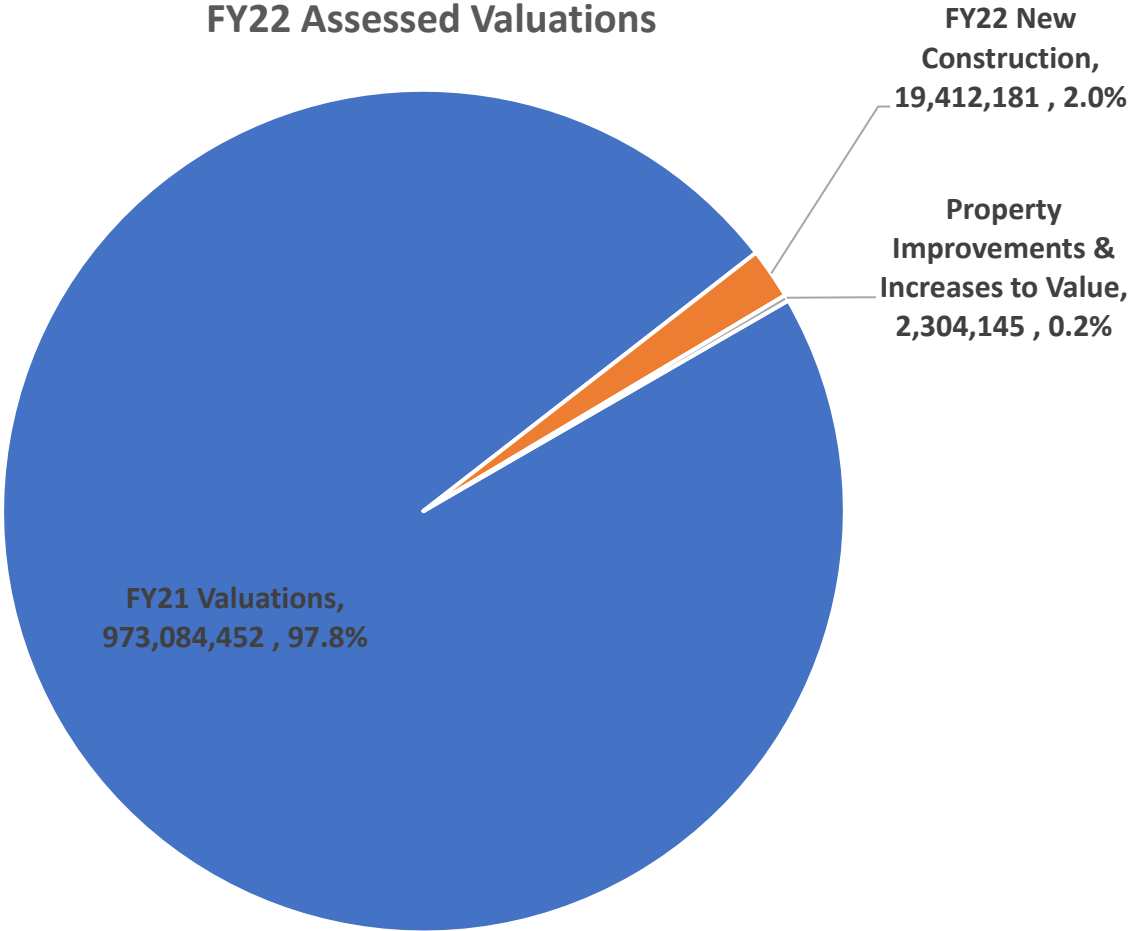


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Property Tax

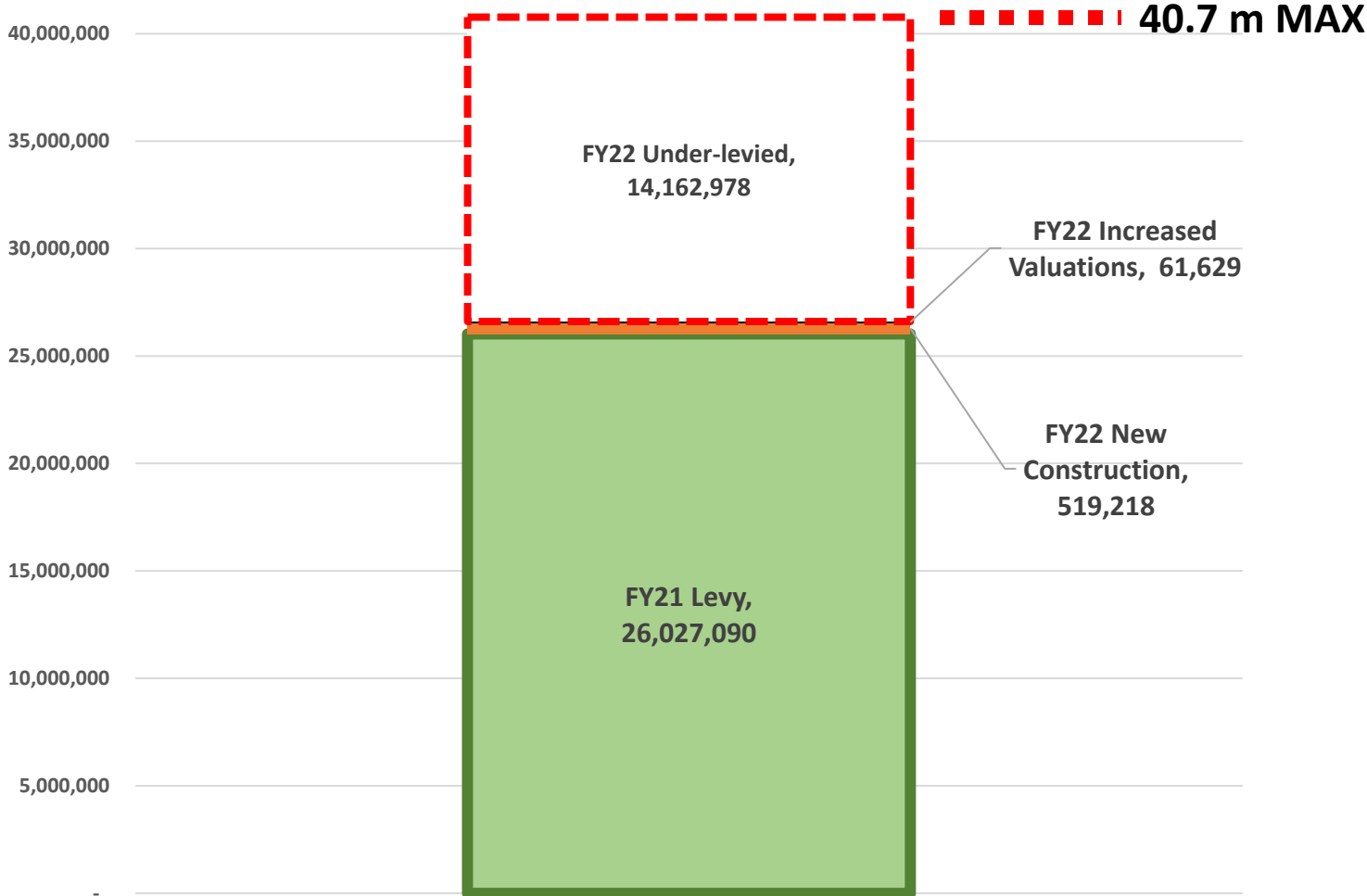
Current Rates

- General Fund
 - 2.6747
- Library District
 - 0.1451
- Flood Control District
 - 0.2597
- Light Improvement Districts (varies)
 - 0.3705 – 1.0607



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Property Tax Levy, Current Rate



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Revenues Looking Forward – Short Term

- May – BOS Work-session – sales tax projections
 - Final work-session before tentative budget adoption
- June – JLBC, ADOR, CSA – final sales tax projections
 - Tentative budget adoption
- Property Tax – BOS decides rate

- Local Sales Tax – keep monitoring



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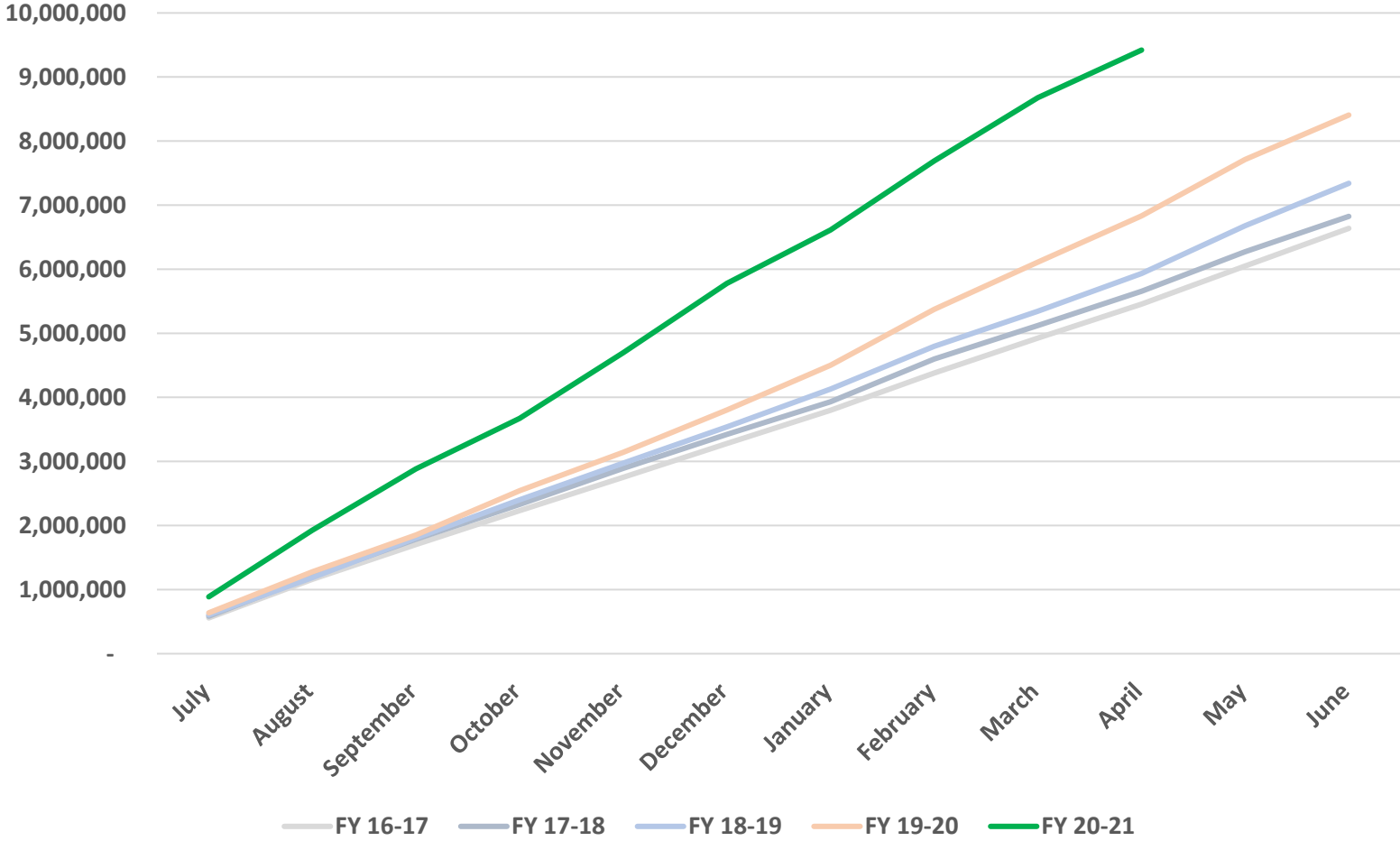
Revenues Looking Forward – Long Term

- Cascading Effects:
 - Expenditure Limitation
 - Based on Population and GDP Deflator (Inflation)
- Retirement Costs
 - PSPRS/EORP/CORP
- County Revenue Blend
 - Relying too much on Sales Tax?
 - What will County Revenue Sources look like in 5 - 10 years?



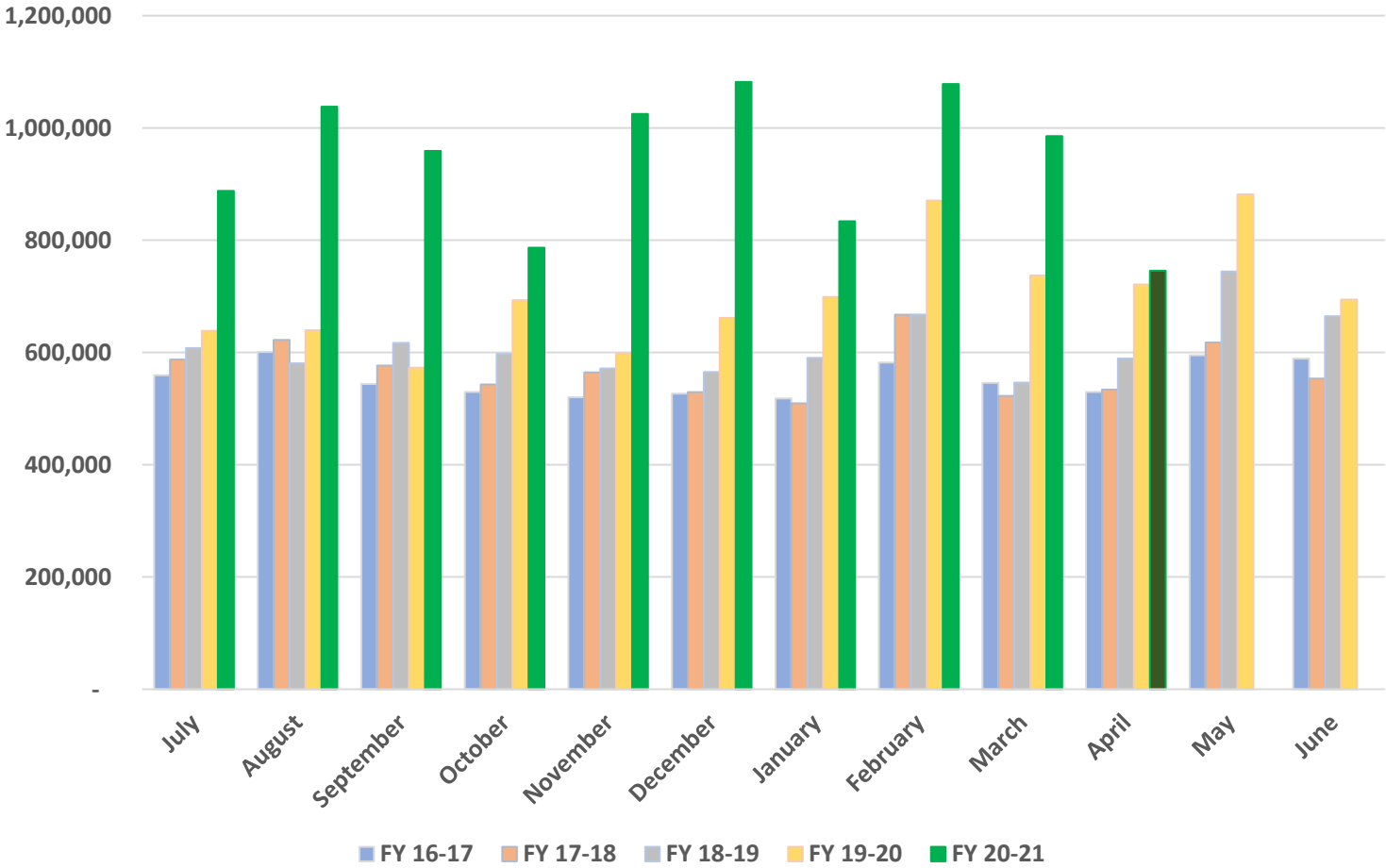
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Appendix 1 – County Sales Tax FY21 YTD



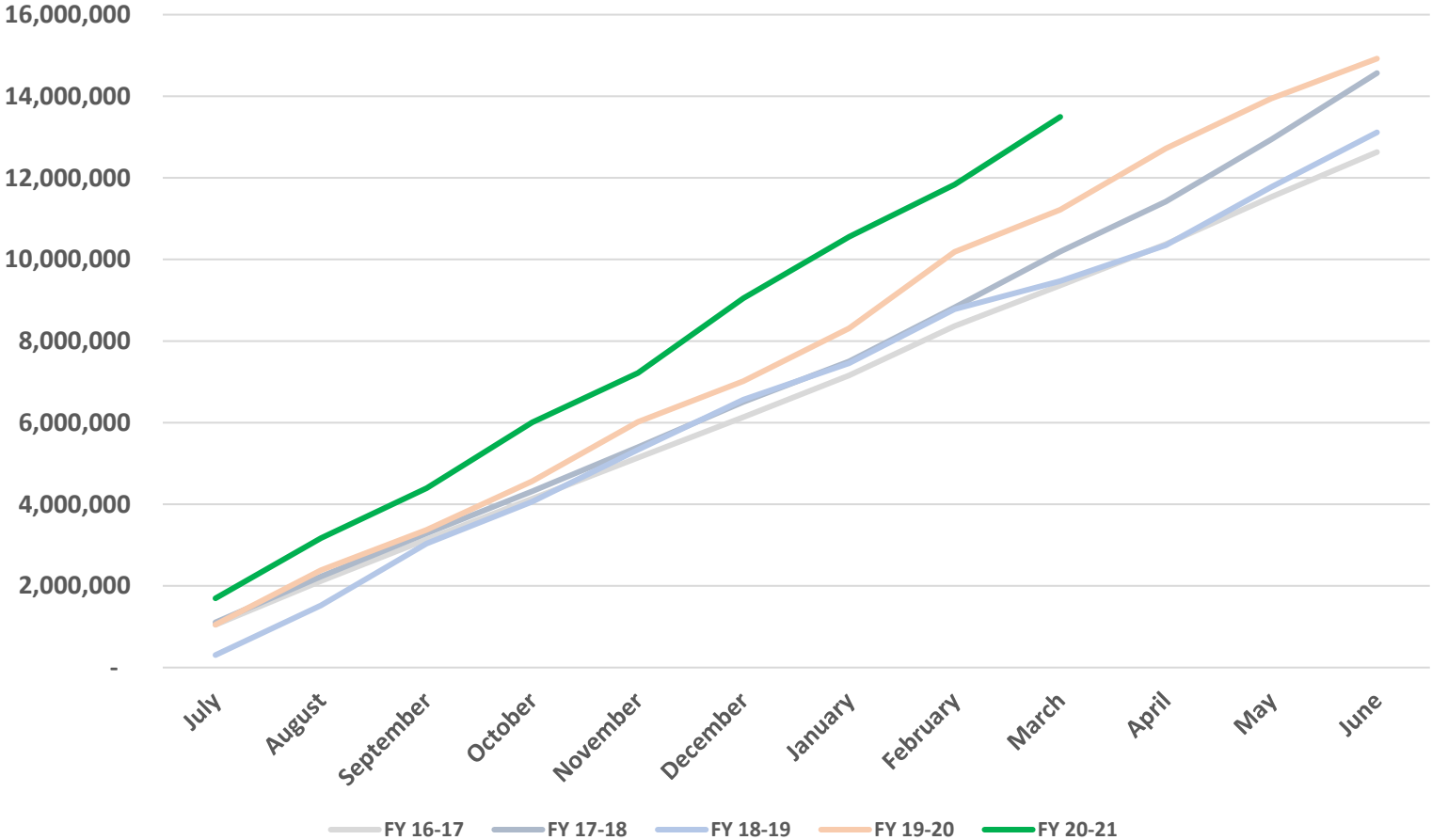
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Appendix 1.A – County Sales Tax FY21 YTD by Month



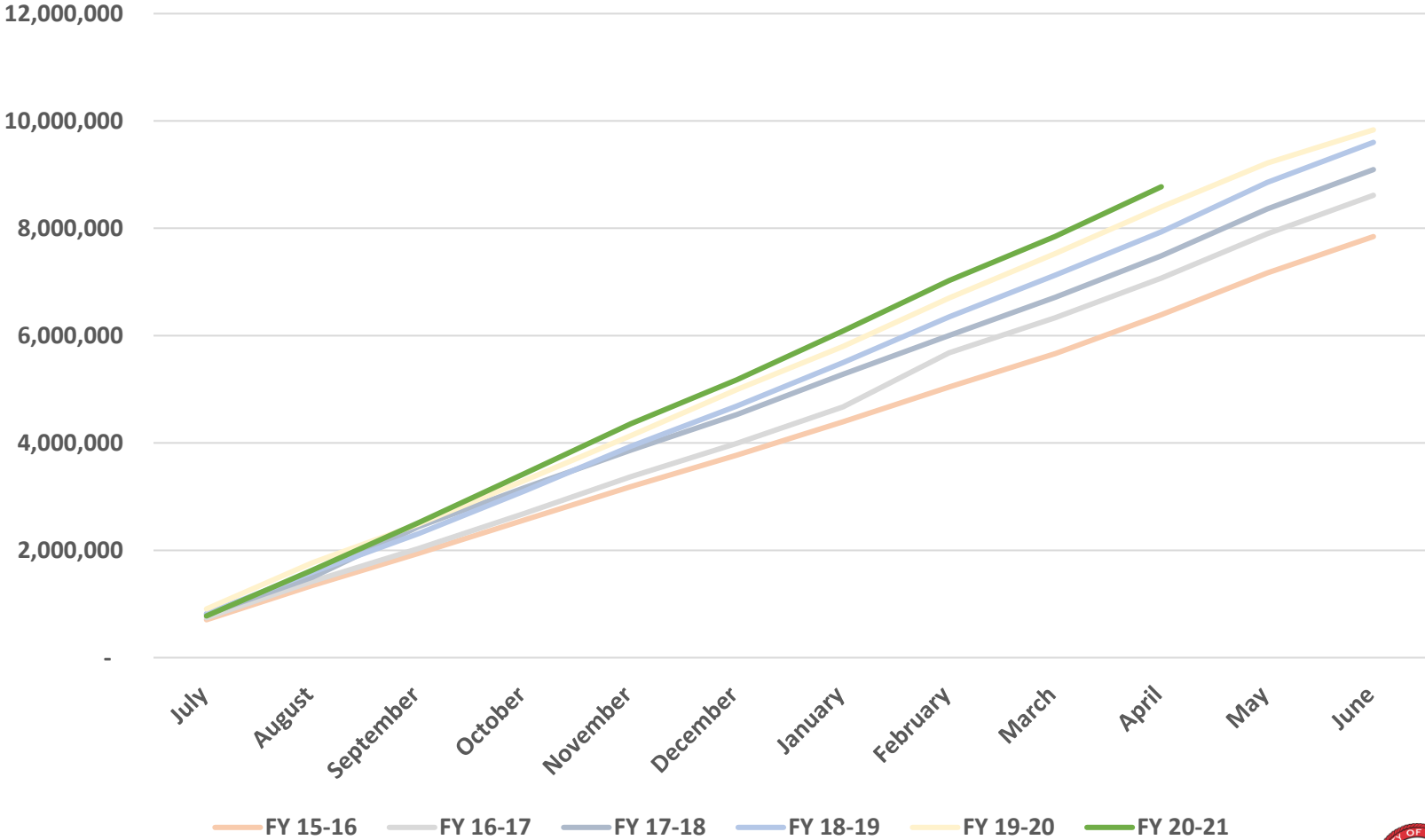
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**Appendix 2 – State Shared Sales Tax
FY21 YTD**



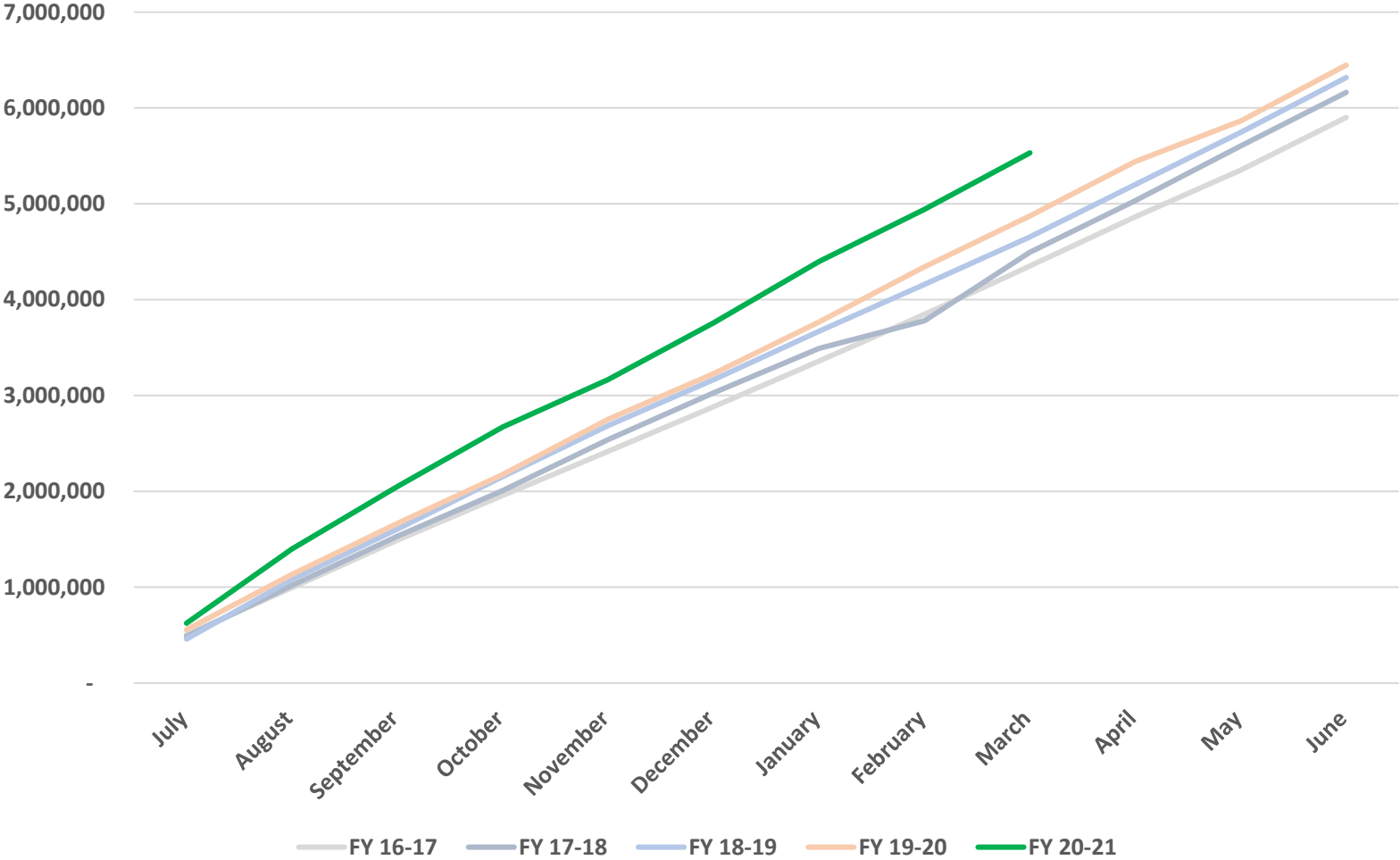
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**Appendix 3 – HURF
FY21 YTD**



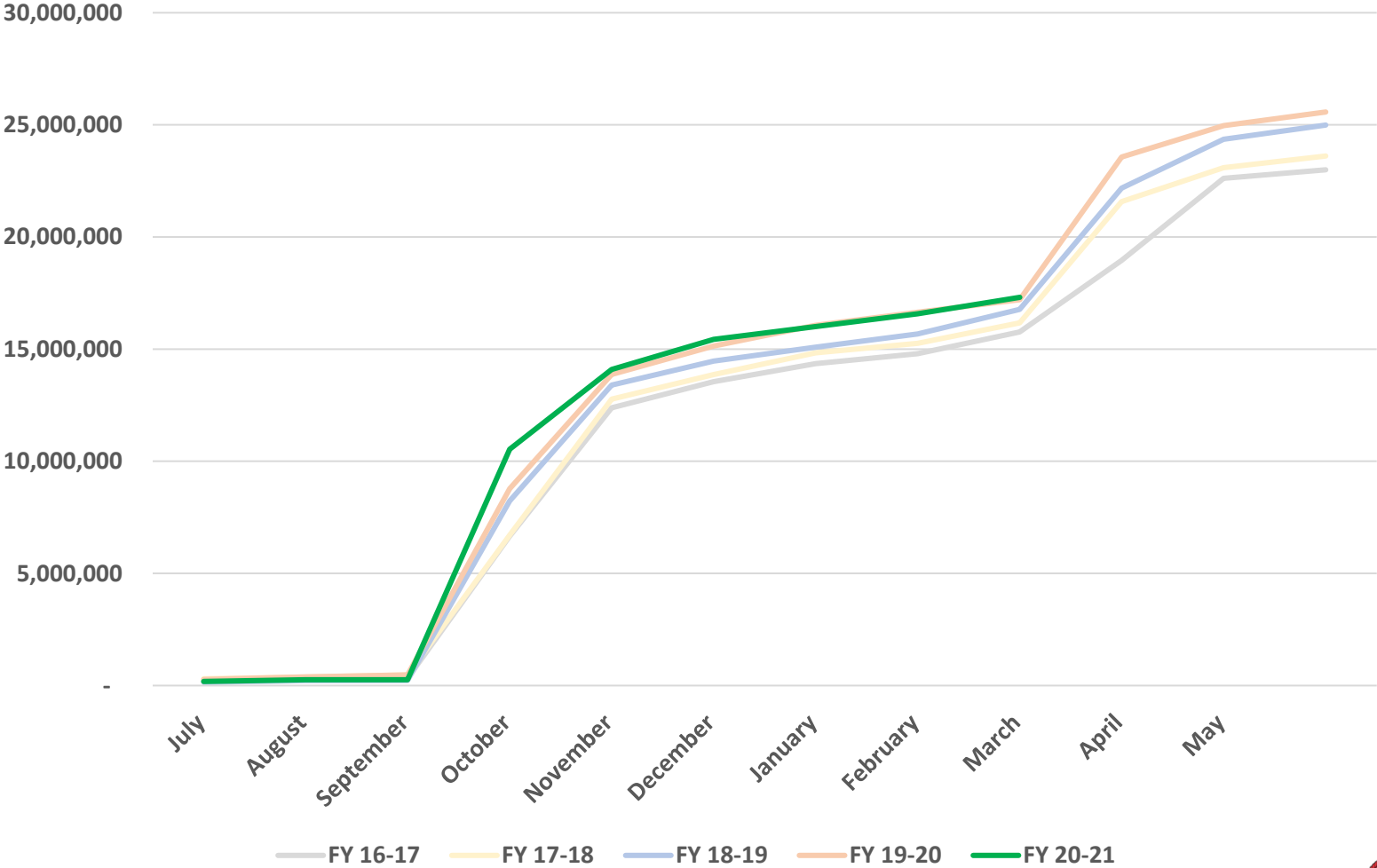
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**Appendix 4 – VLT
FY21 YTD**



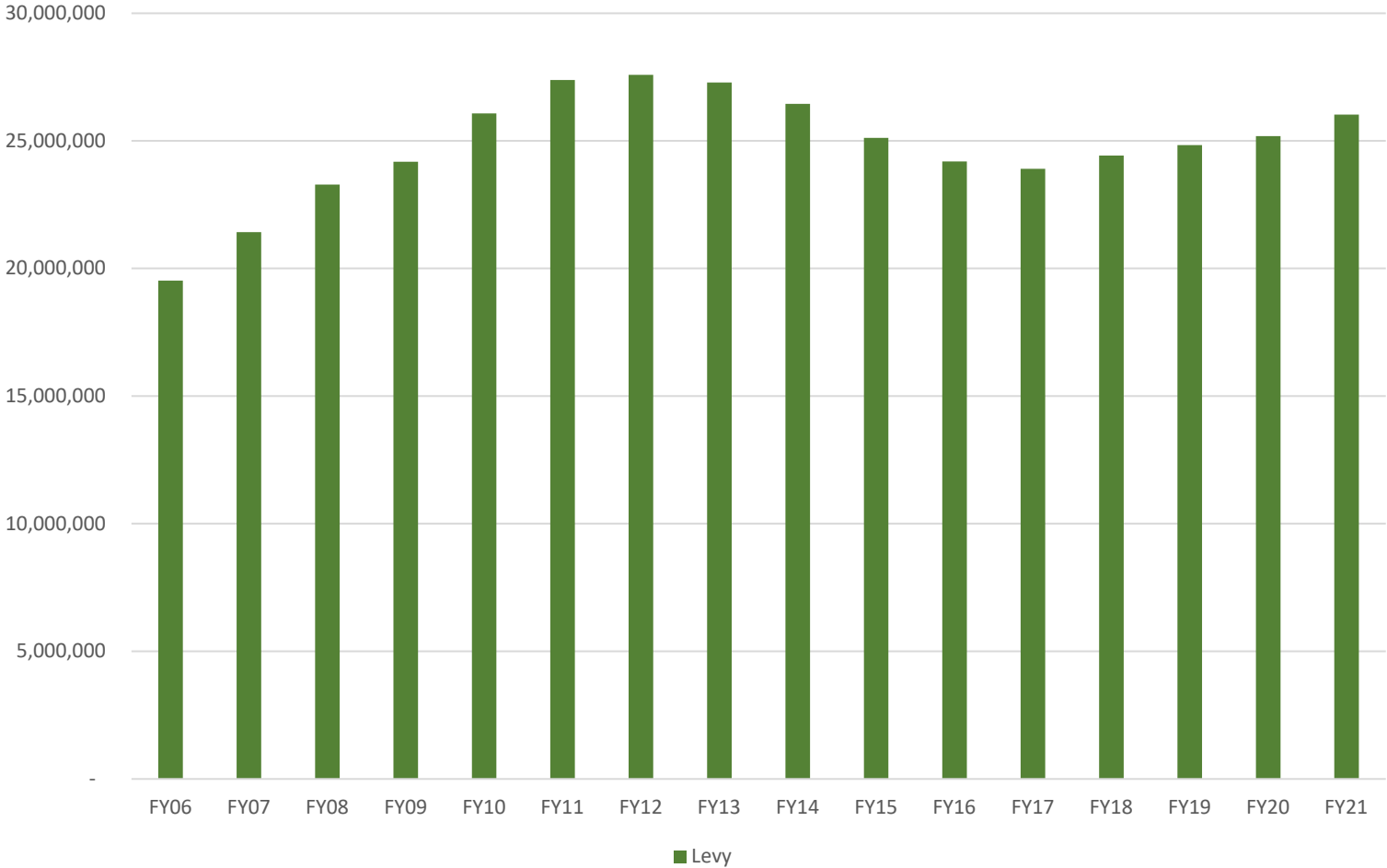
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**Appendix 5 – Property Tax
FY21 YTD**



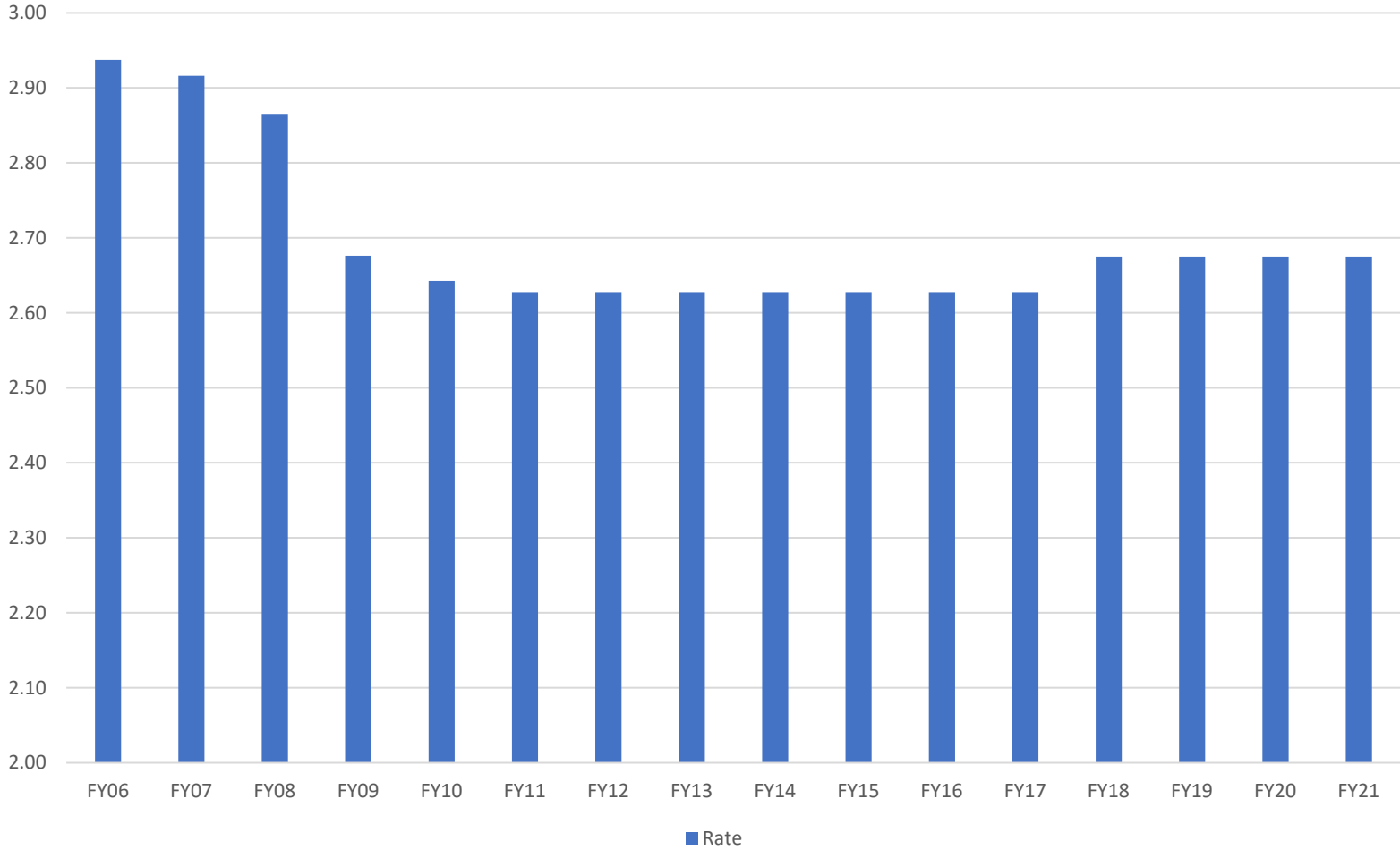
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Appendix 6 – Property Tax Levy History



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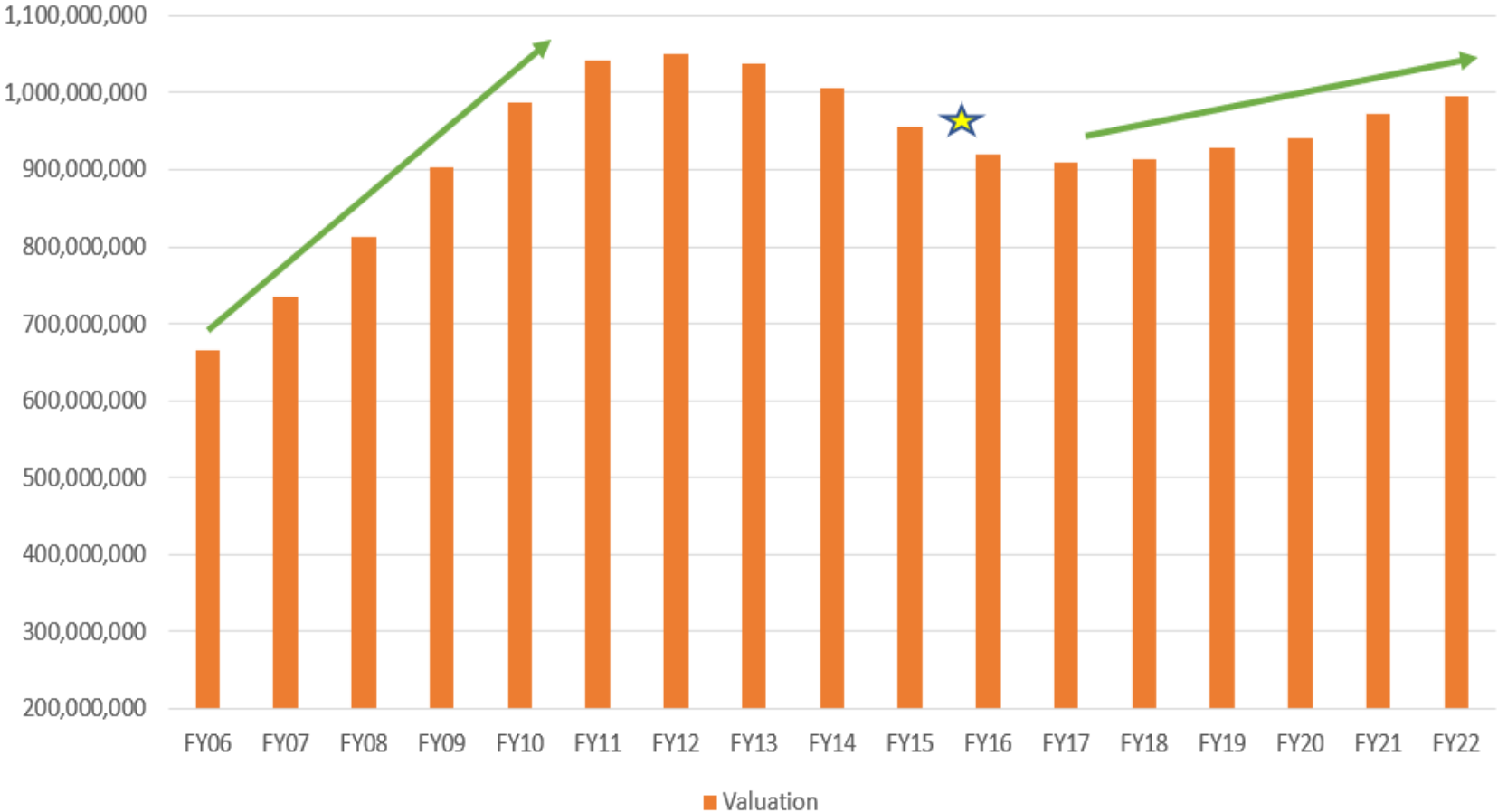
Appendix 7 – Property Tax Rate History



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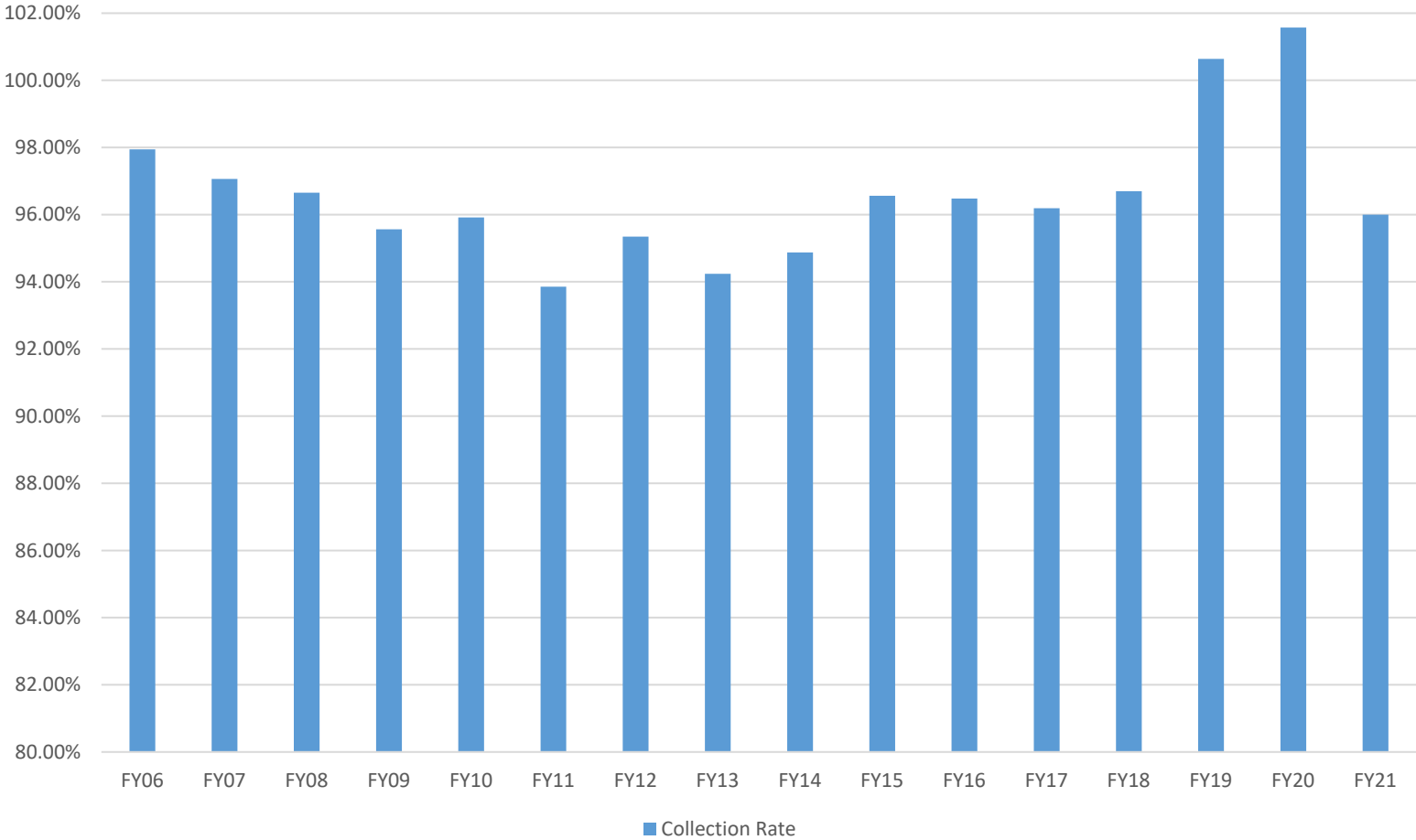
Appendix 8

Valuations
2015 - Prop 117 (FCV to LCV)



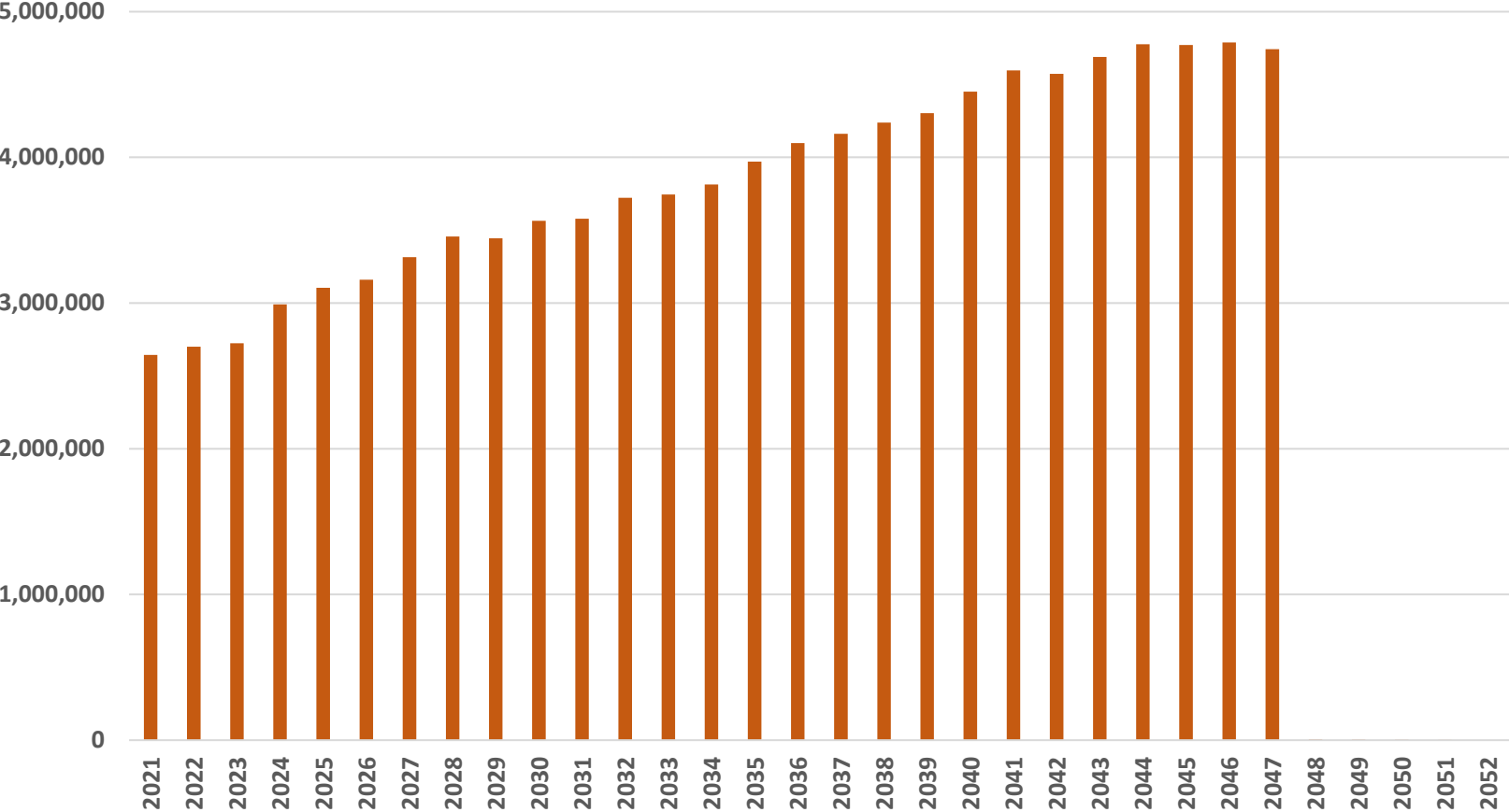
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Appendix 9 – Property Tax Collection Rate History



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Appendix 10 – PSPRS Minimum Annual Payment - Projected



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Appendix 11 Rate Notes

- Current Rate = 2.6747
 - \$0.63 increase to a \$100k home
- 2% increase to levy = $26,545,081 \times 2\% = 27,075,982$
 - Rate = 2.7217
 - \$5.34 increase to \$100k home

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Appendix 12 PSPRS Dedicated Funding

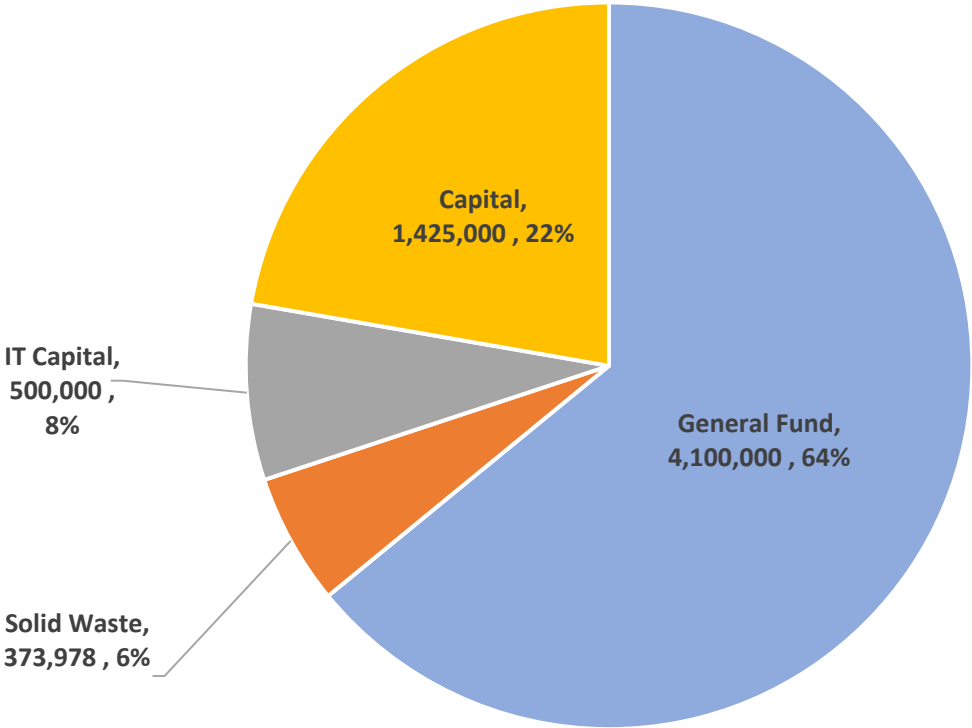
- 2% Year over year increases to property tax dedicated to PSPRS payments
- Would generate 5.4m over 4 years
- Decreasing PSPRS Unfunded Liability by 15%
- Model only – assuming valuations held constant

	Total Levy	For PSPRS
FY22	27,075,983	530,902
FY23	27,617,502	1,072,421
FY24	28,169,852	1,624,771
FY25	28,733,249	2,188,168
		5,416,263



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Appendix 13 FY21 County Sales Tax - Distribution



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Appendix 14 - FY21 - EREs

FY22 - ERE Budgeted Rates	
FICA	7.65%
Health Insurance	6,625
ASRS	12.41%
EORP	61.31%
CORP-DO	31.69%
CORP-AOC	35.97%
PSPRS	49.40%