

**PROCEEDINGS OF THE COCHISE COUNTY JAIL DISTRICT BOARD OF DIRECTORS
MEETING HELD ON
TUESDAY, JUNE 13, 2023**

A meeting of the Cochise County Jail District Board of Directors was held on Tuesday, June 13, 2023 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Peggy Judd, Chairman; Tom Crosby, Vice-Chairman; Ann English, Supervisor

Staff Present: Richard G. Karwaczka, County Administrator
Sharon Gilman, Deputy County Administrator
Christine Roberts, Chief Civil Deputy County Attorney
Tim Mattix, Clerk of the Board

Attendees: Mark Dannels, Sheriff
Juan Frisby, Budget Manager

Chairman Judd called the meeting to order at 10:00 a.m.

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

Chairman Judd asked if anyone requested to speak and Mr. Mattix stated there were none.

CONSENT

Board of Supervisors

1. Approve the Minutes of the May 25, 2023 Cochise County Jail District Board of Directors meeting.

Supervisor English made a motion to approve item 1 on the Consent Agenda.
Vice-Chairman Crosby seconded the motion and it carried unanimously.

ACTION

Board of Supervisors

2. Adopt Jail District Resolution 23-02, levying the Cochise County Jail District Excise Tax.

Vice-Chairman Crosby made a motion to adopt Jail District Resolution 23-02, levying the Cochise County Jail District Excise Tax. Supervisor English seconded the motion.

Mr. Karwaczka presented this item. Mr. Karwaczka stated that staff worked with the

Arizona Department of Revenue (ADOR) for the language in the Resolution to collect the sales tax for the jail district. He explained that in paragraph 1 it states "the tax rate shall be established at and not to exceed ten percent of each rate prescribed by section 42.5010". This is 10% of the 5% collected by ADOR, which equals 1/2 cent. There is a qualifier at the end [of paragraph 1] that reads "a rate equivalent to a 1/2 cent tax on most eligible transactions". Paragraph 2 states there is a lower excise tax rate for non-metal mining and jet fuel. Transient lodging could have been taxed at a higher rate, but staff chose to stay at the 1/2 cent. Mr. Karwaczka stated that once the Resolution is adopted it will be given to ADOR in order for them to collect the excise tax and give out the information to businesses. The tax will be collected beginning January 1 2024 and will end December 31, 2048.

In response to Chairman Judd, Mr. Karwaczka confirmed that the Jail District Board of Directors may end it at any time, but to extend, it would need to go out for a vote.

Vice-Chairman Crosby read a quote from Maxim of Law 25B and raised concerns about due process.

Vice-Chairman Crosby made a motion to table this item until the lawsuits are settled. Mr. Karwaczka stated that the filing of a lawsuit does not stop the Jail District Board. This will continue until there is a result established by the court. In response to the Board, Mr. Karwaczka stated that taxes will not begin to be collected until January 1, 2024. Discussion ensued. The motion failed for a lack of a second.

Chairman Judd called for the vote and it was approved 2-1 (Crosby opposed).

3. Adopt the Tentative Budget of the Cochise County Jail District for fiscal year 2023-2024 in the amount of \$11,313,834.

Supervisor English made a motion to adopt the Tentative Budget of the Cochise County Jail District for fiscal year 2023-2024 in the amount of \$11,313,834. Vice-Chairman Crosby seconded the motion.

Mr. Karwaczka presented this item using a PowerPoint presentation. Staff consulted with the Auditor General's office, who establishes maintenance of effort. The budget includes the jail detention and medical departments for the maintenance of effort, which is \$6,710,984. In response to the Board, Mr. Karwaczka stated that the amount budgeted for the excise tax begins on January 1, 2024 and ends on June 30, 2024; it is not for the full budget year.

Chairman Judd called for the vote and it was approved 2-1 (Crosby opposed).

Chairman Judd adjourned the meeting at 10:10 a.m.

APPROVED:

Peggy Judd, Chairman

ATTEST:

Tim Mattix, Clerk of the Board