

# COCHISE COUNTY

## FY24 Budget Work-session

- Expenditure Limit
- Expenses
- Revenues



*Public Programs...Personal Service*

## COCHISE COUNTY

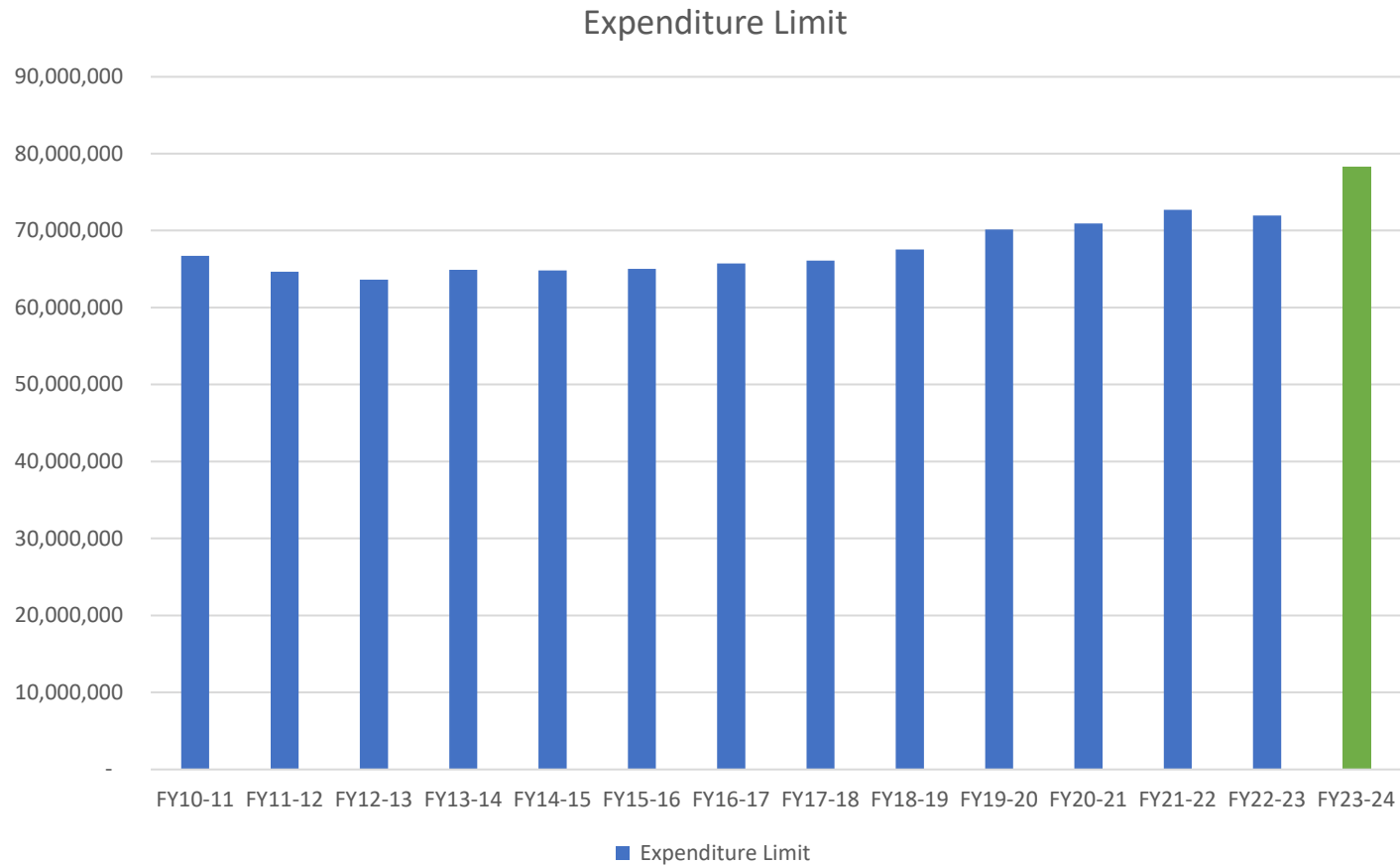
# Expenditure Limit –\$78.8M

- **How is it calculated by the Economic Estimates Commission?**
  - Population –increased estimate
    - Includes people crossing in and out of country through POE (ARS §41-563.05)
  - Inflation
    - GDP Implicit Price Deflator – February 2023
- **Where did the money come from? Think “local”**
  - If the revenue came from local taxes, the expenses count
  - If the revenue came from federal or state grants, the expenses do not count



# COCHISE COUNTY

## Expenditure Limit – UP \$78.8M



## Current Year Expenses - FY23

- Most Departments and Offices projected to be underbudget
- Elections- will be overbudget due to unbudgeted payouts and Jail District election cost



## COCHISE COUNTY

# FY 24 Expenses – Increases

- ASRS County Contribution- 30k
- Employer Health Benefits Contribution- 500k
- SEACOM- 300k
- CSA-40k
- County Market Compensation plan updates will be presented in Mid-May Work Session
  
- Anticipated Unknown Increases
  - Potential Ongoing Legal Expenses
  - Operating & Maintenance Costs 3-5%
  - PSPRS, CORP, EORP Employer Contributions
  
- State Cost Shifts-
  - ALTCS – 290k
  - Arizona Department of Revenue Software Contribution- 6.0k
  - Others in State Budget?



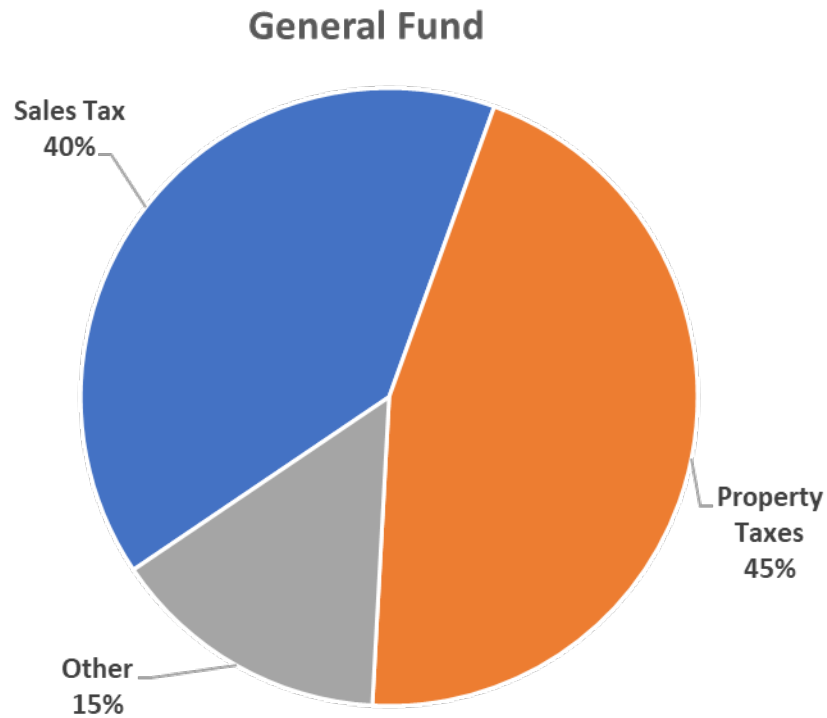
## Revenue Potential Negative Impact

- Senate Bill 1063 - Food Tax exemption
  - Won't affect our revenue
  - Mostly Cities
- Senate Bill 1263, 1276 - Net Assessed Value reduction
  - This bill, if passed, would decrease our NAV for next year.



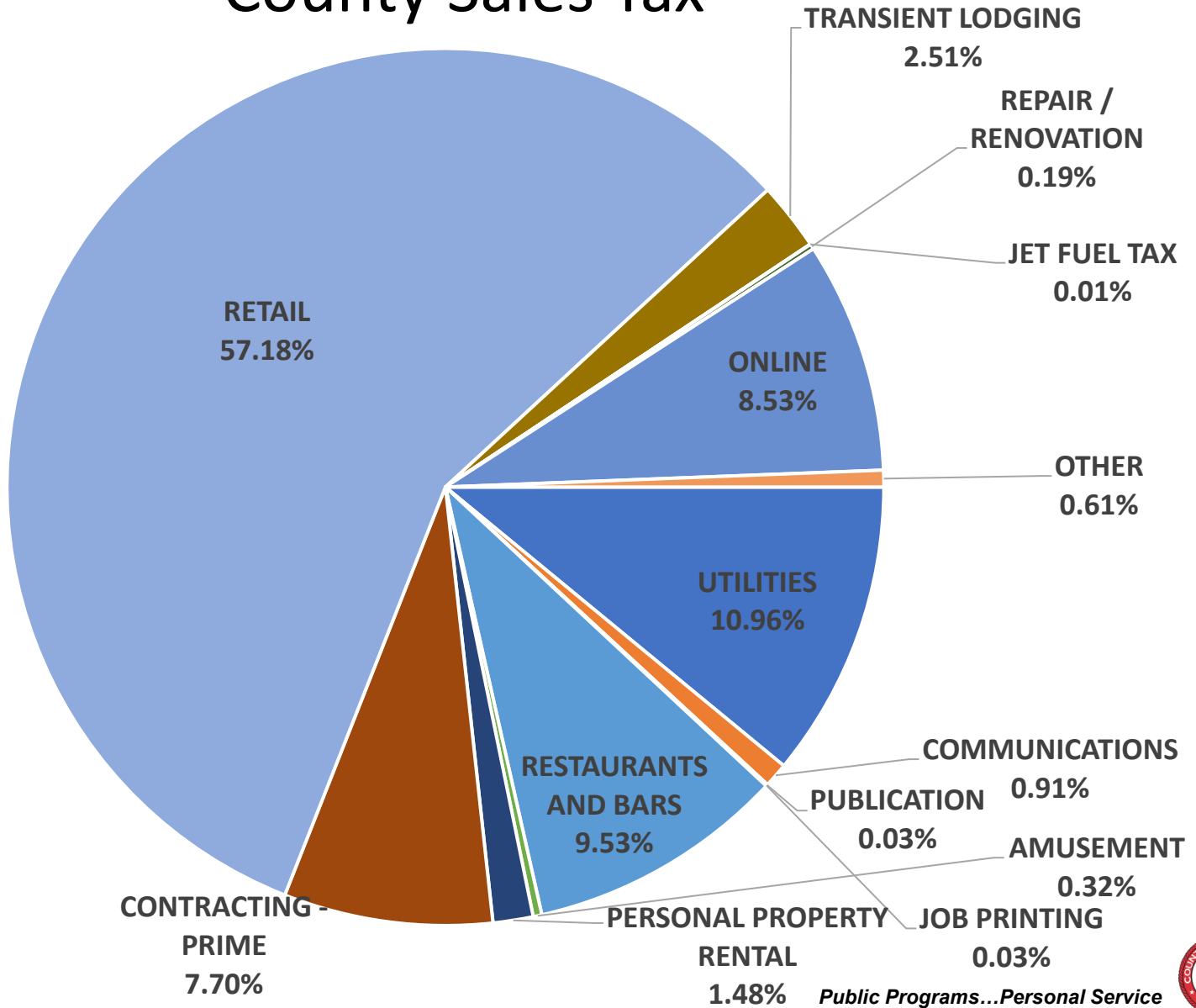
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## General Fund Revenue Blend



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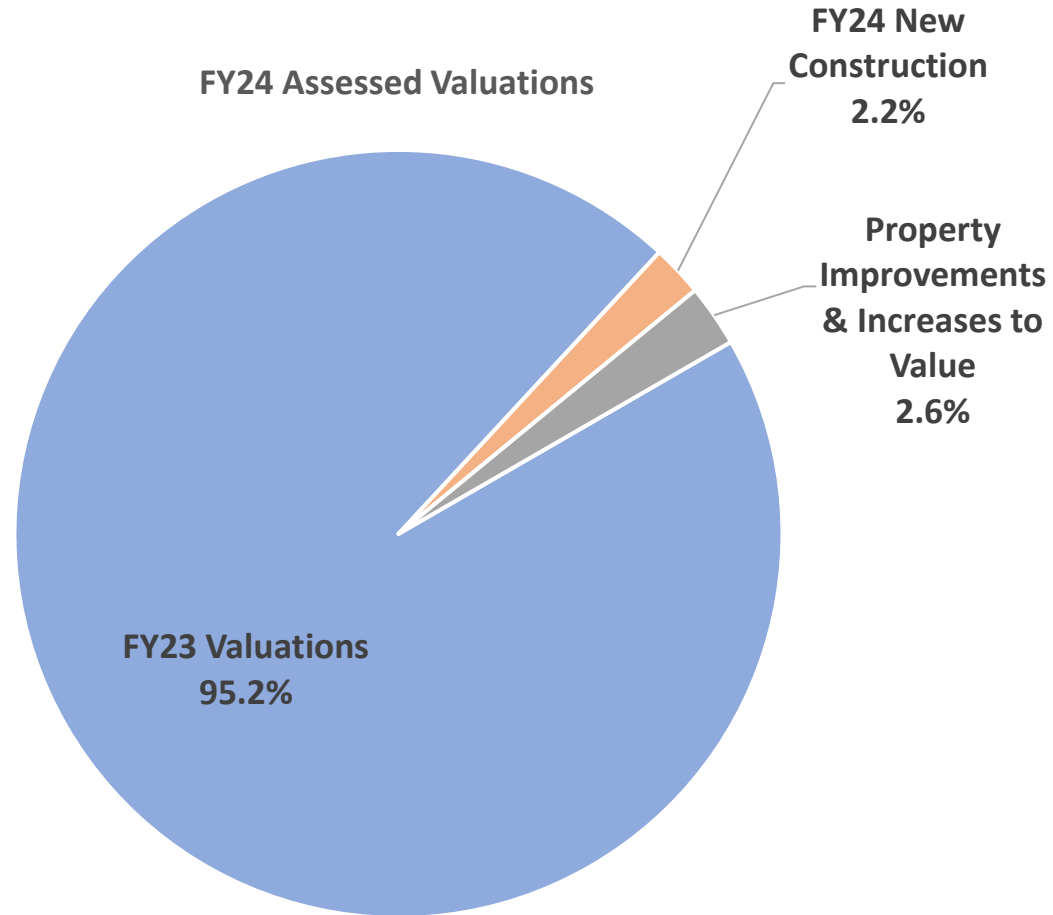
## County Sales Tax



Public Programs...Personal Service



# FY23 Assessed Valuations – 1.07b



# **Looking Forward**

- Late-April – Elected Official Work-sessions
- Mid-May – Final Work-session before tentative budget adoption
  - Revenue projections and funding requests
- June – Tentative Budget Adoption
- July – Final Budget Adoption
- August - Property Tax Rate Adoption



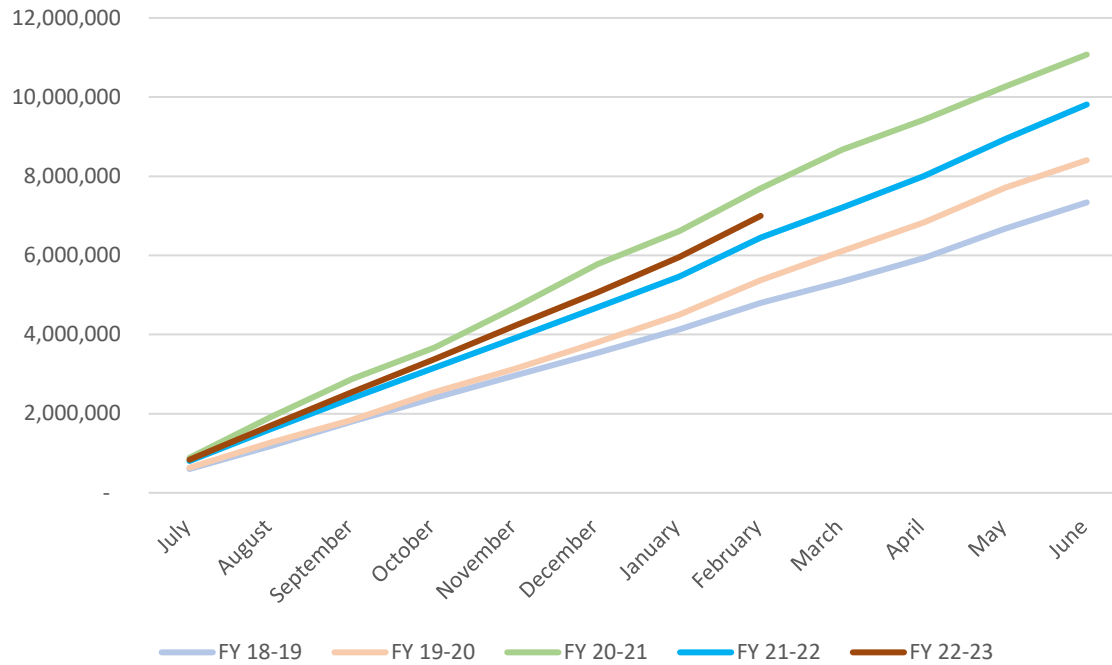
# Questions?



# COCHISE COUNTY

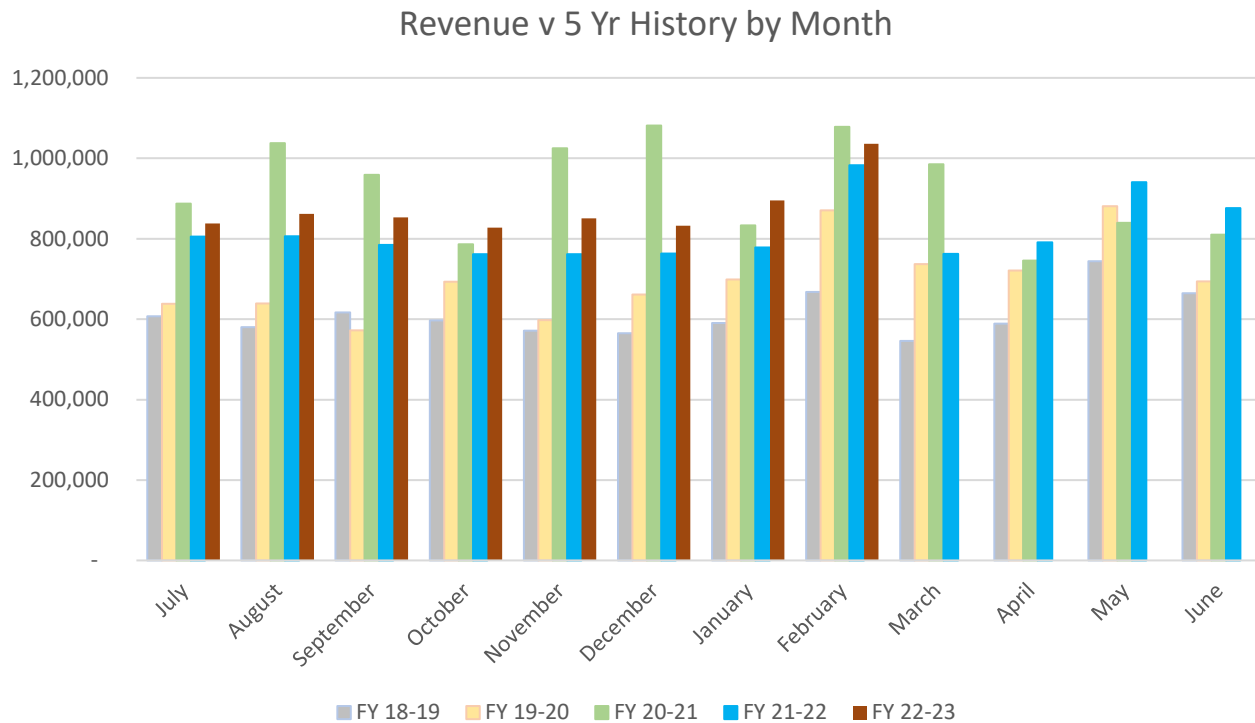
## Appendix 1 – County Sales Tax FY23 YTD

Annual Total v 5 Yr History



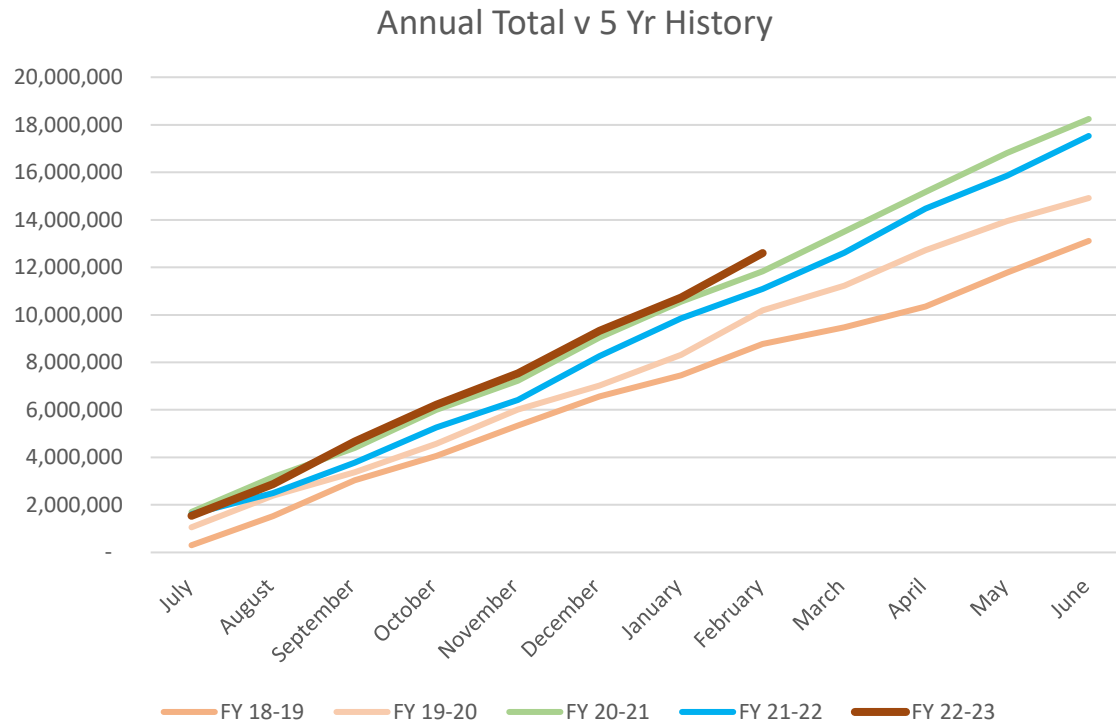
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## Appendix 1.A – County Sales Tax FY23 YTD by Month



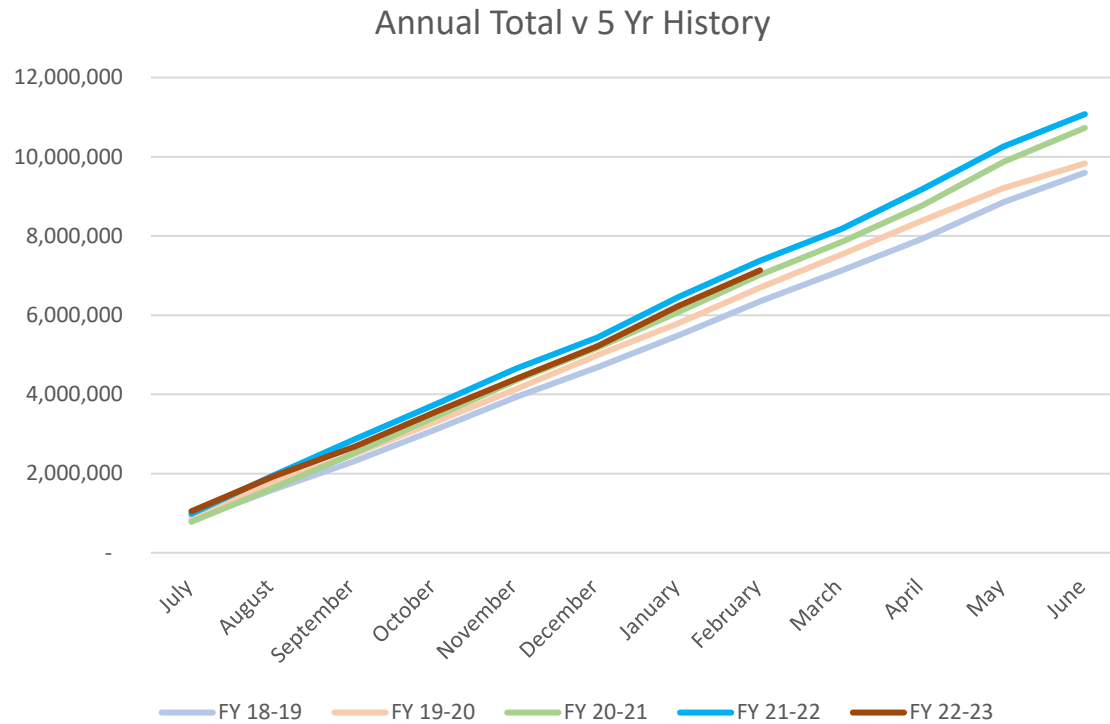
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## Appendix 2 – State Shared Sales Tax FY23 YTD



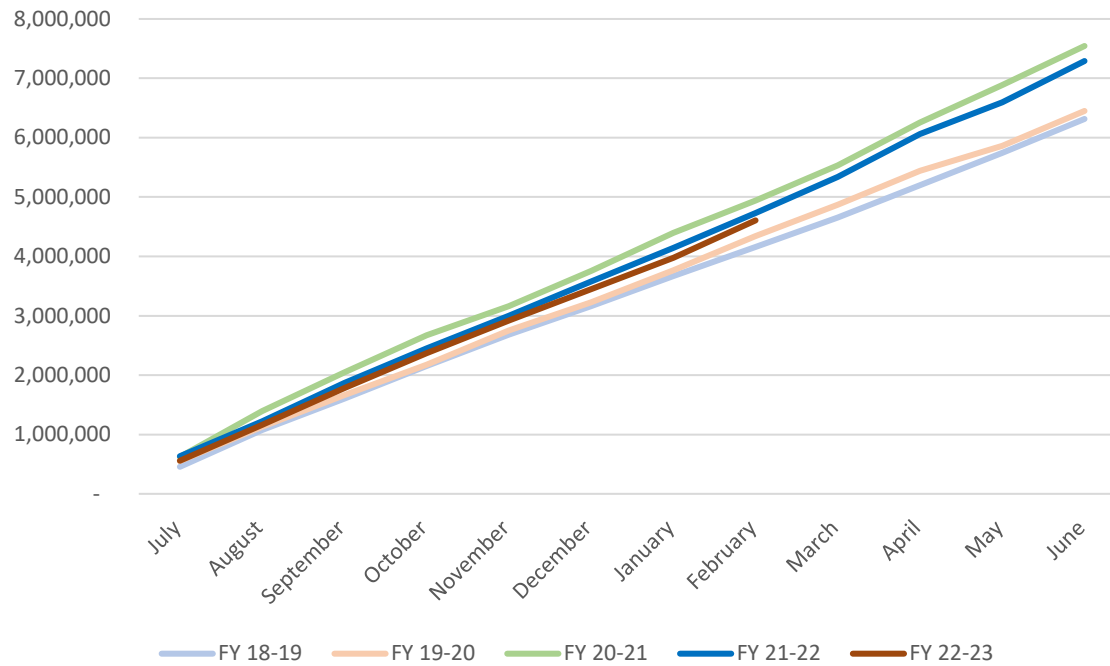
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## Appendix 3 – HURF FY23 YTD



# Appendix 4 – VLT FY23 YTD

Annual Total v 5 Yr History



# COCHISE COUNTY

## Appendix 5 - What qualifies for expenditure limit

- What Counts?
  - General Fund employees
  - Retirement (ASRS, PSPRS)
  - Health Insurance
  - Fleet Expenses – gas, repair, new vehicles
  - Capital, building enhancement fund, small repairs
  - Travel, training
  - Computers, Software
- What Does Not Count?
  - Debt payments
    - (not PSPRS unfunded liability...)
  - Grants (federal or state)
    - WIC
    - Fill the Gap
  - HURF
  - Special Districts
  - ARPA, AZCARES

