

COCHISE COUNTY

FY25 Budget Work Session

- Expenditure Limit
- Expenses
- Revenues



Public Programs...Personal Service

Budget Work Session Timeline

- April-Early Budget Projections
- 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



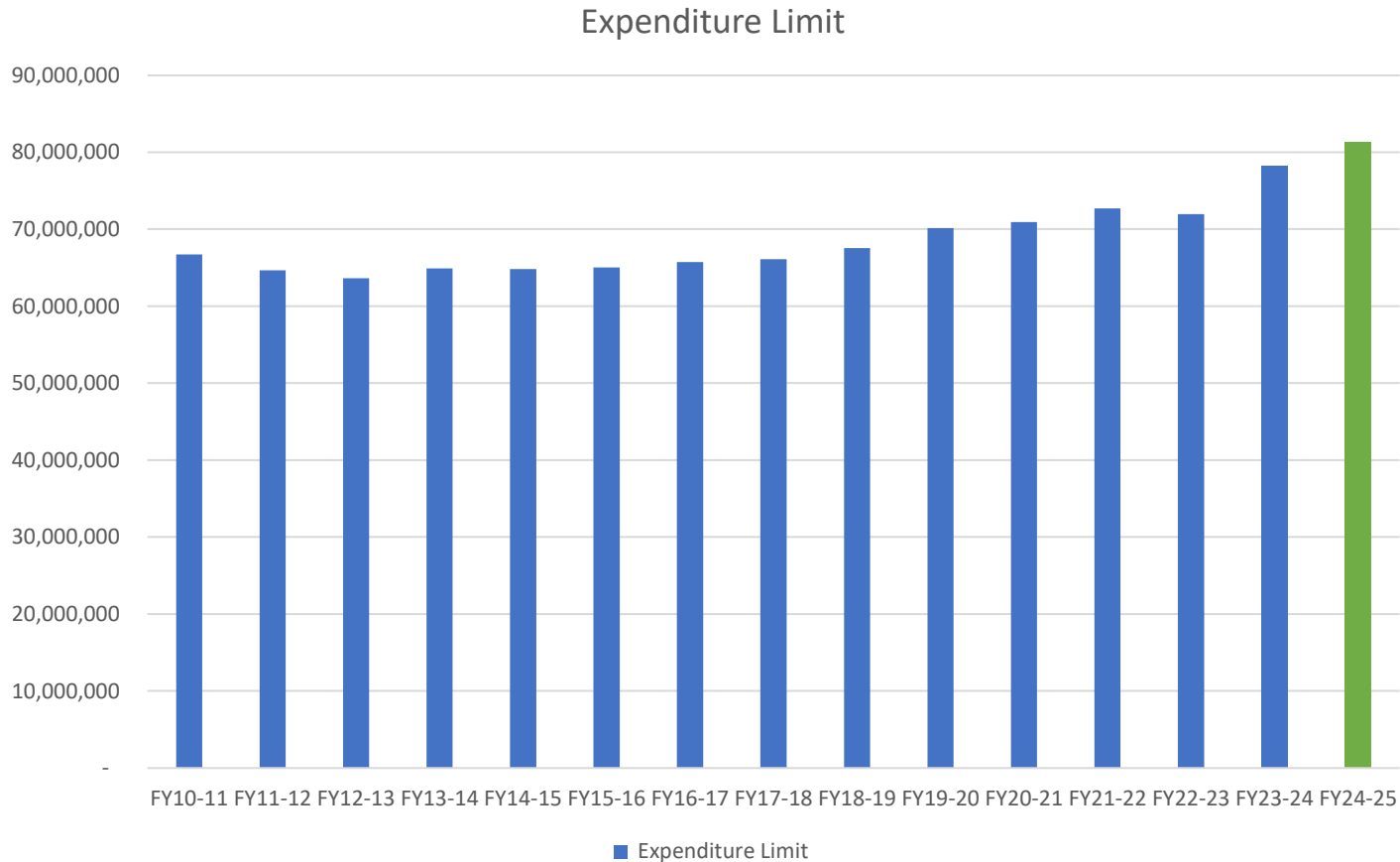
Expenditure Limit –\$81.2M

- **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 2024
- **What qualifies? 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



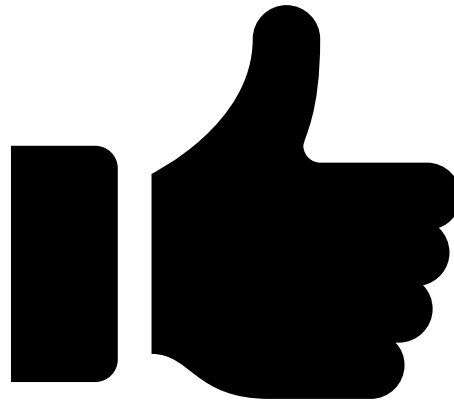
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Expenditure Limit – UP –\$81.2M



Current Year Expenses - FY24

- All Departments and Offices projected to be underbudget.



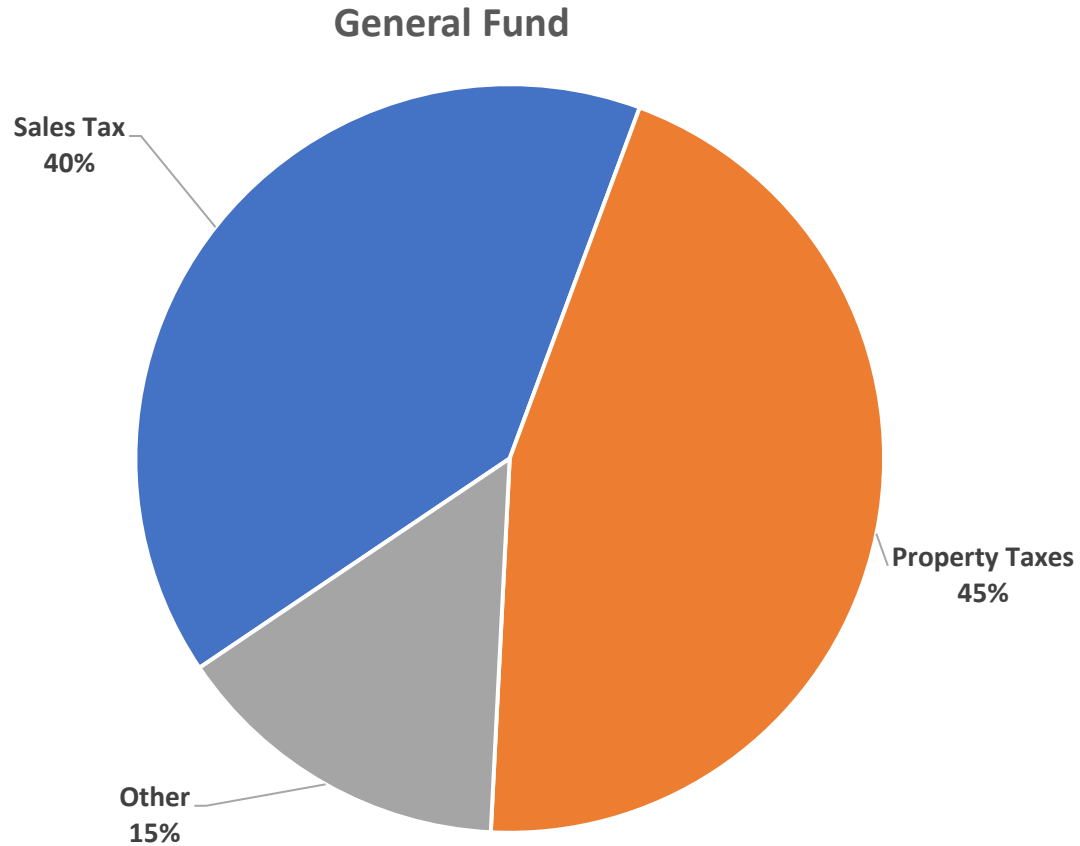
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FY 25 Expenses – Increases

- Employer Health Benefits Contribution- 800k
- SEACOM- 500k (Early Projection)
- County Market Compensation plan updates will be presented in Mid-May Work Session
- State Budget Impact-
 - The JLBC Baseline is forecasting a funding shortfall of \$(2.2) billion that the state will need to address for FY 2024 and FY 2025. This shortfall includes a \$(1.7) billion revenue shortfall, \$396 million in one-time spending from FY 2024 that may need to be included in FY 2025, and a \$100 million ending balance. In terms of spending, the Baseline generally continues FY 2024 funding levels into FY 2025 while making typical formula adjustments and removing one-time FY 2024 appropriations.

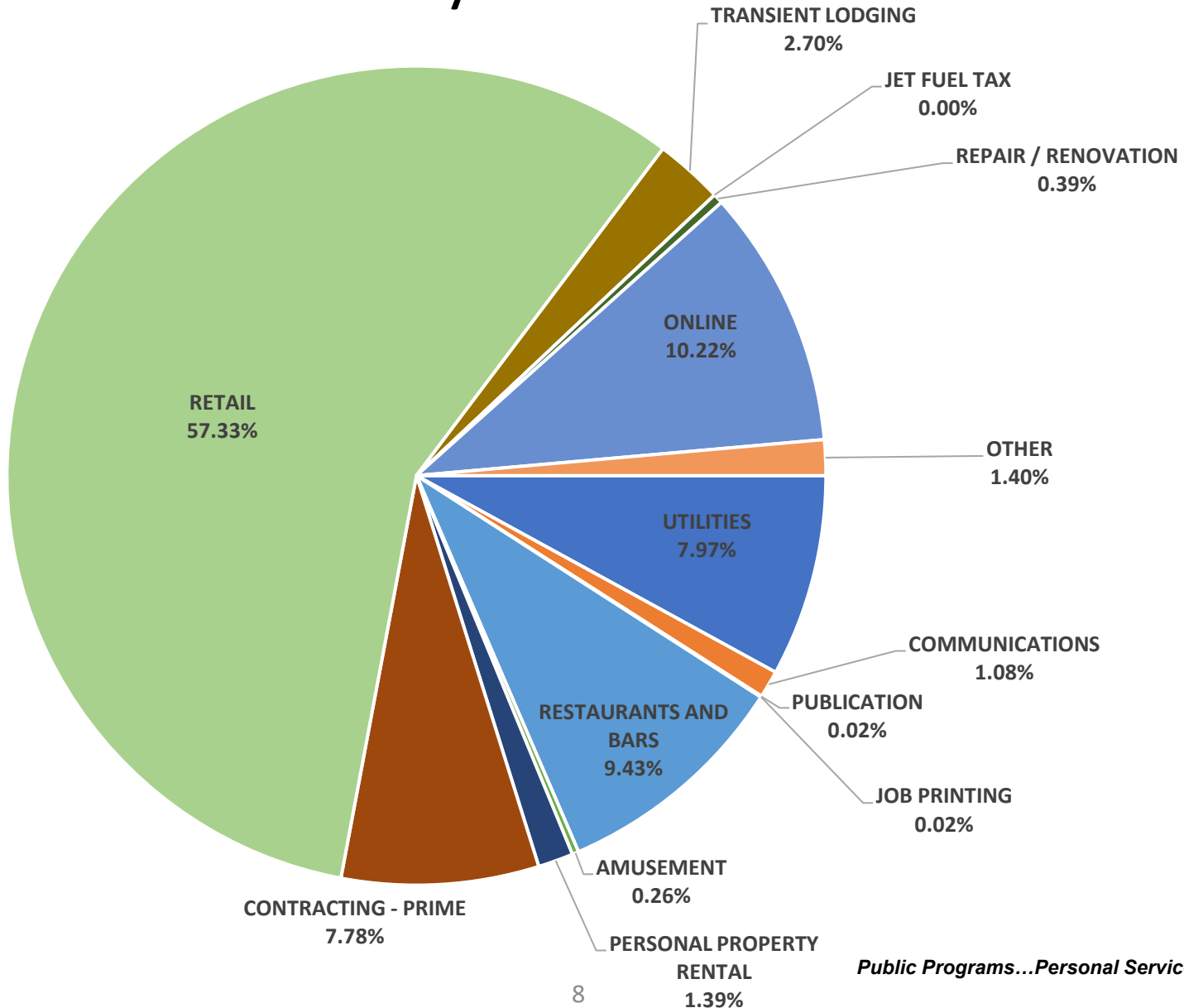


General Fund Revenue Blend

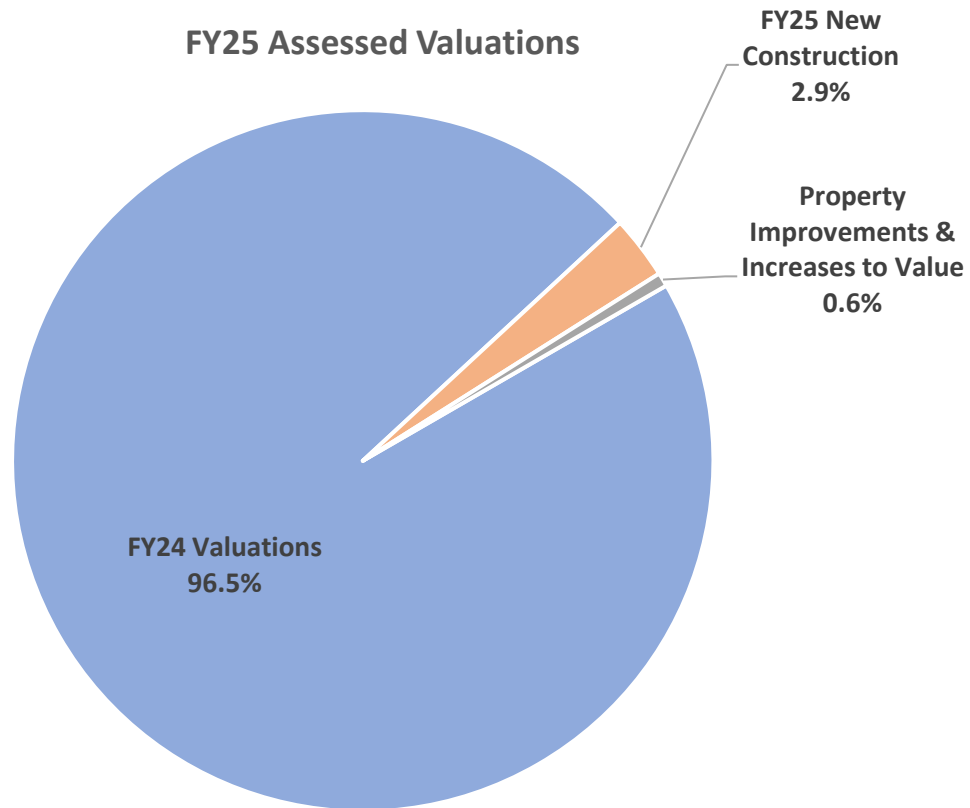


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County Sales Tax

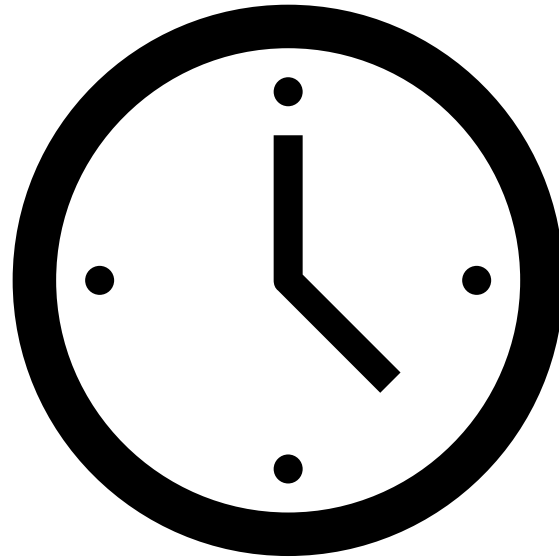


FY25 Assessed Valuations – 1.14b



Next Meeting

- April 16-18 – Elected Official Work Sessions

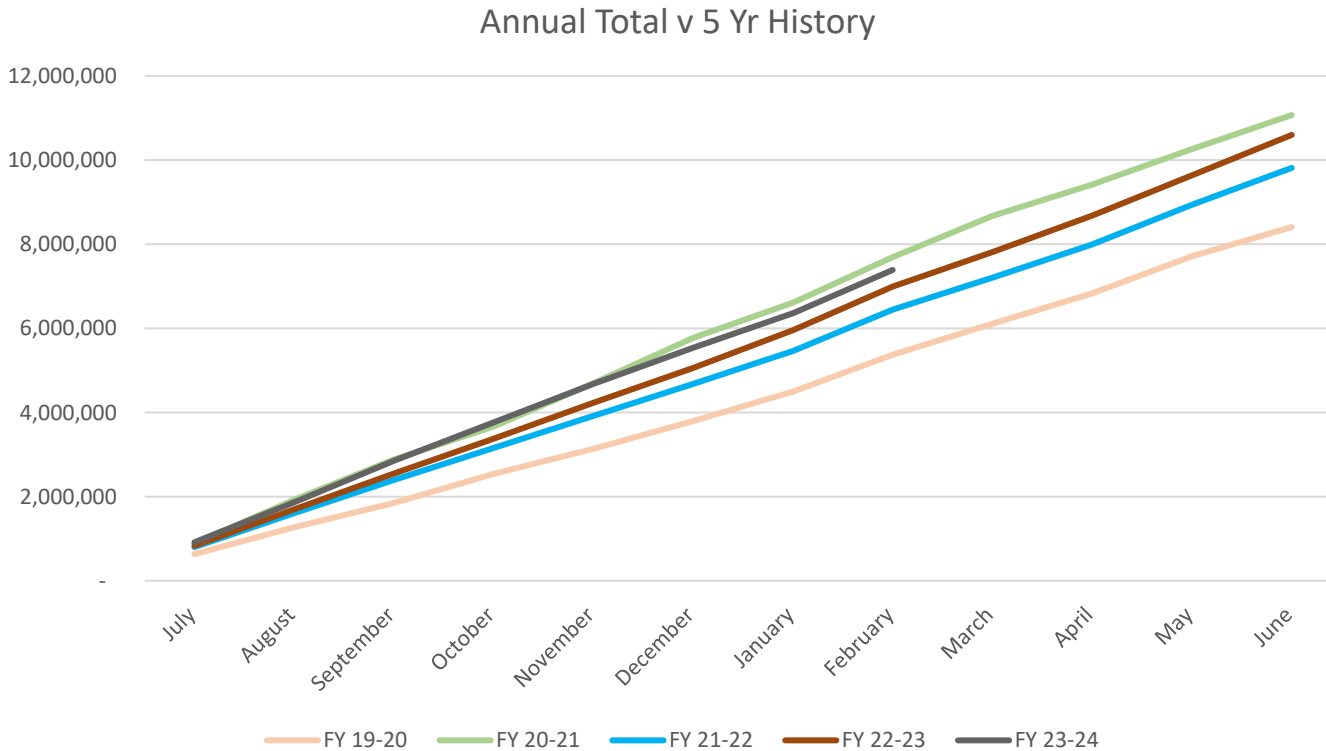


Questions?



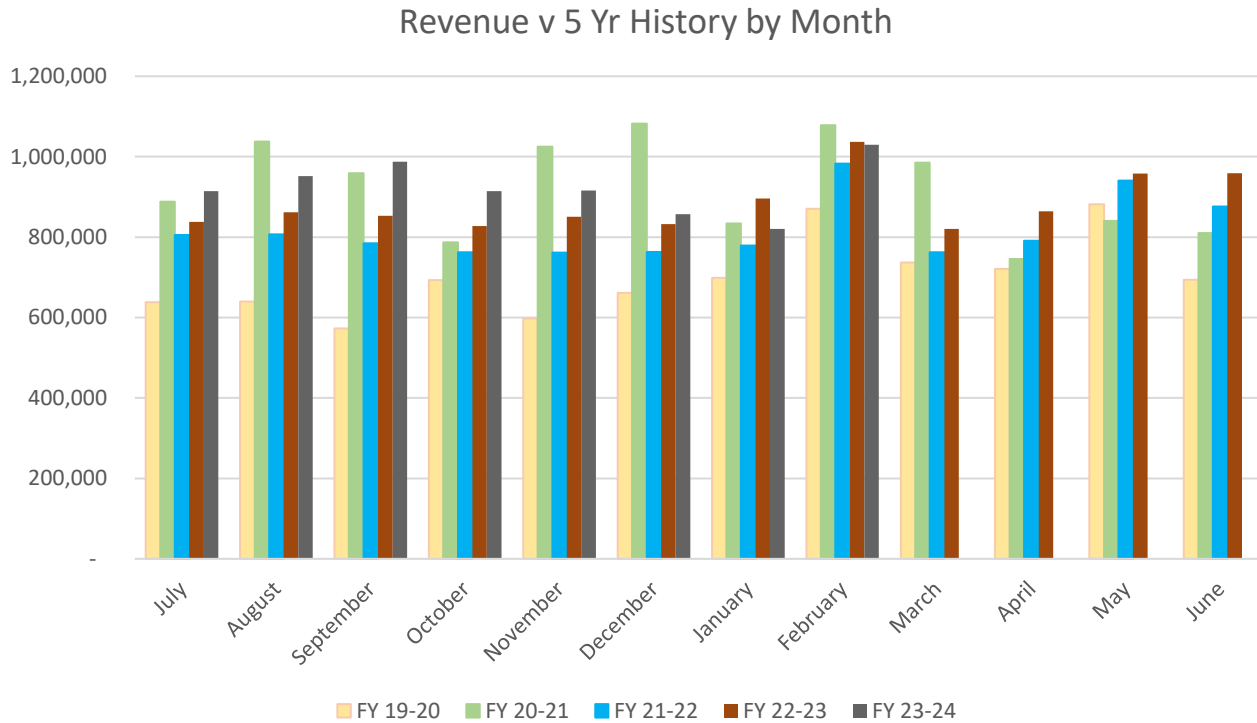
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Appendix 1 – County Sales Tax FY24 YTD



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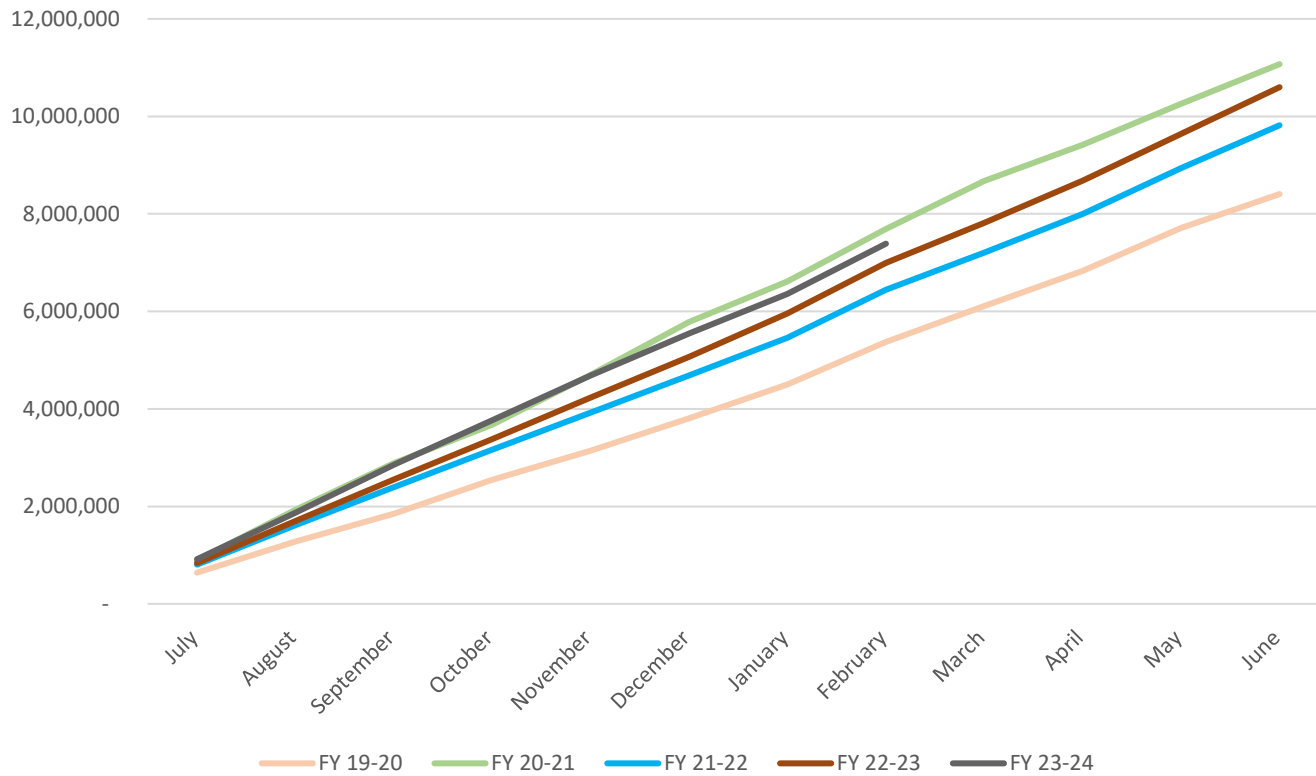
Appendix 1.A – County Sales Tax FY24 YTD by Month



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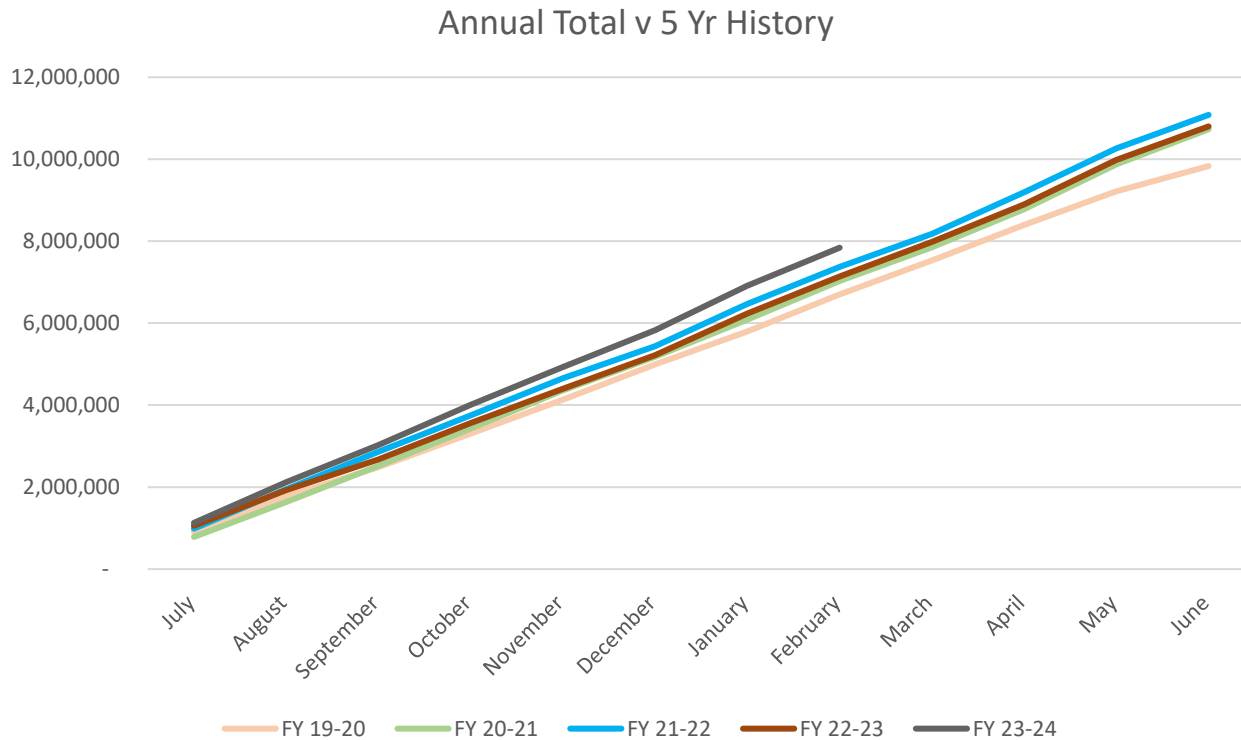
Appendix 2 – State Shared Sales Tax FY24 YTD

Annual Total v 5 Yr History



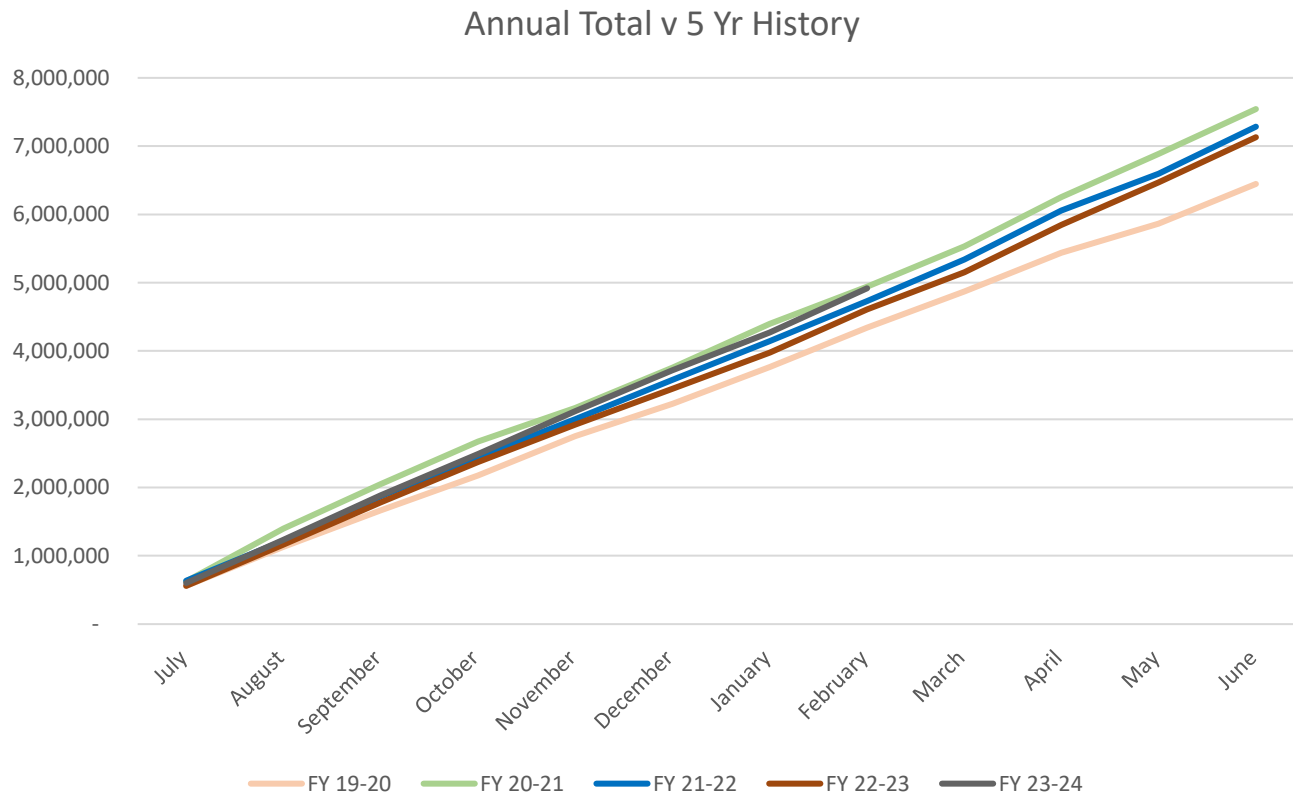
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Appendix 3 – HURF FY24 YTD



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Appendix 4 – VLT FY24 YTD



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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

