



COUNTY SUPERVISORS ASSOCIATION

# Cochise County Board Briefing

*56<sup>th</sup> Legislature, Second Regular Session*

Craig Sullivan, Executive Director

09.10.24



## Why CSA?

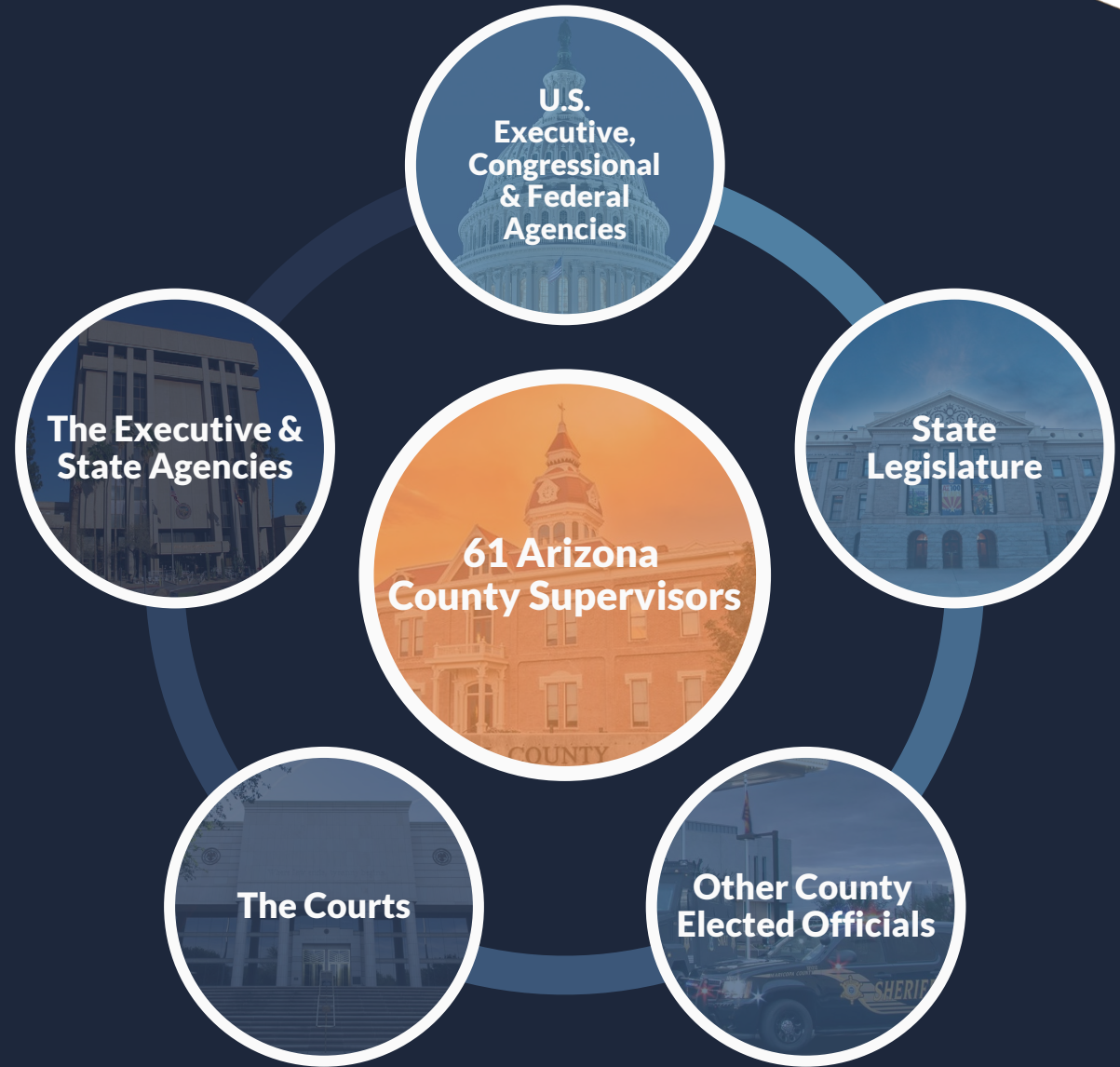
**We are an Association of Arizona's 15 county governments.**

**We do non-partisan research and policy work to support decision making at the county, state, and federal level.**

**Counties created CSA because it is more effective to centralize this work.**

**Each county benefits from what we do and benefits from collaborating with each other.**

**The result of this is better government and better public service.**





# CSA Board of Directors

All 61 County Supervisors from Arizona's 15 counties

## Executive Committee



**President**

Hon. Stephen Q. Miller  
Pinal County



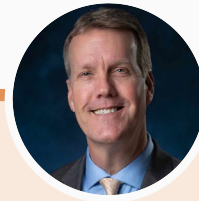
**President Elect**

Hon. Lynne Pancrazi  
Yuma County



**First Vice President**

Hon. Alton Shepherd  
Apache County



**Second Vice President**

Hon. Rex Scott  
Pima County



**Third Vice President**

Hon. Mary Mallory  
Yavapai County



**Immediate Past President**

Hon. Jason Whiting  
Navajo County

## Legislative Policy Committee

Apache County – Alton Shepherd  
Cochise County – Ann English  
Coconino County – Patrice Horstman (Alt. Lena Fowler)  
Gila County – Steve Christensen  
Graham County – Paul David

Greenlee County – Richard Lunt  
La Paz County – Duce Minor  
Maricopa County – Steve Gallardo  
Mohave County – Hildy Angius (Alt. Jean Bishop)  
Navajo County – Jason Whiting (Alt. Daryl Seymore)

Pima County – Rex Scott (Alt. Adelita Grijalva)  
Pinal County – Stephen Q. Miller  
Santa Cruz County – Manny Ruiz  
Yavapai County – James Gregory (Alt. Harry Oberg)  
Yuma County – Lynne Pancrazi (Alt. Jonathan Lines)

# Capacity Development & Information Sharing

Speakers

Affiliate Organizations

Appointments & Agency Engagement

Governor's Water Policy Council

AZ Commerce Authority Board

Facilitating County Input on State Broadband Plans

AZ Supreme Court Commission on Technology

Arizona Criminal Justice Commission

CSA President serves on AACo LPC

PSPRS Advisory Committee

PSPRS Board of Trustees

Hon. Adrian Fontes, Secretary of State

Hon. Kris Mays, Attorney General

Hon. Kimberly Yee, State Treasurer

Sen. Ken Bennett

Sen. Brian Fernandez

Sen. David Gowan

Sen. Theresa Hatathlie

Sen. Wendy Rogers

Sen. Priya Sundareshan

Rep. David Cook

Rep. Tim Dunn

Robyn Sahid, Cabinet Executive Officer, AZ State Land Department

Alan Maguire, Trustee, PSPRS

Carmen Heredia, Cabinet Executive Officer, AHCCCS

Mike Townsend, Administrator, PSPRS

Ben Stewart, Sen. Sinema's Office

Victoria Okula, Sen. Sinema's Office

Ken Polasko, AZ Board of Regents

Stefan Shepherd, JLBC

Ellen B. Stechel, AzCaNE

Scott Jarrett, Director of Elections, Maricopa County

Lucinda Andreani, Deputy County Manager, Coconino County

County Managers Association

Association of County Engineers

County Planning Directors & Code Enforcement Officials

County Finance Officers Organization

Arizona Association of Counties

County Directors of Environment Health Services Association

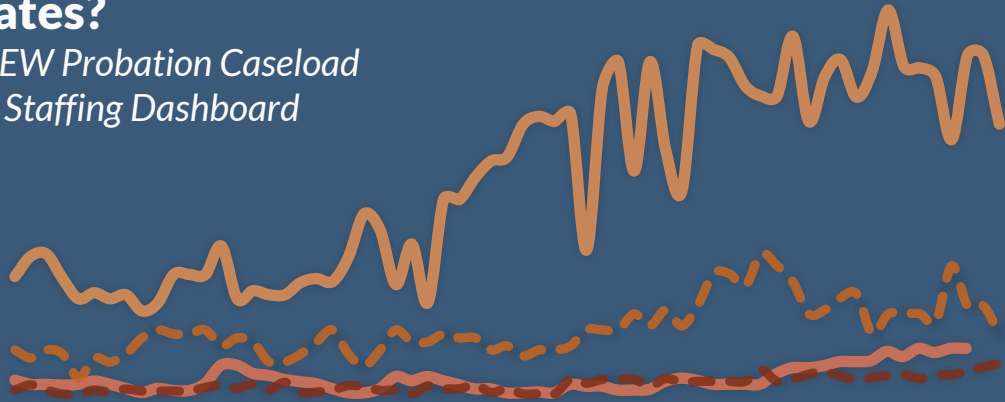
Local Health Officers Association

Civil Deputy Attorneys Association



## How do current vacancies compare to historic rates?

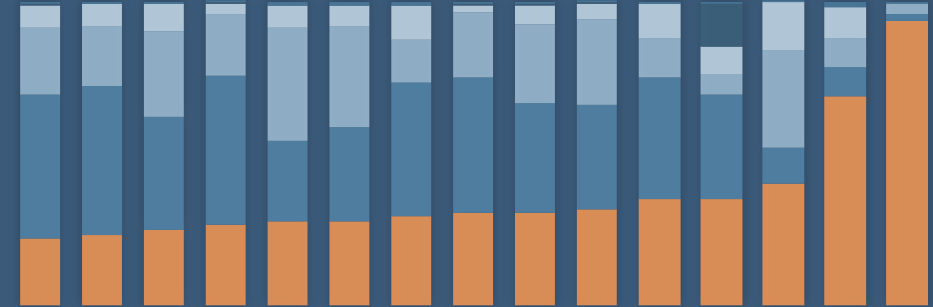
NEW Probation Caseload & Staffing Dashboard



Statewide case carrying vacancies, by department FY 2019 to FY 2024

## Which counties does this tax policy change impact most?

County Encyclopedia - Revenues



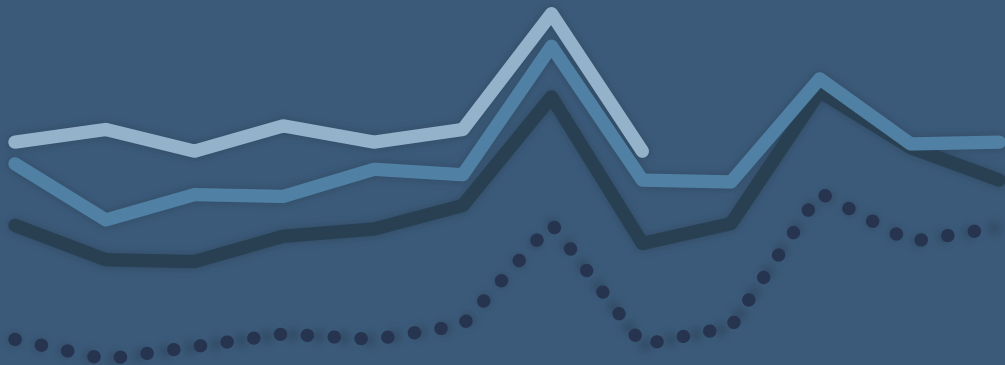
Share of NAV by tax classification, by county FY 2024

# County Data Initiative

*Information to support insights for key local and state policy questions.*

## How are county revenues performing?

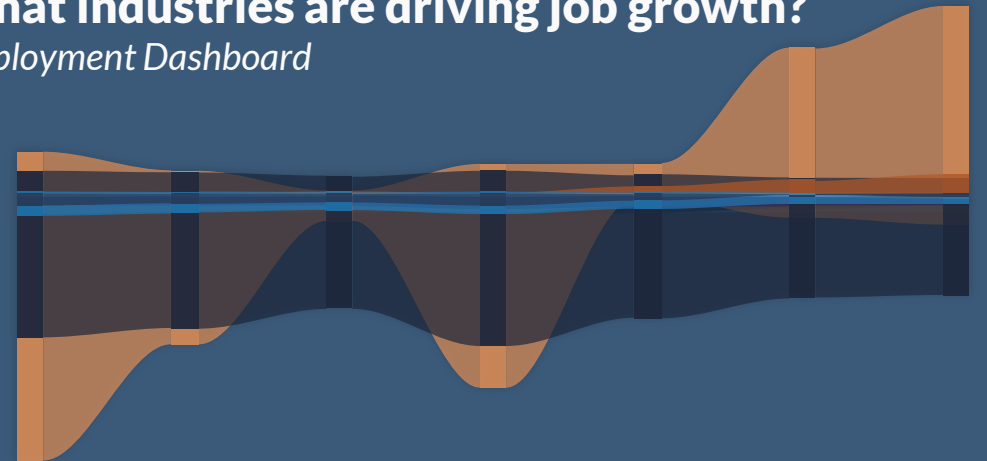
General Fund & Transportation Revenue Dashboards



Statewide general fund excise tax collections, FY 2021 to FY 2024

## What industries are driving job growth?

Employment Dashboard



Change in statewide jobs per 1,000 by industry from 2008, 2017 to 2023



## Public Safety Retention & Recruitment Study

Study by faculty at ASU, NAU & UA

Funded through \$800,000 Regents' Community Grant from ABOR

### Final Report Now Available

Executive Summary

LEO & Fire Recruitment Survey

Law Enforcement Retention Survey

Fire Retention Survey

PSPRS Data Analysis

Leader Interviews & Policy Review

### Select Findings for Counties

1. Sheriffs' offices had unique challenges & experiences.
2. Lateral movements across agencies is rare.
3. Younger employees or recruits were less satisfied with work-life balance or looking for more regular hours or part time options.
4. Changes to salary, housing stipends, appear to have strongest impact on recruitment and retention likelihood.
5. Hiring environment has changed, requiring new strategies to recruit into public safety.

## Detention Workforce Study

Study by faculty at ASU & UA

Funded through \$300,000 Regents' Community Grant from ABOR

**Goal:** Identify and quantify the factors that most contribute to, or take away from, the recruitment, job satisfaction, turnover intention and retention of detention personnel in Arizona.

### What are leaders in local government already doing? Seeing?

- Leadership Interviews
- Literature & Best Practices Review

### What are the labor force trends statewide, in each county?

- Pension System Data Analysis

### What are current and former employees saying?

- Detention Officer Survey
- Detention Officer Interviews
- Resigned Employee Interviews

### How to we attract more applicants?

- Recruitment Messaging Experiment



# Procurement Model Study

Study by faculty at ASU  
Funded through \$350,000 Regents' Community Grant from ABOR

**Goals:** Identify procurement tools and models that  
1) have been successfully implemented, 2) show a clearly measurable reduction in costs and, 3) maintain quality public service provision.

## What are existing models & barriers in AZ local governments?

- Arizona Procurement Leader Interviews
- Arizona Procurement Professional Survey

## What are tradeoffs for alt. procurement models? How have efficiencies be quantified to justify changes?

- Best Practices Interviews and Case Studies

## What are the metrics to measure cost efficiency and risk?

- Cost Efficiency and Risk Management Assessment

# County Expenditure Limit Resource Guide

## Comprehensive guide on constitutional expenditure limits, their history & resources for counties.

**County Expenditure Limits PRIMER**

**What are expenditure limits?**  
Limits on how much local revenue counties, cities and towns can spend in a given fiscal year according to Article IX, § 20 of the Arizona Constitution. Local revenues include almost all of the moneys received by a county, with exceptions including revenue from or for:  
• Debt  
• Investment income  
• State payments to the state spending limit  
• All quality of care the federal government

**History of Expenditure Limits**  
In 1980, the state legislature held a special session to draft tax reform legislation to be sent to the voters in June of 1981 in an attempt to preempt a November proposition fashioned after Prop. 13 in California.

**County Expenditure Limits OVERVIEW**

**What are expenditure limits?**  
The county expenditure limits are constitutional limits on how much local revenues counties can spend in a given fiscal year. This is generally the amount of local revenues expended in FY 1980, adjusted for population and inflation. These limits were amended into the state constitution in 1980, along with a number of other modifications to state and local government finance, including county levy limits.

**How are expenditure limits calculated?**  
Expenditure limits are calculated using the actual FY 1980 local revenues spent in each county as a base limit, which is adjusted annually for inflation and population changes.

**How can expenditure limits be modified?**  
Counties can permanently change their base limit with approval from the majority of voters at a general election. Counties can also limit overrides by The Legislature with a 2/3 vote.

**Percent of Expenditure Limit Utilized**

**Available at: <http://www.countysupervisors.org/budget-taxes/>**



## Key Initiatives

## Public Safety Pensions

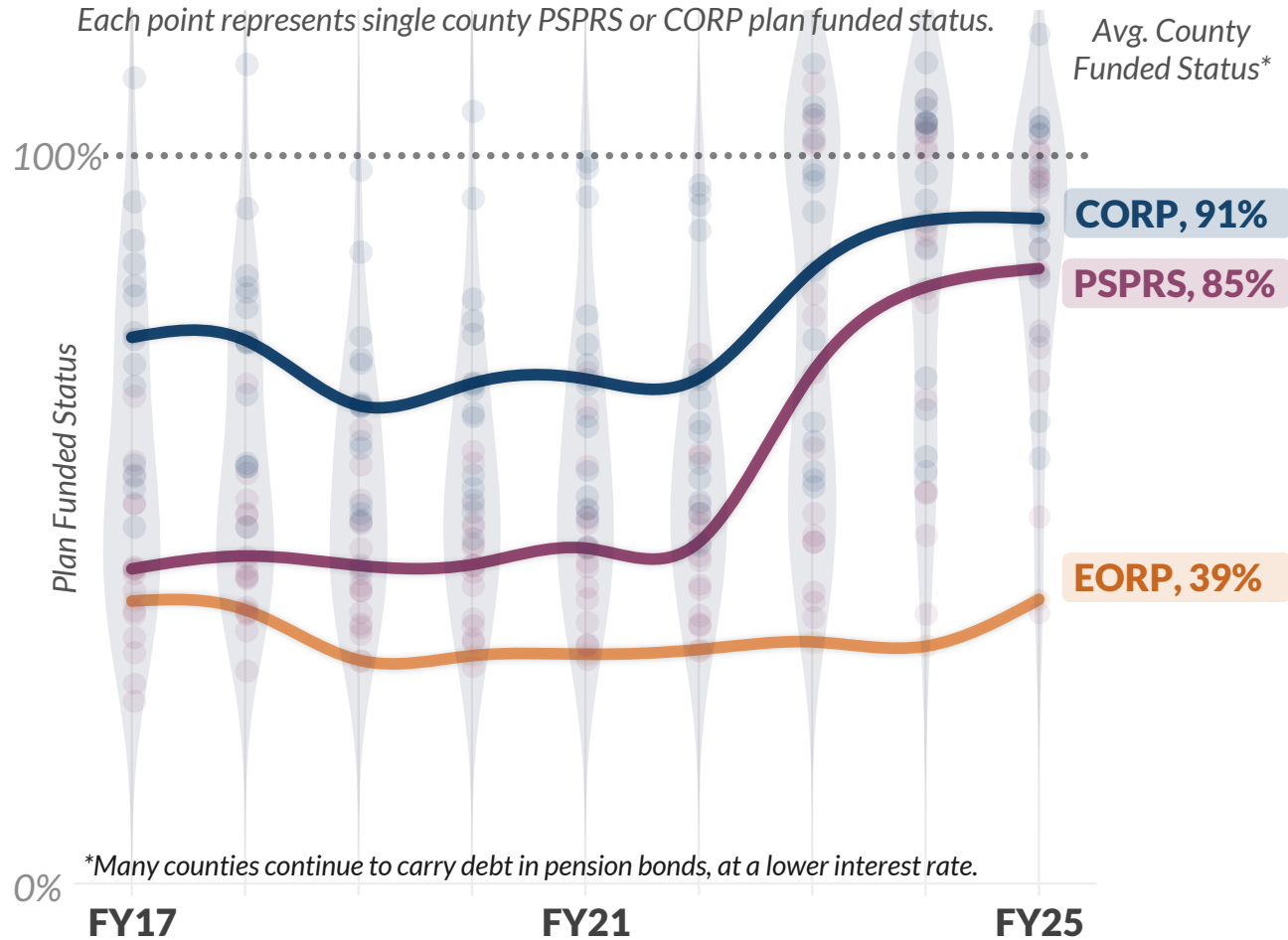
# Through collaborative action & engagement county public safety pension plan health has improved dramatically - reducing burden on county budgets.

### County PSPRS Sheriff, CORP Detention & EORP funded status.

Contribution Year FY 2017 - FY 2025

Each point represents single county PSPRS or CORP plan funded status.

Avg. County  
Funded Status\*



\*Many counties continue to carry debt in pension bonds, at a lower interest rate.

## CSA has worked with PSPRS & other stakeholders to improve understanding of underlying issues & identify & implement solutions.

### Select Actions

Revised PSPRS assumptions, developed new funding policy

Identified funding solutions, assisted in modeling impacts

Raised awareness of EORP funding issues, identified state-county funding solution

### Results

Decreased annual cost volatility, reduced total taxpayer cost

15 counties made cash deposits or refinanced debt at lower cost, saving millions in repayment costs

Secured \$3M ongoing subsidy for rural county EORP costs

**Key Initiatives**

**Broadband Deployment**

*Share of Locations with Reliable Broadband Service*



**Supporting county engagement on deployment of \$993.1 million Arizona BEAD Grant**

**Summer 2023      Fall 2023      Winter 2024      Spring 2024      Summer 2024**

*Governor's Interagency and Community Broadband Advisory Council*



*ACA Initial Plan review & feedback*



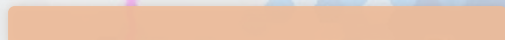
*Challenge Process - county support*



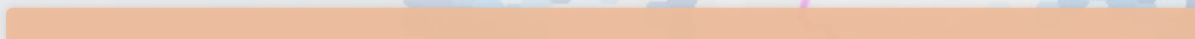
*Federal advocacy*



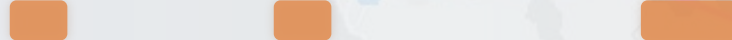
*Coordinating County Roundtables*



*Ongoing agency engagement & county communication*



*Local government permitting workgroup & surveys*



Source: FCC Broadband Map 100/20; All Wired & Licensed Fixed Wireless

# Session Wrap

Sine Die: June 15<sup>th</sup>, 2024  
 General Effective Date: September 14<sup>th</sup>, 2024

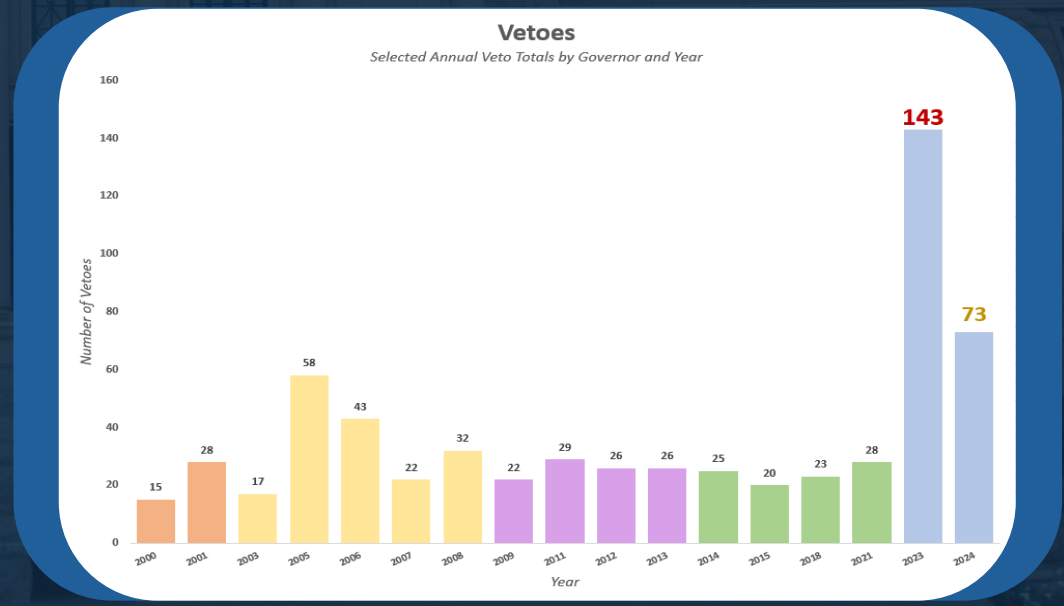
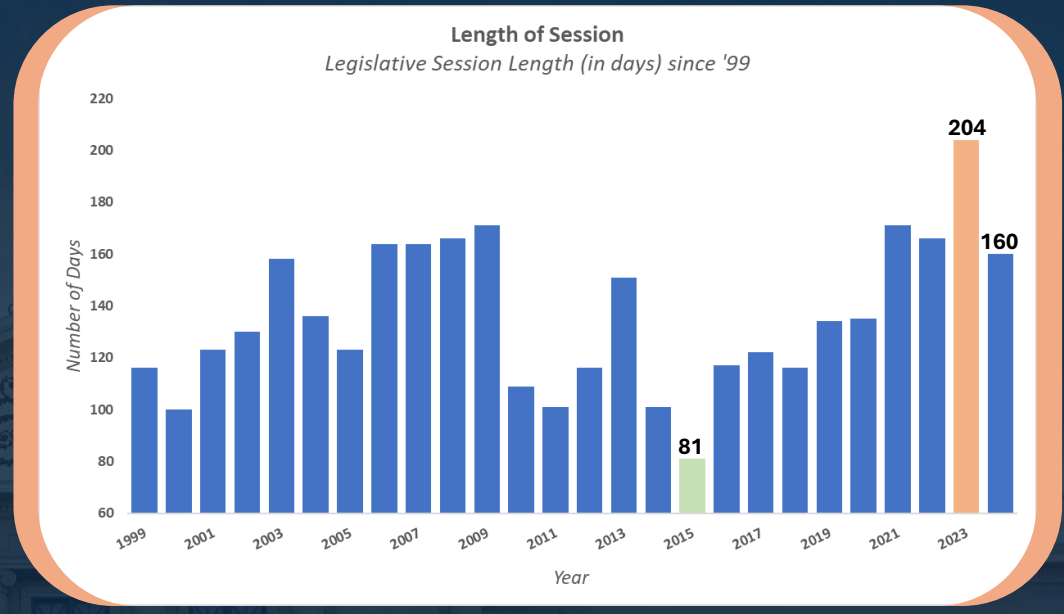
Session by the Numbers  
 Days of Session: 160

Memorials and Resolutions  
 Introduced Mem. & Res.: 138

Transmitted Mem. & Res.: 20

Transmitted Referrals ('23 & '24): 11

Bills  
 Introduced Bills: 1,660  
 Bills Passed: 332  
 Bills Signed: 259  
 Bills Vetoed: 73





# FY 2025 STATE BUDGET

Budget bills introduced June 12<sup>th</sup>

Second read and assigned to  
approps. committees June 13<sup>th</sup>

Several bills COW'd June 14<sup>th</sup>,  
adjourned until 8:00 am on June  
15<sup>th</sup>

Third read and COW'd on  
Saturday June 15<sup>th</sup>

Budget passed by slim,  
bipartisan margins (34-21-5 in  
House, 17-12-1 in Senate)

The \$16.1B spending plan addresses the state's \$1.4B revenue shortfall with significant cuts and fund sweeps, including:

**\$776M** in fund transfers

**\$500M** in one-time spending cuts

**\$407M** in ongoing spending cuts

<i>Dollars in millions*</i>	FY2024	FY2025	FY2026	FY2027
<b>Beginning Balance</b>	\$2,527.2	\$638.7	\$95.0	\$19.5
<b>Total Revenues</b>	\$17,786.1	\$16,278.9	\$16,459.1	\$17,107.0
<b>Total Expenditures</b>	\$17,147.4	\$16,183.9	\$16,439.6	\$17,131.6
<b>Ending Balance</b>	\$638.7	\$95.0	\$19.5	\$6.9
<i>Ongoing Revenues</i>	\$14,818.1	\$15,608.0	\$16,347.1	\$17,107.0
<i>Ongoing Expenditures</i>	\$14,805.2	\$15,568.0	\$16,340.5	\$16,779.8
<b>Structural Balance</b>	\$12.9	\$40.0	\$6.6	\$327.2

## The Road to Revenue Recovery - Key Numbers



### Sweeps **\$776M** in fund transfers

- Includes **\$157M** in WIFA fund sweeps
  - Eliminates **\$333M** deposit in FY 25
- **\$204M** from opioid settlement funds
  - **\$75M** to DOC in FY 24
  - **\$40M** ongoing to DOC
  - **\$3M** one-time to DEMA
  - **\$1M** one-time to DHS
  - **\$5M** one-time for Vets Substance Abuse Grants
- Other significant sweeps:
  - **\$70M** from Risk Management Fund
  - **\$55.7M** from Arizona Competes Fund
  - **\$46M** from AHCCCS prescription drug rebate fund
  - **\$34M** from Trust Land Management
  - **\$23.6M** from Rural Broadband Accelerated Match Fund

### Ongoing Cuts **\$407M**

- Includes a **3.5% cut** across state agencies - **\$44M**
- **\$21.7M** Universities
- Moves **\$75M** in adult education programs from ongoing to one-time
- Self-supporting regulatory agencies shifted: 90/10 to **85/15 revenue share**
  - From FY 25 to FY 28

### One-Time Spending Cuts **\$500M**

- Delays and reductions to several infrastructure projects
- **\$200M** from increase in hospital assessment over FY 25 and 26 for AHCCCS Behavioral Health



# FY 25 Budget Major County Issues

## ADJC

- **\$6.7M** from the Department of Juvenile Corrections Local Cost Sharing Fund, Maricopa only

## Probation

- **Removes \$6.75M** one-time FY2024 appropriation to for probation salary increase backfill
- Does not add resources to cover probation officer salary increases above FY 2023
- Executive has committed **\$10.1M from ARPA** in FY 2025

## JP Salary Funding

- Reduces the state's contribution by **\$500,000 ongoing**
- Includes salary increase for Superior Court Judges
  - Effective Jan 1, 2025 salary is \$190K, \$200K in 2026
  - Counties pay 50% of Superior Court Judge salaries
  - Per ARS 22-125: JP Salaries linked to a % of Superior Court Judge salaries
  - *Budget maintains 40% state share of JP salaries, yet lowers available resources to do so*

## FY 2025 State Budget: County Touchpoints

### Public Safety and Border Patrol

Local Border Support: FY23 to DPS re-appropriated as follows:

- **\$12.2M** local border support
- **\$15.4M** border drug interdiction

**\$5M** from GF in FY 25 for local border support, **\$1.85M** for border drug interdiction

Law Enforcement Retention Initiatives: **\$500K** to DPS, **\$200K** to Yavapai County, and **\$1.3M** to several municipalities for recruitment and retention initiatives

Peace Officer Training Equipment Fund: **\$791K** to Pinal County, **\$312K** to Maricopa County, **\$600K** to Yavapai County, **\$56K** to Cochise County, **\$83K** to Santa Cruz County

### Flexibility Language

Continues to allow counties under 250,000 to use up to **\$1.25M** of any county-wide special district funds to meet county fiscal obligations

## County ALTCS



Total ALTCS Contributions **\$399.9M**, \$33.7M above FY24

### Prior County Appropriations Protected

Out of County Tuition Assistance: **\$1.1M**

County Attorneys Fund: **\$973.7K**

Indigent Defense Fund: **\$700K**

Juvenile Dependency Proceedings: **\$2M**

County Participation; Child Support Enforcement: **\$8.54M**

Local Cybersecurity Grants: **\$10M**

EORP Relief: **\$3M** to counties under 300,000

In-Lieu Lottery: **\$7.15M** counties under 900,000

Environmental County Grants: **\$250K**

Wildfire Mitigation Funding: **\$27M** (**\$5M reduction**)



## CSA Reactive Advocacy Policy Areas

### General Government

- Permitting Board and councilmembers to engage on “*call to the public*” topics.
- Required “*call to the public*” for volunteer boards and commissions.
- Requires a projected date of completion for PRRs within 5 days.
- Submission of settlement agreements to the Legislature.
- Legislative vacancy appointments.
- Tax lien sales.
- County split.

### Public Health & Environment

- Expansion of fireworks permissions.
- Permit and license exemptions for young businessowners.
- Preemptions relating to wastewater permitting.
- Updates of ADEQ’s solid waste fees.
- Expansion of “*cottage food*,” or the “*tamale bill*.”

### Retirement, Tax, & Finance

- Property tax refund for expenses incurred to mitigate certain nuisance.
- Procurement practices (reauthorization; certifications required prior to).
- Electric vehicle registration fee increase.
- Type 03 school district fix.
- Creation of theme park districts.
- Requires a supermajority vote to raise revenues.
- Requires supermajority approval at the ballot to pass bonds.

### Planning & Zoning

- By-right zoning for religious institutions.
- Shot clocks for “*applications for development*.”
- Exemptions from inspection, building permits, and zoning for tiny homes, ADUs, detached garages, and greenhouses.
- Requiring several in-person services for zoning violations.

### Courts, Criminal Justice, Public Safety

- Title 36 processes.
- Secure behavioral health facilities.
- Jury trials for parental right termination.
- Prohibitions on psychiatric evaluations and background checks for elected officials.
- Reopening of CORP.
- Traumatic event counseling for constables.
- Presumption of PTSD as occupational disease.

### Elections

- Resolution of the “*auto recount*” issue.
- Elimination, or restriction, of a county’s ability to establish vote centers.
- Limitations on precinct size.
- “*Privacy flaps*” for early voting ballots.
- Restriction of early voting eligibility.
- Mandatory on-site tabulation.
- Shift of AVID funding responsibility to state.

# Select Enacted Bills

## CSA Priorities

- **HB 2716** Now: Ch. **125** - Arizona criminal justice commission; members
- **HB 2785** Now: Ch. **1** - primary; identification; canvass; recounts; ballots
- **SB 1285** Now: Ch. **2** - local candidates; petitions; electronic signatures

## Planning, Zoning & Enforcement

- **HB 2210** Now: Ch. **206** - state agencies; continuations; duties
- **HB 2325** Now: Ch. **192** - backyard fowl; regulation; prohibition
- **HB 2846** Now: Ch. **186** - hoopouses; polyhouses; regulation; compliance
- **SB 1162** Now: Ch. **172** - residential zoning; housing; assessment

## Emergency Management

- **HB 2751** Now: Ch. **190** - interstate compact; fire management; aid
- **HB 2767** Now: Ch. **191** - emergency management assistance; reimbursement

## Legislative Vacancies

- **SB 1278** Now: Ch. **176** - legislative vacancies; appointment

## Public Health

- **HB 2042** Now: Ch. **18** - food preparations; sale; cottage food
- **HB 2097** Now: Ch. **87** - food handler certificate; volunteers; limits
- **SB 1370** Now: Ch. **237** - youth businesses; licenses; tax exemption
- **SB 1048** Now: Ch. **104** - child fatality review teams; duties

## Courts, Criminal Justice & Public Safety

- **HB 2479** Now: Ch. **146** - missing; abducted; runaway child
- **HB 2103** Now: Ch. **115** - constables; traumatic event counseling
- **SB 1364** Now: Ch. **13** - probation; transfer
- **SB 1371** Now: Ch. **56** - police reports; time; cost requirements

## Tax Policy & Finance

- **HB 2277** Now: Ch. **252** - theme park districts; formation
- **HB 2173** Now: Ch. **134** - county aid; school districts; revisions
- **SB 1431** Now: Ch. **176** - right to redeem; foreclosure; sale

## Procurement

- **SB 1054** Now: Ch. **46** - state construction project delivery method

## Court-Ordered Eval./Treatment

- **SB 1309** Now: Ch. **182** - mental health evaluations; information; consent
- **SB 1311** Now: Ch. **163** - mental health; oversight; data; documentation
- **HB 2744** Now: Ch. **152** - involuntary treatment; guardians; agents; rights

## Elections

- **SB 1359** Now: Ch. **199** - election communications; deepfakes; prohibition
- **HB 2394** Now: Ch. **193** - county aid; school districts; revisions
- **HB 2482** Now: Ch. **73** - voter registration changes; text notice
- **HB 2080** Now: Ch. **114** - elections; municipal; primary
- **SB 1063** Now: Ch. **170** - political signs; removal; elections

## Supervisor/County Authority

- **SB 1670** Now: Ch. **201** - public-private partnership contracts
- **SB 1683** Now: Ch. **185** - peace officers; mutual aid agreements
- **HB 2039** Now: Ch. **84** - provisional community colleges; accreditation; oversight
- **HB 2548** Now: Ch. **41** - military installations; general plans; land
- **HB 2685** Now: Ch. **187** - mine inspector; geological survey; authority
- **HB 2381** Now: Ch. **71** - non-contiguous county island fire districts

# Agencies

# Reauthorizations



**Arizona State Retirement System**

**8 years**

*Sunsets July 1, 2032*

**Department of Forestry & Fire Management**

**8 years**

*Sunsets July 1, 2032*

**Department of Transportation**

**8 years**

*Sunsets July 1, 2032*

**Public Safety Personnel Retirement System**

**6 years**

*Sunsets July 1, 2030*

**Department of Administration**

**6 years**

*Sunsets July 1, 2030*

**Governor's Office on Tribal Relations**

**8 years**

*Sunsets July 1, 2032*

**Board of Technical Registration**

**6 years**

*Sunsets July 1, 2030*

**Arizona Commerce Authority**

**5 years**

*Sunsets July 1, 2029*

**State Personnel Board**

**8 years**

*Sunsets July 1, 2032*

**Industrial Commission of Arizona**

**4 years**

*Sunsets July 1, 2028*

**Occupational Safety and Health Advisory Committee**

**8 years**

*Sunsets July 1, 2032*

**Department of Homeland Security**

**4 years**

*Sunsets July 1, 2028*

**Department of Child Safety**

**4 years**

*Sunsets July 1, 2028*

**Registrar of Contractors**

**8 years**

*Sunsets July 1, 2032*

**Arizona Historical Society**

**8 years**

*Sunsets July 1, 2032*



# Referrals 2024 General Election

## 11 total legislative referrals

### Prop 314

HCR 2060: border related referral that, among other items, makes federal immigration offenses a state crime.

### Prop 312

HCR 2023: Permits a property owner to receive a refund of their property tax for the expenses incurred when attempting to mitigate a) a locality's refusal to enforce existing laws relating to homelessness, or b) a locality's maintenance of a public nuisance.

### Prop 311

SCR 1006: Adds a \$20 fee to criminal penalties, fines, fees, surcharges, or assessments to fund a \$250,000 death benefit for first responders killed in the line of duty. Fund monies over \$ 2 M shall be used for peace officer training and equipment. Adds assault of a first responder to the statutory definition of aggravated assault.

### Prop 135

HCR 2039: Limits gubernatorial emergency powers to thirty days, exempts flood/fire. Legislature would need to extend.



## End of Session CSA Reports

*56<sup>th</sup> Legislature 1<sup>st</sup> Regular Session*

**2024 Legislative  
Summary**

**FY 25  
State Budget:  
County  
Touchpoints**

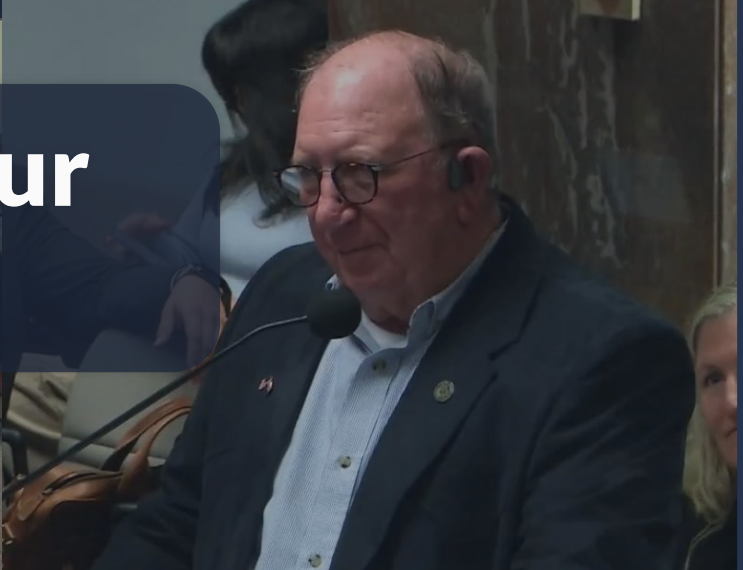
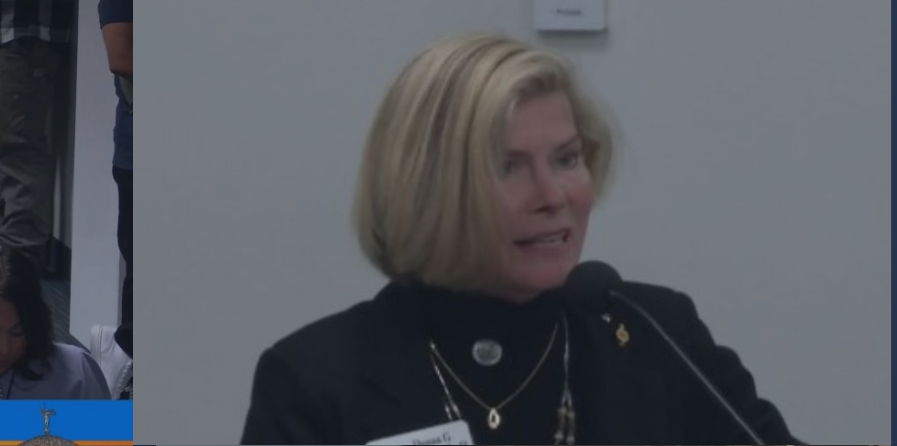
**County Finance  
Officer Guide  
2024**

**FY 2025  
County Revenue  
& Expenditure  
Report**



HB 2412 appropriations; highway and road projects

House Transportation and Infrastructure Committee



**491** bills tracked

**75** processed via LPC

**3** priorities

**7** supported

**43** opposed

**35+** defeated

# Upcoming Events

## 2024 Policy Development

### 2024 Legislative Proposals

- Due on August 5, 2024 ✓
- Proposals submitted on-time will be considered by the full Board of Directors at the CSA Summit.

## Scheduled Meetings

### Managers Meetings

- June 14, 2024 ✓
- August 9, 2024 ✓
- September 13, 2024

### CSA Board Meeting

- September 19, 2024

**2024 CSA Legislative Policy Summit  
Hosted by Pinal County (Oct. 7 -9)**