

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
WORK SESSION HELD ON
Wednesday, February 8, 2017**

A work session of the Cochise County Board of Supervisors was held on Wednesday, February 8, 2017 at 9:00 a.m. in the Board of Supervisors' Executive Conference Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Ann English, Chairman; Patrick G. Call, Vice-Chairman; Peggy Judd, Member

Staff Present: James E. Vlahovich, County Administrator
Edward T. Gilligan, Deputy County Administrator
Britt W. Hanson, Chief Civil Deputy County Attorney
Arlethe G. Rios, Clerk of the Board

Attendees: David Stevens, County Recorder
Ruben Miranda, Internal Services Administrator
Eric Silverberg, Court Administrator
Jacqui Clay, County School Superintendent
Carrie Langley, Deputy Director, Health and Social Services Department
Nike Noack, Budget Manager, Finance Department
Julie Morales, Human Resources Director
Thad Smith, Chief Deputy, Sheriff's Office
Lynette Nowlan, Finance Director
Kenny Reeves, Administrative Manager, Attorney's Office
Rose Martinez, Chief Deputy, School Superintendent's Office
Catherine L. Traywick, County Treasurer
Philip S. Leiendecker, County Assessor
Brian McIntyre, County Attorney
Mark Dannels, County Sheriff

Chairman English called the meeting to order at 9:00 a.m.

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

PLEDGE OF ALLEGIANCE

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

INTRODUCTIONS

ITEMS FOR DISCUSSION

Board of Supervisors

1. Continued discussion and possible direction regarding the funding of the Employee Compensation Plan.

Chairman English thanked everyone for attending, but reminded everyone that the discussions should be positive as all departments are dependent on each other. She noted that ideas should focus in a realistic solution to ensure that the budget is balanced and people are fairly paid.

She moved on to the idea of hiring consultants to audit departments. She stated that she thought the skill set to do this type of auditing was already available within the County and the data collected would be used to make decisions regarding priorities.

Ms. Clay said that she would like to work with the detention center to create an accommodation school, instead of paying for that service from the State.

Mr. Gilligan said that this was a state cost shift and that the County could not opt out of the service.

Chairman English noted that in order to keep up to date on legislative information all departments should track any legislation impacting their mandates.

Ms. Clay said that she would be spending time at the State to share the County's concerns.

Mr. Gilligan said that there was a support from many counties to keep juveniles in local facilities and close state facilities.

Sheriff Dannels suggested a letter signed by all the County elected officials to the Governor, Senate, and House regarding County concerns.

Mr. McIntyre said that all elected officials should be able to video conference in when the legislature is voting on a bill.

Sheriff Dannels agreed that the budget should be a balanced approach to efficiency. He said his staff has looked for cost savings measures, but were frustrated with costs they could not control. He added that his office applies for grants and looks for donations or private funding to provide services related to their mission. He noted that employees should be a priority with a balance between programs and services provided. He also asked to hear the Board's thoughts on a tax rate increase.

Vice-Chairman Call said he did not want a tax rate increase to be the sole solution to increase revenues.

Sheriff Dannels said he understood it should be a blended approach.

Chairman English agreed that the solution should be a blended approach. She asked for all amounts in contingency funds.

Ms. Nowlan presented a sheet with all current information on contingency fund lines. She pointed out the fund lines that were restricted by statute and said that those could only be used for their defined purpose.

Mr. McIntyre inquired about the County's current cash balance.

Ms. Nowlan said that the current cash balance was at \$26,000,000 and out of that amount the County needed an estimated \$15,000,000 to operate during the first three months of the fiscal year. In addition she recommended that the County carry a balance of 10% of the general fund budget, which would be about \$12,000,000 with an additional \$8,000,000 for emergencies.

Chairman English noted that the County did have a contingency, but warned against spending the entire amount. She reiterated that a blended approach was best and noted that any changes made should be long term.

Mr. McIntyre said that the County had to continue to seek additional revenue sources. He added that he thought departments should manage their own salary fund lines.

Mr. Gilligan said that his plan was to allow leaders in the organization to manage salaries and make decisions that impact those fund lines. He noted that it had to be a balanced structure as there were departments that did not have any turnover and the County had to help those departments address salary issues as well. He added that some savings could be used to fund the compensation plan, but cautioned against funding the compensation plan with extra revenue that was not expected on an annual basis. He also stated that some processes could be reviewed for efficiencies and reduction in operational costs.

Chairman English suggested looking at the criminal justice departments since they have the biggest impact on the budget.

Mr. McIntyre said the Criminal Justice Task Force (CJTF) could discuss budget in their monthly meeting.

Mr. Hanson said that services should be looked at and cut if necessary. He added that cutting services would relay to citizens that the current budget has limitations.

Mr. Leiendecker said that some departments were at bare bones and he urged the Board to consider raising the tax rate in order to address the shortfalls.

Ms. Noack suggested that all agreements with regional partners be revised to update fees that are aligned with current costs.

Ms. Morales said there was a benefit in centralizing duties that are currently done by all departments. She added that it would streamline processes and create opportunities of growth for employees currently performing those duties.

Vice-Chairman Call said that information on taxing districts like the jail or transportation would be useful. He added that the group should meet once more to ensure everyone is on board with the main ideas proposed today.

Chairman English adjourned the meeting at 10:33 a.m.

APPROVED:

Ann English, Chairman

ATTEST:

Arlathe G. Rios, Clerk of the Board