

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS  
WORK SESSION HELD ON  
MONDAY, APRIL 26, 2021**

A work session of the Cochise County Board of Supervisors was held on Monday, April 26, 2021, at 10:00 a.m. in the Board of Supervisors' Executive Conference Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

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

Staff Present: Richard G. Karwaczka, County Administrator  
Sharon Gilman, Associate County Administrator  
Christine Roberts, Chief Civil Deputy County Attorney  
Kim Lemons, Clerk of the Board  
Camila Rochin, Public Information Officer

Attendees: Daniel Duchon, Budget Manager  
Keith Buonocore, Finance Director

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

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

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

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***ITEMS FOR DISCUSSION***

**Board of Supervisors**

1. Budget Work Session - Discussion of County budget for Fiscal Year 2021-2022, specifically: Early Projections for Revenues, Expenses, Expenditure Limits, and Fund Balances.

Mr. Duchon presented this item using a PowerPoint presentation and responded to questions from the Board at various points throughout. All Departments and Offices are on track to be under budget this Fiscal Year. Mr. Duchon gave a high-level overview of expenses for next Fiscal Year, noting that increases over \$5,000 must be approved by the Board and the timing of presenting budget-related items to the Board. He gave a detailed overview of the Expenditure Limit, which Public Safety Personnel Retirement System (PSPRS) expenses count against; for Fiscal Year 2021-2022, the Expenditure Limit is \$72.7 million. He reviewed revenue sources, and gave a detailed overview of Sales Tax and Property Tax. Sales Tax revenues are collected and categorized by the Arizona Department of Revenue; all Sales Tax revenue, regardless of category, is from the County's 1/2 cent sales tax. For Property Tax, the County only taxes approximately two-thirds of what it could.

Mr. Duchon reviewed short-term revenues looking forward, noting that updated sales tax projections will be reviewed in May and again prior to Tentative Budget adoption; the property tax rate must be set by mid-August. Long-term

considerations include the possibility of reduced revenues and the Expenditure Limit, the impact of PSPRS, the Elected Officials Retirement Plan (EORP) and Correction Officer Retirement Plan (CORP), and potential differences in County revenue sources in the future. The Board and staff discussed the lag in receiving sales tax information from the Arizona Department of Revenue, the impact to Sales Tax revenue from the border wall construction, and inflation.

Chairman English noted that the Board can individually direct questions to Mr. Duchon.

2. Discussion and Possible Direction regarding the attached proposed Fiscal Year 2021-2022 Property Tax Resolution.

Supervisor Crosby presented this item. He spoke regarding inflation and its impact, and read portions of the proposed resolution.

The Board discussed the history of the County's property tax rate; the level of funding necessary to meet the public's expectations for County services; Public Safety Personnel Retirement System (PSPRS) expenses and the impact of salaries on PSPRS benefits; and, that the Board will be reviewing budget requests and needs. The Board also discussed their opinions on the proposed resolution. There was not Board consensus to place the proposed resolution on an upcoming Regular Meeting agenda for a vote.

3. Discussion and Possible Direction regarding a process for the Board of Supervisors to submit agenda items.

Chairman English noted that the Board is in charge of the agenda and will look at and make sure the process is understood by everyone. In response to the Board, Ms. Lemons stated that there is currently a process in place for County Departments; agenda items added by the Board need the same amount of time for review. The Board and staff discussed the timing of submitting items 11 days prior to the meeting and the form's format. Supervisors who opt not to use the Agenda Item Request form need to submit all required information.

Based on the discussion, Ms. Lemons will email all agenda forms to the Board.

Chairman English adjourned the meeting at 10:57 a.m.

APPROVED:

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Ann English, Chairman

ATTEST:

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Kim Lemons, Clerk of the Board