

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
SPECIAL MEETING HELD ON
TUESDAY, JUNE 13, 2023**

A special meeting of the Cochise County Board of Supervisors was held on Tuesday, June 13, 2023 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

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

Staff Present: Richard G. Karwaczka, County Administrator
Sharon Gilman, Deputy County Administrator
Christine Roberts, Chief Civil Deputy County Attorney
Tim Mattix, Clerk of the Board

Attendees: Juan Frisby, Budget Manager

Chairman Judd called the meeting to order at 10:26 a.m.

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

ACTION

Board of Supervisors

1. Adopt the Tentative County Budget for fiscal year 2023-2024 in the amount of \$277,936,938 (this amount is composed of \$105,461,808 in General Fund and \$172,475,130 in Special Revenue funds) and approve the Funding Requests as set forth in the attached exhibit.

Supervisor English made a motion to adopt the Tentative County Budget for fiscal year 2023-2024 in the amount of \$277,936,938 (this amount is comprised of \$105,461,808 in General Fund and \$172,475,130 in Special Revenue funds) and approve the Funding Requests as set forth in the attached exhibit.

Vice-Chairman Crosby clarified that the language was composed rather than comprised. Ms. Roberts stated that it was OK.

Vice-Chairman Crosby seconded the motion.

Mr. Frisby presented this item using a PowerPoint presentation. Mr. Frisby stated that property tax revenues are going towards the projected \$27 million. Sales tax revenues are projected to go towards last year but will not exceed what was collected in Fiscal Year (FY) 2021. He stated that the state sales tax is projected at \$15.4 million. The General Fund is projected to end at \$39 million cash. He reviewed the end of year projections for the Highway User Revenue Fund (HURF), and Capital Fund. He compared the FY 2022-2023 budget and the FY 2023-2024 tentative budget, and stated that the increased projection is mainly due to an increase in special revenue

funds.

Mr. Karwaczka stated that at the direction of the Board the rate was kept flat at 2.6747%. Valuations have increased, which increased the levy, and will require a Truth in Taxation Hearing, which will be July 11, 2023. Mr. Karwaczka stated that the staff has been conservative in the budget amounts and will be able to move forward on salary increases, at approximately \$2 million total. Vice-Chairman Crosby, Mr. Karwaczka and Mr. Frisby discussed the effects of property valuations, inflation, and the increase in grants on the budget.

In response to the Board, Mr. Karwaczka stated that property valuations are delayed and do not reflect the value of the property today.

Supervisor English stated that some of the funds come from sources other than local taxpayer dollars, such as the Federal Government during the pandemic and grants secured by the Sheriff's Department. Discussion ensued.

Chairman Judd called for the vote and it was approved 3-0.

2. Set a Truth in Taxation Hearing, pursuant to A.R.S. § 42-17107, for July 11, 2023 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona, to receive public comment on the proposed tax levy.

Vice-Chairman Crosby made a motion to set a Truth in Taxation Hearing, pursuant to A.R.S. § 42-17107, for July 11, 2023 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona, to receive public comment on the proposed tax levy. Supervisor English seconded the motion.

There was no discussion.

Chairman Judd called for the vote and it was approved 3-0.

Chairman Judd adjourned the meeting at 10:39 a.m.

APPROVED:

Peggy Judd, Chairman

ATTEST:

Tim Mattix, Clerk of the Board