

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
WORK SESSION HELD ON
TUESDAY, AUGUST 5, 2025**

A work session of the Cochise County Board of Supervisors was held on Tuesday, August 5, 2025, at 11:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona.

Present: Frank Antenori, Chairman; Tom Crosby, Vice-Chairman; Kathleen L. Gomez, Supervisor

Staff Present: Sharon Gilman, County Administrator
Joe Casey, Deputy County Administrator
Paul Correa, Chief Civil Deputy County Attorney
Lara Loewenheim, Clerk of the Board

Attendees: Craig Sullivan, Executive Director of County Supervisors Association
James Menlove, County Manager Association
Brandon Nee, Director of Strategic Initiatives at County Supervisors Association
Yvonne Ortega, Executive Assistant and Special Projects of County Supervisors Association
Penny Adams, Director of Finance and County Services

Chairman Antenori called the meeting to order at 11:47 a.m.

ITEMS FOR DISCUSSION

Board of Supervisors

1. County Supervisors Association's (CSA) annual County Outreach Tour: update regarding activities of the CSA for fiscal year 2024-2025, including activities from the recent legislative session and future legislative proposals.

There was an audio technical issue from the beginning of the meeting and was fixed at 05:09 minutes.

Craig Sullivan, Executive Director of CSA, presented this item by using a PowerPoint presentation. He stated CSA is a support system for the Board and they assist all 15 counties in the state. He stated CSA meets regularly and provides feedback on bills in the process.

Mr. Sullivan stated that legislature manages a complex, tiered pension system with risk pooling and siloed debt. He stated efforts focus on improving debt repayment, closing legacy liabilities through Corrections Office Retirement Plan (CORP) and Elected Official Retirement Plan (EORP), and working with the legislature to maintain a rate stability, manage liabilities, and monitor plans like EORP, which is closed to new members and covers service before 2014.

Mr. Sullivan explained that the state's pension system reforms reduced benefits and increased employee costs, leading to contractual issues and significant repayment obligations. He emphasized that counties do not set pension policies; instead, they follow state-crafted systems and decisions made by Public Safety Personnel Retirement System (PSPRS).

Mr. Sullivan explained that the organization partners with affiliate groups to support county managers, finance directors, and planners, with a focus on cross-county collaboration to address and solve common issues.

Mr. Sullivan discussed the organization's data analytics function, emphasizing its importance in supporting decision-making, visualizations, and analysis for legislative and county work. He stated

the database has grown to nearly 8 million data points, including county-relevant data like long-term care, taxes, transportation, and budgets.

Mr. Sullivan highlighted how their data analytics function supports understanding county operations through research projects, policy impact analysis, and visualizations. He discussed efforts to analyze workforce migration, especially in public safety, and how benchmarking informs policy decisions at both state and local levels.

Mr. Sullivan discussed the state's budget, noting it focused on one-time spending with little ongoing adjustment, and highlighted the importance of the \$1.45 billion rainy day fund. He emphasized upcoming policy decisions related to federal tax changes, Medicaid, and nutrition programs that will impact future budgets. Mr. Sullivan explained the disparity created by increased state police pay raises, which strain county law enforcement resources, and warned about downstream effects like recruitment challenges and pay disparities with federal agencies. He stressed the need for data-driven benchmarking to understand recruitment and retention issues across different jurisdictions.

Mr. Sullivan discussed ongoing issues with funding for probation officers, emphasizing that the state has provided only temporary patches rather than sustained resources, which strains county budgets. He highlighted the need for lawmakers to prioritize basic government services like probation funding before addressing other spending. He expressed concern about the rising costs of the long-term care system driven by an aging population and the need for a sustainable, predictable funding approach. He emphasized the importance of focusing on foundational services and the need for thoughtful, well-informed policy changes.

Mr. Sullivan discussed county-related budget items, highlighting funding allocated for local law enforcement support, wildfire investments, election reimbursements, and protections for revenue shares and juvenile dependency programs. He observed that smaller counties mostly received similar amounts, raising questions about the distribution among larger counties.

Mr. Sullivan explained that his team successfully advanced four basic government bills this year, focusing on operations and resources, and emphasized that much of their work involves responding to legislation by engaging stakeholder groups across various policy areas. He highlighted the importance of protecting local control over issues like open meeting laws and public call procedures, and noted their efforts to push back on certain regulations to preserve community management. Mr. Sullivan discussed the collaborative process in passing bills, including amendments to address concerns, and expressed satisfaction with working relationships with bill sponsors. He also brought attention to recent efforts to enhance auditing powers following the Santa Cruz treasury embezzlement case, noting that new powers would be implemented across counties, while a bill mandating professional education for treasurers did not pass.

Mr. Sullivan summarized that his team reviewed 68 bills through their Legislative Policy Committee (LPC) process, supporting, amending, or opposing legislation based on county needs, and engaged extensively in outreach to educate lawmakers, providing nearly 40 testimonies this year. He emphasized the importance of delivering reports to help supervisors understand the legislature's actions and their impact, and outlined their upcoming work plan development, which includes gathering ideas, meetings in September and October, and a collaborative process to select priority items. Mr. Sullivan expressed appreciation for the opportunity to share this information and encouraged counties to submit ideas for the next legislative session.

Chairman Antenori and Phil Leiendecker, Assessor, discussed a court case affecting how agricultural land, specifically vineyards and orchards, is valued for tax purposes. Mr. Leiendecker emphasized that the current legal interpretation treats orchards and vineyards as crops rather than capital assets, which skews assessment values and impacts property owners. Mr. Leiendecker indicated that they plan to seek support from CSA, the Agricultural Office (AO), and the Farm Bureau to draft and push for a legislative fix to properly value agricultural investments.

Mr. Correa highlighted that last year, a bill HB2318 was introduced to clarify that the valuation statute for agricultural land applies only to land, not improvements like permanent crops and vineyards, which are subject to depreciation. The bill aimed to amend to A.R.S. 42-1310(1) to

explicitly exclude improvements from land valuation, and he emphasized that bringing back this language would significantly benefit rural counties with substantial taxable assets in permanent crops. Mr. Correa urged the group to review and consider supporting similar legislation to address the problem.

Chairman Antenori discussed challenges related to new residents moving into rural areas, highlighting issues like lack of utilities, road maintenance, and limited services, which often lead to misunderstandings and frustration. He suggested implementing a disclosure requirement, similar to airport proximity notices, informing buyers about potential limitations such as unpaved roads, utility costs, flood risks, and zoning restrictions. Chairman Antenori emphasized that buyers often don't realize the trade-offs of rural property, like limited infrastructure and services, which can lead to conflicts with local authorities. He encouraged further discussion and development of clear disclosures to better inform prospective rural property buyers about the realities of living in these areas.

The Board and staff discussed challenges with open meeting laws, highlighting quick decision-making and effective communication among Board members. The Board expressed concern that current laws can lead to perceived First Amendment violations and limit the ability to collaborate efficiently, particularly on small three-member boards. The Board raised issues with expenditure limits, noting that counties often create or rely on special districts to bypass spending caps, which can be misleading to taxpayers and complicate financial management. The Board acknowledged the need for legislative fixes to balance transparency with operational flexibility and reduce the unintended consequences of existing laws.

Chairman Antenori adjourned the meeting at 12:46 p.m.

APPROVED:

Frank Antenori, Chairman

ATTEST:

Lara Loewenheim, Clerk of the Board