

**PROCEEDINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS
WORK SESSION HELD ON
TUESDAY, MAY 18, 2021**

A work session of the Cochise County Board of Supervisors was held on Tuesday, May 18, 2021, at 11:00 a.m. in the Board of Supervisors' Hearing 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
Dan Coxworth, Development Services Director
Mark Napier, Chief of Staff, Sheriff's Office

Chairman English called the meeting to order at 11:10 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

ITEMS FOR DISCUSSION

Board of Supervisors

1. Budget Work Session - Discussion of County Funding Requests, Expenses and Revenue Projections for Fiscal Year 2021-2022.

Mr. Karwaczka and Mr. Duchon presented this item using a PowerPoint presentation. Mr. Karwaczka gave opening comments and stated that staff is still working through the funding requests that are included in the presentation. Mr. Duchon reviewed General Fund Revenues and revenue trends, by category: property tax; sales tax, both state and local; and, department revenues. Property tax valuations increased; the vast majority of the increase is due to new construction, rather than property values increasing. The large gains in the current fiscal year sales tax revenues seem to be one-time; for the first time this year, the sales tax by month did not increase over last year. The prime contracting sales tax is back to normal levels; he anticipates the online sales tax to grow annually. Staff will finalize projections, balance the budget, and return in June with solid numbers.

Mr. Duchon provided information on expenses, noting that operating expenses are roughly flat, with the exception of increases to utilities and an approximate \$50,000 increase to the insurance premium for the Arizona Counties Insurance Pool (ACIP). Mr. Duchon reviewed funding requests, broken down by Operational Expenses and

Building Enhancement and Information Technology (IT) Capital. Mr. Coxworth and the Board discussed Development Services' request for \$75,000 for Dake Road Clean-up. Chief Napier and the Board discussed the Sheriff's Office funding requests, including the Sheriff's Office giving up a Commander and Sergeant position to assist with expenses of the Sheriff's Compensation Plan; Chief Napier stated that the requests for Body Cameras - Animal Control Officers and Uniform Allowance are being removed from this year's funding requests. The Board asked clarifying questions about the Sierra Vista Justice of Peace Office Remodel and the Willcox Justice of the Peace Staff requests and Mr. Karwaczka and Mr. Duchon responded.

Mr. Duchon reviewed the County's Market Plan, including the three-year plan, the percent of the market, and the costs to bring the County up to a higher percentage; he recommended the 96th percentile, with a focus on targeted adjustments to departments and jobs based on retention and performance. He discussed the cost and the various reasons for the recommendation. The Board discussed the Market Plan, staff's recommendation, adding budget capacity for performance-based rewards, and retention and hiring bonuses instead of salary increases. The cost of staff's recommendation is between \$700,000 - \$800,000, and the Board discussed increasing it to \$1 million to account for rewards or bonuses. The Board and Mr. Karwaczka discussed the focus being to look at each position, rather than an increase across the board for all employees, in keeping with the County's past practice.

Chairman English adjourned the meeting at 11:55 a.m.

APPROVED:

Ann English, Chairman

ATTEST:

Kim Lemons, Clerk of the Board