CSA Budget Priorities & Objectives

- Eliminate mandates for counties to fund state responsibilities (ADJC, SVPs at ASH, DOR, Superior Court Judges)
- Maintain rural counties’ in-lieu lottery appropriations
- Fix the Elected Officials Retirement Plan (EORP) and hold counties harmless
- Maintain financial “Flexibility Language” as a tool to meet county fiscal obligations in FY19
- Engage legislation that impacts county resources, services or authorities
  - Board approved seven legislative issues
Lesko resigns from senate to focus on run for Congress

Many legislators still in dark on water policy proposals

Ducey will convene special session to confront opioid crisis

Arizona House expels Rep. Don Shooter, citing 'dishonorable' pattern of workplace harassment

Ducey school-shooter proposal adds cops, mental-health services to campuses

Ducey rejects teacher demands for pay increase
A FIFTEEN COUNTY BUDGET SOLUTION

1. Eliminate recession-era cost shifts including:
   - Arizona Department of Juvenile Corrections (ADJC)
   - Arizona State Hospital (ASH) - Sexually Violent Persons (SVP)
   - Superior Court Judges’ Salaries
   - Disproportionate Uncompensated Care (DUC) Pool Payments
   - Maintain thirteen counties’ share of lottery revenues

2. Establish an Elected Officials Retirement Plan (EORP) circuit breaker that protects county taxpayers and the counties’ ability to meet the health, safety and welfare needs of their communities

3. Extend county “flexibility language” as a tool to meet county fiscal obligations

Cost Shifts and EORP Solution Set

- SOLUTION
  - State eliminates county cost shifts
  - Counties increase contributions to EORP liability
  - State creates EORP circuit breaker for counties

- KEY BENEFITS
  - Properly aligns costs across government
  - Creates an actually sound solution
  - Promotes state administrative accountability

County Priorities

- Eliminate recession-era cost shifts including:
  - ADJC
  - SVPs at ASH
  - Superior Court Judges’ Salaries
  - DUC Pool Payments
  - In-lieu Lottery

- EORP Circuit Breaker for 12 Rural Counties

- Extend county “flexibility language” as a tool to meet county fiscal obligations
#red for ed
State Budget: County Results

FY19

- ADJC - $11.26 million in one-time relief
- SVPs at ASH - $3.27 million in ongoing savings
- DUC Pool - $2.65 million in ongoing savings
- In-lieu Lottery Appropriation - $1.65 million in ongoing revenues
- EORP Hold Harmless - $1.7 million in one-time relief for eight smallest counties
- EORP Rate Floated - $20.15 million in ongoing liability
- HURF - $5.9 million new transportation funding

FY20

- Phased in Maricopa Superior Court Judges’ Salaries – $13.1 million in ongoing savings in FY21
- HURF - $8.9 million new ongoing transportation funding
### Additional Budget Tools

#### FY19

- **Flexibility Language**
  - Omni-language up to $1.25M for counties with a population less than 250K
- **ADOR, ADJC & RTC payments**

#### FY20

- **HB 2166: Additional VLT GF revenue**

### Results by County

<table>
<thead>
<tr>
<th>County</th>
<th>FY19 In-Lieu Lottery (now ongoing)</th>
<th>FY19 Above Baseline Relief</th>
<th>FY19 EORP Impact</th>
<th>FY19 Net Impact</th>
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<tbody>
<tr>
<td>Apache</td>
<td>$0</td>
<td>$355,200</td>
<td>($355,200)</td>
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<tr>
<td>Cochise</td>
<td>$0</td>
<td>$622,500</td>
<td>($622,500)</td>
<td>$0</td>
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<tr>
<td>Coconino</td>
<td>$0</td>
<td>$461,800</td>
<td>($654,600)</td>
<td>($192,800)</td>
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<tr>
<td>Gila</td>
<td>$0</td>
<td>$270,700</td>
<td>($270,700)</td>
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<tr>
<td>Graham</td>
<td>$0</td>
<td>$325,000</td>
<td>($325,000)</td>
<td>$0</td>
</tr>
<tr>
<td>Greenlee</td>
<td>$0</td>
<td>$324,500</td>
<td>($324,500)</td>
<td>$0</td>
</tr>
<tr>
<td>La Paz</td>
<td>$0</td>
<td>$304,500</td>
<td>($304,500)</td>
<td>$0</td>
</tr>
<tr>
<td>Maricopa</td>
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<td>$8,891,500</td>
<td>($10,389,800)</td>
<td>($1,498,300)</td>
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<tr>
<td>Mohave</td>
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<td>$706,500</td>
<td>($895,300)</td>
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<tr>
<td>Navajo</td>
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<td>$561,800</td>
<td>($561,800)</td>
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<tr>
<td>Pima</td>
<td>$0</td>
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<td>($2,414,000)</td>
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<tr>
<td>Pinal</td>
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<td>$995,900</td>
<td>($1,025,000)</td>
<td>$520,950</td>
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<tr>
<td>Santa Cruz</td>
<td>$0</td>
<td>$404,100</td>
<td>($404,100)</td>
<td>$0</td>
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<tr>
<td>Yavapai</td>
<td>$550,050</td>
<td>$737,000</td>
<td>($847,600)</td>
<td>$439,450</td>
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<tr>
<td>Yuma</td>
<td>$0</td>
<td>$528,700</td>
<td>($757,000)</td>
<td>($228,300)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,650,150</td>
<td>$18,831,700</td>
<td>($20,151,600)</td>
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</tr>
</tbody>
</table>

*Figures are rounded*
### HURF Restoration

#### IMPACT OF NEW HIGHWAY SAFETY FEE

#### Results by County

<table>
<thead>
<tr>
<th>County</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apache</td>
<td>$164,122</td>
<td>$245,131</td>
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<tr>
<td>Cochise</td>
<td>$199,570</td>
<td>$298,077</td>
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<td>Coconino</td>
<td>$236,898</td>
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<td>Gila</td>
<td>$89,788</td>
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<td>Graham</td>
<td>$58,258</td>
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<td>Greenlee</td>
<td>$22,048</td>
<td>$32,930</td>
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<td>La Paz</td>
<td>$96,012</td>
<td>$143,403</td>
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<tr>
<td>Maricopa</td>
<td>$2,500,196</td>
<td>$3,734,275</td>
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<tr>
<td>Mohave</td>
<td>$294,302</td>
<td>$439,568</td>
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<tr>
<td>Navajo</td>
<td>$196,357</td>
<td>$293,278</td>
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<td>Pima</td>
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<td>$1,534,452</td>
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<tr>
<td>Pinal</td>
<td>$469,822</td>
<td>$701,722</td>
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<tr>
<td>Santa Cruz</td>
<td>$84,551</td>
<td>$126,284</td>
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<tr>
<td>Yavapai</td>
<td>$279,825</td>
<td>$417,944</td>
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<tr>
<td>Yuma</td>
<td>$250,696</td>
<td>$374,438</td>
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<tr>
<td>Total</td>
<td>$5,969,800</td>
<td>$8,916,453</td>
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#### Results by HURF Recipient

<table>
<thead>
<tr>
<th>Recipient</th>
<th>FY19</th>
<th>FY20</th>
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</thead>
<tbody>
<tr>
<td>Counties</td>
<td>$5,969,800</td>
<td>$8,916,453</td>
</tr>
<tr>
<td>Cities</td>
<td>$9,583,250</td>
<td>$14,313,404</td>
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<tr>
<td>MAG</td>
<td>($3,020,625)</td>
<td>$2,701,758</td>
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<tr>
<td>PAG</td>
<td>($1,006,875)</td>
<td>$900,586</td>
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<tr>
<td>ADOT</td>
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<td>$42,566,499</td>
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**IMPACT OF NEW HIGHWAY SAFETY FEE**
## State Budget: Structural Balance

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
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<tbody>
<tr>
<td>Ongoing Revenues</td>
<td>$9,749</td>
<td>$10,305</td>
<td>$10,742</td>
<td>$11,221</td>
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<tr>
<td>Ongoing Expenditures</td>
<td>$9,639</td>
<td>$10,155</td>
<td>$10,697</td>
<td>$11,218</td>
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<tr>
<td>Structural Balance (Deficit)</td>
<td>$110</td>
<td>$151</td>
<td>$45</td>
<td>$3</td>
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<tr>
<td>Carry Forward</td>
<td>$341</td>
<td>$355</td>
<td>$281</td>
<td>$191</td>
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<tr>
<td>Fund Transfers</td>
<td>$46</td>
<td>$116</td>
<td>$2</td>
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</tr>
<tr>
<td>One-time Expenditures</td>
<td>$183</td>
<td>$235</td>
<td>$95</td>
<td>$88</td>
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<tr>
<td>Ending Balance (Deficit)</td>
<td>$204</td>
<td>$236</td>
<td>$188</td>
<td>$103</td>
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</table>

*in millions*
PURPOSE

Protect and enhance the county resources and authorities necessary to promote efficient, responsive county government services for constituents.

County Legislative Engagement

General effective date for bills:
August 3, 2018
90 days after Sine Die

CSA Legislative Summary
Available soon at www.countysupervisors.org
### 2018 Session by Numbers

#### Bills

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
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</thead>
<tbody>
<tr>
<td>Introduced</td>
<td>1,206</td>
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<tr>
<td>Passed</td>
<td>369</td>
</tr>
<tr>
<td>County Relevant</td>
<td>220</td>
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<tr>
<td>Signed</td>
<td>346</td>
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<tr>
<td>Ballot Propositions</td>
<td>2</td>
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<tr>
<td>Vetoed</td>
<td>23</td>
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<tr>
<td>Signed Rate</td>
<td>29%</td>
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</table>
## CSA Initiated Legislation

| SIGNED | HB 2190 county improvement districts; repayment agreements Ch. 80  
|        | HB 2413 public road maintenance; primitive designation Ch. 16  
|        | HB 2653 expenditure limitation; waiver of penalties Ch. TBD  
|        | SB 1038 state land payments; payment method Ch. 18  
|        | SB 1113 zoning violations; notice; service Ch. 213 |

| BUDGET MESSAGING | HB 2274 county contributions; hospitalization; medical; repeal  
|                  | HB 2415 juvenile dependency proceedings fund  
|                  | HB 2439 county contributions; committed youth; repeal |

| DID NOT ADVANCE | SB 1410 transient lodging tax; rural counties  
|                 | Super Majority to Levy County Excise Taxes |
Select Bills

Please note, approximately 220 county related bills were signed by the Governor and CSA will provide a summary of all the bills organized by policy area by the end of May.

HB 2371 mobile food vendors; state licensure (Payne) Ch. 286
HB 2502 NOW: traumatic event counseling; public safety (Boyer) Ch. 259
SB 1001 (1st SS) controlled substances; regulation; appropriation (Yarbrough) Ch. 1
SB 1043 county recorder; recording fees (Kavanagh) Ch. 143
SB 1140 NOW: certificates of authority; video service (Griffin) Ch. TBD

HB 2097 pension funding policies; employers (Livingston) Ch. 112
HCR 2032 public retirement systems (Livingston) Transmitted to the Secretary of State
SB 1251 PSPRS; CORP; modifications (D. Farnsworth) Ch. 42
SB 1478 NOW: employer contributions; EORP (Fann) Ch. TBD
Select Bills

**AOC Fair Justice Initiative**

HB 2169 driving violations; restricted licenses; penalties (Boyer) Ch. 113
HB 2259 juvenile court facilities; shelters; use (Carter) Ch. 136
HB 2312 setting aside conviction; requirements (E. Farnsworth) Ch. 83
HB 2313 sentencing; monetary obligations; fine mitigation (E. Farnsworth) Ch. 237
HB 2314 misdemeanor sentence; authorized disposition (E. Farnsworth) Ch. 203
HB 2315 intensive probation; employment wages; monitoring (E. Farnsworth) Ch. 204

**Other Items**

HB 2003 coal mining; TPT; repeal (Finchem) Ch. 263
HB 2166 vehicle fees; alternative fuel VLT (Campbell) Ch. 265
HB 2538 U.S. house vacancy; special election (Coleman) Ch. TBD
SB 1147 county excise tax for transportation (Worsley)
SB 1287 ADOT revisions (Worsley) Ch. 166
SB 1507 water program amendments (Griffin)
SB 1519 protective orders; schools; approp (Smith)
CSA Opposed Legislation

30 Bills Defeated or Favorably Amended

Select Bills: Defeated

HB 2207 public meetings; audiovisual recordings; posting *
HB 2333 home-based businesses; local regulation
HB 2383 authorized emergency vehicles; probation officers*
HB 2386 notice of claim; requirements
HB 2396 property; subdivision; size; requirements
HB 2479 TPT; digital goods & services
HB 2497 county attorney; county sheriff; salaries
HB 2500 real estate signs; cities; counties
HB 2518 prosecution expenses; county reimbursement; repeal*
SB 1153 fire flow requirements; rural applicability
SB 1195 mental health screening; hospitalization
SB 1404 occupational regulation; municipalities; counties
SB 1492 payment in lieu of taxes
SB 1516 central Arizona project; sovereign immunity

Select Bills: Favorably Amended

HB 2003 coal mining; TPT; repeal Ch. 263
HB 2371 mobile food vendors; state licensure Ch. TBD
HB 2502 public safety; traumatic event counseling Ch. 259
SB 1140 NOW: certificates of authority; video service Ch. TBD
SB 1274 public monies; recovery; illegal payments Ch. 253
SB 1503 delinquent restitution; monthly report; hearing Ch. 226

*Bill had a strike-everything amendment, underlying bill died
2018 Summary: By the Numbers

- County FY19 GF Relief: $20M
- New County FY 19 HURF Funding: $6M
- CSA Initiated Bills Signed: 5
- Bad Bills Defeated Or Amended: 30
Legislative Proposals
County legislative proposals should be submitted to be considered by the Board at the CSA Summit.

Due: 08.13.18

CSA Board Meeting
June/July/August – Not meeting

09.20.18

CSA Legislative Policy Summit
Hosted by Yuma County Hilton Garden Inn, Yuma Pivot Point, Yuma

10.03.18 – 10.05.18