

MEMORADUM

DATE: June 2, 2020

TO: County Officials

FROM: CSA Staff

SUBJECT: County Revenue & Expenditure Projections for FY 2020-2021

Provided below are the projections of major federal and state revenue streams, as well as mandated payments required of counties through the state budget process for FY 2020-2021.

Federal Revenues

Payment In Lieu of Taxes (PILT)

Full funding of PILT was included through federal fiscal year 2020 (FFY 2020) in the Further Consolidated Appropriations Act of 2020 (P.L. 116-94). Final payment amounts for counties are scheduled to be released in June 2020 and will reflect a slight funding increase for inflation for most counties from FY 2019 levels. In the past, the PILT discussion has focused around short, one-year extensions of the program and has often taken place well into the new fiscal year. The National Association of Counties (NACo) continues to work towards addressing the PILT funding issue moving forward and is pushing for a long-term solution. Absent a long-term solution, NACo is continuing to advocate for at least a one-time extension of full funding for the PILT program in FFY 2021. If authorized at full funding, there would be an additional inflationary adjustment for county PILT payments for FY 2021.

Secure Rural Schools (SRS)

The Further Consolidated Appropriations Act of 2020 (P.L. 116-94) also reauthorized the SRS program in FFY 2019 and FFY 2020. NACo and other stakeholders continue to urge Congress to reauthorize SRS going forward. With the FFY 2020 SRS payments (paid in state FY 2021) already authorized, CSA has included a projection for SRS payments at 95% of FFY 2019 payments. This reflects changes in future year funding to the Secure Rural Schools and Community Self-Determination Act made by the appropriations bill.

State Revenues

Highway User Revenue Fund (HURF)¹

In FY 2020, the legislature fully ended the diversion of HURF monies to the Department of Public Safety (DPS) and was the last year of the \$30 million off-the-top distribution to hold local governments harmless from the previous HURF shifts to DPS. As enacted March 23, 2020, the FY 2021 budget continues the elimination of the HURF DPS shift and does not include any other significant off-the-top diversions of HURF resources, restoring the statutorily prescribed distribution. In April 2020, ADOT preliminarily revised their HURF forecast to reflect

¹A portion of the HURF distribution formula is based on unincorporated populations, currently reflecting the 2010 census. For an overview of the full distribution click [here](#).

the changed economic conditions as a result of the COVID-19 public health crisis and ensuing economic impacts. That forecast anticipates a year-over-year decline in revenues in both FY 2020 and FY 2021 of (6.3) percent and (11.1) percent, respectively. ADOT will revisit this forecast as more revenue data becomes available. Given the revised forecast, CSA estimates counties would receive \$272.7 million in FY 2020 and \$238.5 million in FY 2021.

Vehicle License Tax (VLT)²

Counties receive two different payments from VLT, with approximately 5.83 percent of total VLT revenue to be used for transportation purposes and 24.59 percent of total VLT revenue to be deposited into the general fund of each county. This revenue source will also be impacted by the ongoing public health and economic crisis, causing ADOT to revise their September 2019 Official Forecast. Based on the revised ADOT forecasts, CSA estimates that in FY 2020 counties will receive \$57.7 million in transportation dollars (5.83 percent) and \$242.1 million in general fund dollars (24.59 percent). Additionally, CSA estimates that in FY 2021 counties will receive \$52.4 million in transportation dollars and \$220.1 million in general fund dollars.

State Shared Sales Tax (TPT)³

State shared sales tax, or Transaction Privilege Tax (TPT), is distributed based upon population or secondary net assessed value, and point-of-sale factors. The population figures reflect the 2010 census and the estimates are *preliminary* figures provided by the Arizona Department of Revenue (ADOR).

As of April 2020, the Joint Legislative Budget Committee (JLBC) anticipates the state's FY 2020 sales & use tax revenue will decline by 2.9 percent from FY 2019, driven by a (31) percent decline in anticipated TPT revenues in the fourth quarter of FY 2020.

ADOR provided a preliminary estimate of FY 2021 county shared TPT distribution of \$855.9 million. A final estimate will be provided in the beginning of July.

Expenditures

Mandated Healthcare-related Payments

Counties are required to assist in the funding of the AHCCCS system through direct payments to the state as required by statute or the state budget process. On March 23, 2020, the state passed the FY 2021 General Appropriations Act along with several budget reconciliation bills. At the April 9, 2020 Finance Advisory Committee (FAC), the legislature's budget staff advised that this budget would lead to a \$1.1 billion general fund cash shortfall for the state in FY 2021. As a result, the legislature will need to pass a revised budget, which could modify these payments. Given no changes to the state budget as enacted on March 23rd, most counties will make the following three payments to the state in FY 2021:

Budget Neutrality Compensation Fund (BNCF)

This payment is designed to provide administrative funding for costs associated with Prop. 204 implementation. Total payment is set by statute and adjusted for inflation. Total FY 2021 county payments to the BNCF are \$4,037,400.

² The general portion of VLT is distributed based on a "county of origin" factor. CSA used actual FY 2019 numbers to estimate FY 2021 distributions. The transportation portion uses 2010 census unincorporated population.

³ Based on ADOR preliminary estimates provided to CSA. ADOR will release official estimates in July.

Acute Care (Acute)

This payment was originally designed to share the burden of state matching requirements for federal funds for the AHCCCS Acute Care Program. Acute Care payments have been the same for most counties since FY 1996. The FY 2021 Acute Care payments total \$45,819,000.

Arizona Long Term Care System (ALTCS)

These payments are transfers made by counties and, when combined with state dollars, are used as the state match to pull down federal Medicaid funds for the state's elderly and physically disabled (EPD) long term care program. Growth in the program is split 50/50 between the counties and the state. Allocation across the counties is based on FY 2019 ALTCS spending in the county and is adjusted using several statutory "circuit breakers".

Total FY 2021 ALTCS contributions were set at \$305,872,000, reflecting an increase of \$15,595,900 from the FY 2020 county contributions due to increased capitation rates (costs of providing care) and increases in program population. These contributions reflect the January JLBC Baseline's estimate of capitation rate and population growth, which was significantly lower than the AHCCCS and Executive estimates. The AHCCCS October Revised Budget Request and Executive Recommendation estimates are also included for reference.

Arizona Department of Juvenile Corrections (ADJC) Cost Shift

This statutory fee requires the director of the ADJC to assess a "committed youth confinement cost sharing fee" to each county with a population above 500,000 persons. The FY 2021 budget does not outline a mechanism to allocate the fee to each affected county (Maricopa and Pima), although it has previously been allocated based on the county's share of total county population. The provision exempts the fee from the county expenditure limitation and includes flexibility language to allow a county to use any source of county revenue to meet the fiscal obligation. The FY 2021 budget sets the agency's expenditure authority from the fund that contains the fee at \$8,450,900. The budget does not include any relief from the fee for Maricopa or Pima Counties, so the total county impact would be \$8.45 million absent any additional legislative action.

Arizona Department of Revenue (ADOR) Cost Shift

The FY 2021 budget requires ADOR to charge every city, town, county, the Maricopa Association of Governments (MAG) and the Pima Association of Governments (PAG) a service fee for the revenue that is collected on behalf of the jurisdiction. The provision exempts this fee from the county expenditure limitation and includes flexibility language to allow a county to use any source of county revenue for the fiscal obligations. The FY 2021 budget sets the amount to be raised from the fee at \$20.8 million (unchanged from last year) and lays out a framework for calculating each jurisdiction's share. The aggregate county share of the fee is determined through the following procedure:

- (1) Calculate the aggregate amount distributed to counties from:
 - (a) A.R.S. § 42-5029 (TPT distribution base)
 - (b) A.R.S. § 42-6103 (county general fund excise tax)
 - (c) A.R.S. § 42-6107 (county transportation excise tax for roads)
 - (d) A.R.S. § 42-6108 & 42-6108.01 (tax on hotels – Pima only)
 - (e) A.R.S. § 42-6109 & 42-6109.01 (jail facility excise tax – Maricopa only)
 - (f) A.R.S. § 42-6110 (use tax on electricity)
 - (g) A.R.S. § 42-6111 (county capital projects)
 - (h) A.R.S. § 42-6112 (county excise tax for county judgment bonds – La Paz only)
- (2) Calculate the aggregate amount distributed to counties, cities, towns, MAG, and PAG from:
 - (i) All taxes listed under step one
 - (j) A.R.S. § 42-6001 (city excise taxes)
 - (k) A.R.S. § 43-206 (urban revenue sharing)
 - (l) A.R.S. § 42-6105 (MAG transportation tax)
 - (m) A.R.S. § 42-6106 (PAG transportation tax)

(3) Calculate what percentage the aggregate amount calculated under step one is of the aggregate amount calculated under step two and apply this percentage to the \$20.8 million

$$\left(\frac{\text{sum}(a, b, c, d, e, f, g, h)}{\text{sum}(a, b, c, d, e, f, g, h, i, j, k, l, m)} \right) \times 20,755,835 = 4,020,830$$

The aggregate county amount calculated through the above procedure is then proportionally billed to each county based on population (as estimated by the 2010 census). ADOR's preliminary calculation estimates that the county aggregate share will be approximately \$4.0 million in FY 2021.

Additional information, including county-by-county estimates, on these items appears in the following attachments.

PILT Payments to Arizona Counties

| County | FY 2019 PILT Funding ACTUAL /1 | FY 2020 PILT Funding PROJECTED /2 | FY 2021 PILT Funding PROJECTED /3 |
|--------------|--------------------------------------|---|---|
| Apache | \$ 1,917,783 | \$ 1,958,500 | \$ 1,978,000 |
| Cochise | \$ 2,323,927 | \$ 2,371,100 | \$ 2,396,600 |
| Coconino | \$ 2,694,814 | \$ 2,635,700 | \$ 2,673,800 |
| Gila | \$ 3,676,126 | \$ 3,788,500 | \$ 3,826,700 |
| Graham | \$ 2,994,083 | \$ 3,059,300 | \$ 3,090,400 |
| Greenlee | \$ 981,300 | \$ 1,010,500 | \$ 1,023,600 |
| La Paz | \$ 2,135,328 | \$ 2,183,900 | \$ 2,205,800 |
| Maricopa | \$ 3,319,979 | \$ 3,427,400 | \$ 3,465,600 |
| Mohave | \$ 3,723,704 | \$ 3,808,400 | \$ 3,846,500 |
| Navajo | \$ 1,632,321 | \$ 1,620,300 | \$ 1,637,300 |
| Pima | \$ 3,563,953 | \$ 3,630,500 | \$ 3,668,600 |
| Pinal | \$ 1,385,570 | \$ 1,460,500 | \$ 1,477,900 |
| Santa Cruz | \$ 1,141,215 | \$ 1,193,600 | \$ 1,205,800 |
| Yavapai | \$ 3,499,331 | \$ 3,590,100 | \$ 3,628,300 |
| Yuma | \$ 3,728,651 | \$ 3,813,500 | \$ 3,851,600 |
| Total | \$ 38,718,085 | \$ 39,551,800 | \$ 39,976,500 |

- /1 Distributed by Department of the Interior on June 20, 2019. Amounts collected from DOI PILT program website: <https://www.nbc.gov/pilt/counties.cfm>
- /2 P.L. 116-94 authorized full funding for PILT in FY 2020. To be paid by June 30, 2020. Assumes 2.3% inflation adjustment for per acre amounts and no major changes in acreage. Prior year payments based on OAG Statement of Federal Land Payments Oct. 1, 2018 to Sept. 30, 2019.
- /3 If PILT is reauthorized at the full funding level for FY 2021. Assumes 1.0% inflation adjustment for per acre amounts, no major changes in acreage, and no significant changes in behavior for prior year payments.

SRS Payments to Arizona Counties

Note: SRS was reauthorized by Congress for FFYs 2019 and 2020 (payments in FY 2020 and FY 2021).

| County | FFY 2019 Payments ACTUAL | FFY 2020 Payments PROJECTED/1 |
|--------------|--------------------------------|-------------------------------------|
| | (received March 2020) | (to be received March/April 2021) |
| Apache | \$ 601,211 | \$ 571,150 |
| Cochise | \$ 351,481 | \$ 333,907 |
| Coconino | \$ 2,369,433 | \$ 2,250,961 |
| Gila | \$ 1,158,854 | \$ 1,100,911 |
| Graham | \$ 445,593 | \$ 423,313 |
| Greenlee | \$ 669,633 | \$ 636,151 |
| La Paz | \$ - | \$ - |
| Maricopa | \$ 365,787 | \$ 347,498 |
| Mohave | \$ 7,689 | \$ 7,305 |
| Navajo | \$ 834,203 | \$ 792,493 |
| Pima | \$ 220,992 | \$ 209,942 |
| Pinal | \$ 273,630 | \$ 259,949 |
| Santa Cruz | \$ 300,961 | \$ 285,913 |
| Yavapai | \$ 1,578,818 | \$ 1,499,877 |
| Yuma | \$ - | \$ - |
| Total | \$ 9,178,285 | \$ 8,719,371 |

/1 SRS payments for FFY 2019 and FFY 2020 were reauthorized in P.L. 116-94 with 5% program reductions each year. County FFY 2020 payments estimated using a 5% reduction in FY 2019 payments.

HURF Revenue Estimates for FY 2021 & Revised FY 2020 Forecast

| | FY 2020 | FY 2021 |
|--|---------------|---------------|
| County Share Revised Forecasted HURF Distribution /1 | \$272,680,000 | \$238,540,000 |

FY 2020 April 2020 Revised Forecast

| County | FY 2019 Actual Distribution /1 | FYTD HURF Distribution /2 | April Revised Forecast /3 |
|--------------|--------------------------------|---------------------------|---------------------------|
| Apache | \$ 8,026,368 | \$ 6,842,682 | \$ 7,640,000 |
| Cochise | \$ 9,689,776 | \$ 8,305,642 | \$ 9,290,000 |
| Coconino | \$ 11,203,161 | \$ 9,507,344 | \$ 10,660,000 |
| Gila | \$ 4,341,647 | \$ 3,741,869 | \$ 4,170,000 |
| Graham | \$ 2,858,148 | \$ 2,535,267 | \$ 2,780,000 |
| Greenlee | \$ 1,096,095 | \$ 928,539 | \$ 1,030,000 |
| La Paz | \$ 4,819,304 | \$ 4,322,249 | \$ 4,750,000 |
| Maricopa | \$ 119,520,149 | \$ 99,764,428 | \$ 112,670,000 |
| Mohave | \$ 14,306,948 | \$ 12,111,354 | \$ 13,620,000 |
| Navajo | \$ 9,556,298 | \$ 8,080,107 | \$ 9,020,000 |
| Pima | \$ 49,718,364 | \$ 41,882,215 | \$ 47,050,000 |
| Pinal | \$ 22,866,805 | \$ 19,449,671 | \$ 21,720,000 |
| Santa Cruz | \$ 3,962,410 | \$ 3,422,887 | \$ 3,800,000 |
| Yavapai | \$ 13,618,954 | \$ 11,509,289 | \$ 12,910,000 |
| Yuma | \$ 12,158,709 | \$ 10,376,966 | \$ 11,570,000 |
| Total | \$ 287,743,136 | \$ 242,780,509 | \$ 272,680,000 |

FY 2021 April 2020 Revised Forecast

| County | Unincorp. Pop. Factor /4 | Fuel Factor /5 | April Revised Forecast /6 |
|--------------|--------------------------|----------------|---------------------------|
| Apache | 0.04474 | 0.02112 | \$ 6,620,000 |
| Cochise | 0.03823 | 0.03188 | \$ 8,030,000 |
| Coconino | 0.03917 | 0.03940 | \$ 9,380,000 |
| Gila | 0.01872 | 0.01373 | \$ 3,610,000 |
| Graham | 0.01492 | 0.00803 | \$ 2,380,000 |
| Greenlee | 0.00324 | 0.00393 | \$ 890,000 |
| La Paz | 0.01004 | 0.01922 | \$ 3,970,000 |
| Maricopa | 0.20680 | 0.49808 | \$ 99,360,000 |
| Mohave | 0.05501 | 0.04748 | \$ 11,830,000 |
| Navajo | 0.04979 | 0.02648 | \$ 7,870,000 |
| Pima | 0.25831 | 0.13887 | \$ 41,100,000 |
| Pinal | 0.13712 | 0.05655 | \$ 18,870,000 |
| Santa Cruz | 0.01877 | 0.01213 | \$ 3,340,000 |
| Yavapai | 0.06126 | 0.04158 | \$ 11,230,000 |
| Yuma | 0.04388 | 0.04152 | \$ 10,060,000 |
| Total | 1.00000 | 1.00000 | \$ 238,540,000 |

/1 Included estimated statutory distributions to the State Lake Improvement Fund, Off-Highway Vehicle Recreation Fund, DPS Parity Compensation Fund, MVD 3rd Party Operators, Economic Strength Project, \$15.5 million distribution to DPS and \$30 million special allocation to local governments.

/2 Fiscal-year-to-date distributions through April 2020 as dated in monthly HURF distribution reports.

/3 Based on HURF revised forecast as of April 2020 provided by ADOT of \$1.43 billion in total HURF revenues. Distributed using 2010 census data and 3-year average fuel factor from Feb. 2017 - Jan. 2020. These could materially change over the next several months and affect a county's distribution.

Includes estimated statutory off-the-top distributions to the State Lake Improvement Fund, Off-Highway Vehicle Recreation Fund, DPS Parity Compensation Fund, MVD 3rd Party Operators, the Economic Strength Project and \$30 million special allocation to local governments.

Percentage change in county distributions from FY 2019 may differ from aggregate HURF percentage change due to elimination of DPS shift and changes in county fuel factor.

For reference, links to the previous ADOT official forecasts are provided below. FY 2020 HURF estimates provided in the FY 2020 CSA Revenue and Expenditure Report were based on the Sept. 2018 ADOT Official Forecast.

[Sept. 2018 ADOT Official Forecast](#)

[Sept. 2019 ADOT Official Forecast](#)

/4 ADOT currently uses data from the 2010 census.

/5 Using the 3-year average fuel factor from Feb. 2017 - Jan. 2020. These could materially change over the next year and affect a county's distribution.

/6 Based on HURF revised forecast as of April 2020 provided by ADOT of \$1.27 billion in total HURF revenues. Includes estimated statutory off-the-top distributions to the State Lake Improvement Fund, Off-Highway Vehicle Recreation Fund, DPS Parity Compensation Fund, MVD 3rd Party Operators and the Economic Strength Project.

Percentage change in county distributions from FY 2020 may differ from aggregate HURF percentage change due to elimination of \$30 million special allocation to local governments.

VLT Revenue Estimates for Revised FY 2020

| | | |
|--|---------------------|-----------------------|
| | FY 2020 | |
| | General Fund | Transportation |
| County Share Revised Forecasted Distribution /3 | \$242,136,000 | \$57,678,000 |

FY 2020 Revised Estimates - April 2020 Revised Forecast

| County | General Fund | | | Transportation | | |
|--------------|-----------------------------------|-------------------------|------------------------------|-----------------------------------|-------------------------|------------------------------|
| | FY 2019 Actual Distribution /1 | FYTD Distribution /2 | April Revised Forecast /3 | FY 2019 Actual Distribution /1 | FYTD Distribution /2 | April Revised Forecast /3 |
| Apache | \$ 707,670 | \$ 614,601 | \$ 667,300 | \$ 2,735,685 | \$ 2,344,400 | \$ 2,580,800 |
| Cochise | \$ 3,965,016 | \$ 3,437,819 | \$ 3,741,000 | \$ 2,337,623 | \$ 2,003,272 | \$ 2,204,900 |
| Coconino | \$ 4,158,788 | \$ 3,564,275 | \$ 3,926,900 | \$ 2,395,100 | \$ 2,052,529 | \$ 2,259,200 |
| Gila | \$ 1,905,295 | \$ 1,636,384 | \$ 1,797,200 | \$ 1,144,659 | \$ 980,938 | \$ 1,079,800 |
| Graham | \$ 1,068,252 | \$ 917,323 | \$ 1,007,800 | \$ 912,303 | \$ 781,816 | \$ 860,500 |
| Greenlee | \$ 420,991 | \$ 367,695 | \$ 397,000 | \$ 198,114 | \$ 169,778 | \$ 186,800 |
| La Paz | \$ 731,601 | \$ 662,987 | \$ 690,000 | \$ 613,909 | \$ 526,101 | \$ 579,000 |
| Maricopa | \$ 171,375,890 | \$ 146,572,026 | \$ 161,826,100 | \$ 12,645,052 | \$ 10,836,430 | \$ 11,927,400 |
| Mohave | \$ 8,597,032 | \$ 7,338,748 | \$ 8,112,200 | \$ 3,363,657 | \$ 2,882,553 | \$ 3,172,800 |
| Navajo | \$ 2,678,078 | \$ 2,319,456 | \$ 2,526,800 | \$ 3,044,474 | \$ 2,609,023 | \$ 2,872,000 |
| Pima | \$ 30,213,876 | \$ 25,752,072 | \$ 28,524,400 | \$ 15,794,698 | \$ 13,535,582 | \$ 14,899,000 |
| Pinal | \$ 12,667,798 | \$ 11,105,995 | \$ 11,947,700 | \$ 8,384,379 | \$ 7,185,161 | \$ 7,908,600 |
| Santa Cruz | \$ 1,843,943 | \$ 1,574,446 | \$ 1,739,100 | \$ 1,147,716 | \$ 983,558 | \$ 1,082,600 |
| Yavapai | \$ 9,785,240 | \$ 8,526,216 | \$ 9,232,200 | \$ 3,745,822 | \$ 3,210,057 | \$ 3,533,500 |
| Yuma | \$ 6,358,338 | \$ 5,407,828 | \$ 6,000,300 | \$ 2,683,099 | \$ 2,299,335 | \$ 2,531,100 |
| Total | \$ 256,477,807 | \$ 219,797,871 | \$ 242,136,000 | \$ 61,146,288 | \$ 52,400,533 | \$ 57,678,000 |

/1 Reflects distributions as reported in ADOT SFY 2019 VLT Distributions to Recipients report.

/2 Fiscal-year-to-date distributions as reported in Bimonthly VLT Distribution Report to Cities, Towns and Counties from reports dated 07/01/19 to 04/15/20.

/3 Based on ADOT Revised HURF Forecast of a (5.6) percent decline in FY 2020 VLT revenues from FY 2019 provided during ADOT Financial Report to State Transportation Board on May 15, 2020. Distributed by county based on FY 2019 County of Origin provided by ADOT in Feb. 2020.

Totals may not sum due to rounding.

VLT Revenue Estimates for FY 2021

| | FY 2021 | |
|--|---------------|----------------|
| | General Fund | Transportation |
| County Share Revised Forecasted Distribution /1 | \$220,102,000 | \$52,430,000 |

FY 2021 Estimates - April 2020 Revised Forecast

| County | FY2019 County of Origin Factor | GF Distribution | Unincorp. Population Factor | Transportation Distribution |
|--------------|-----------------------------------|-----------------------|--------------------------------|--------------------------------|
| Apache | 0.00276 | \$ 606,600 | 0.0447 | \$ 2,346,000 |
| Cochise | 0.01545 | \$ 3,400,500 | 0.0382 | \$ 2,004,300 |
| Coconino | 0.01622 | \$ 3,569,600 | 0.0392 | \$ 2,053,600 |
| Gila | 0.00742 | \$ 1,633,700 | 0.0187 | \$ 981,500 |
| Graham | 0.00416 | \$ 916,100 | 0.0149 | \$ 782,200 |
| Greenlee | 0.00164 | \$ 360,900 | 0.0032 | \$ 169,800 |
| La Paz | 0.00285 | \$ 627,300 | 0.0100 | \$ 526,300 |
| Maricopa | 0.66833 | \$ 147,100,200 | 0.2068 | \$ 10,842,200 |
| Mohave | 0.03350 | \$ 7,374,000 | 0.0550 | \$ 2,884,200 |
| Navajo | 0.01044 | \$ 2,296,900 | 0.0498 | \$ 2,610,700 |
| Pima | 0.11780 | \$ 25,928,700 | 0.2583 | \$ 13,543,400 |
| Pinal | 0.04934 | \$ 10,860,500 | 0.1371 | \$ 7,189,000 |
| Santa Cruz | 0.00718 | \$ 1,580,800 | 0.0188 | \$ 984,100 |
| Yavapai | 0.03813 | \$ 8,392,100 | 0.0613 | \$ 3,212,000 |
| Yuma | 0.02478 | \$ 5,454,200 | 0.0439 | \$ 2,300,800 |
| Total | 1.00000 | \$ 220,102,000 | 1.0000 | \$ 52,430,000 |

/1 Based on ADOT Revised HURF Forecast of a (9.1) percent decline in FY 2021 VLT revenues from FY 2020 provided during ADOT Financial Report to State Transportation Board on May 15, 2020. Distributed by county based on FY 2019 County of Origin provided by ADOT in Feb. 2020. Totals may not sum due to rounding

FY 2021 Preliminary County Shared TPT Estimates

| County | FY2021 Estimated State Shared Sales Tax /1 |
|--------------|--|
| Apache | \$ 5,400,000 |
| Cochise | \$ 13,725,000 |
| Coconino | \$ 21,965,000 |
| Gila | \$ 5,536,000 |
| Graham | \$ 3,900,000 |
| Greenlee | \$ 4,792,000 |
| La Paz | \$ 2,253,000 |
| Maricopa | \$ 554,840,000 |
| Mohave | \$ 23,490,000 |
| Navajo | \$ 11,644,000 |
| Pima | \$ 115,908,000 |
| Pinal | \$ 35,505,000 |
| Santa Cruz | \$ 4,881,000 |
| Yavapai | \$ 29,984,000 |
| Yuma | \$ 22,080,000 |
| Total | \$ 855,903,000 |

/1 Based on preliminary ADOR forecast dated 05/29/2020. ADOR continues to update their model as new information becomes available and will distribute an updated forecast at the beginning of July.

FY 2021 County Contributions to AHCCCS

03.23.20 Enacted Budget

| County | ALTCS /1 | Acute Care | BNCF | Total |
|--------------|-----------------------|----------------------|---------------------|-----------------------|
| Apache | \$ 696,200 | \$ 268,800 | \$ 133,100 | \$ 1,098,100 |
| Cochise | \$ 5,181,000 | \$ 2,214,800 | \$ 248,200 | \$ 7,644,000 |
| Coconino | \$ 2,090,300 | \$ 742,900 | \$ 244,900 | \$ 3,078,100 |
| Gila | \$ 2,519,200 | \$ 1,413,200 | \$ 100,600 | \$ 4,033,000 |
| Graham | \$ 1,745,100 | \$ 536,200 | \$ 71,500 | \$ 2,352,800 |
| Greenlee | \$ 3,900 | \$ 190,700 | \$ 18,400 | \$ 213,000 |
| La Paz | \$ 716,100 | \$ 212,100 | \$ 38,100 | \$ 966,300 |
| Maricopa | \$ 196,891,500 | \$ 17,788,700 | \$ - | \$ 214,680,200 |
| Mohave | \$ 9,763,200 | \$ 1,237,700 | \$ 285,800 | \$ 11,286,700 |
| Navajo | \$ 2,881,800 | \$ 310,800 | \$ 187,300 | \$ 3,379,900 |
| Pima | \$ 47,415,800 | \$ 14,951,800 | \$ 1,702,500 | \$ 64,070,100 |
| Pinal | \$ 14,431,100 | \$ 2,715,600 | \$ 333,100 | \$ 17,479,800 |
| Santa Cruz | \$ 2,402,000 | \$ 482,800 | \$ 78,700 | \$ 2,963,500 |
| Yavapai | \$ 9,074,300 | \$ 1,427,800 | \$ 314,700 | \$ 10,816,800 |
| Yuma | \$ 10,060,500 | \$ 1,325,100 | \$ 280,600 | \$ 11,666,200 |
| Total | \$ 305,872,000 | \$ 45,819,000 | \$ 4,037,400 | \$ 355,728,500 |

/1 Figures reflect state budget passed 03.23.20. This amount could change as the legislature has not yet adjourned for the year and could pass a revised budget. Additionally, due to the ongoing growth in caseload there is the potential for AHCCCS to exceed their annual appropriation in FY 2021, resulting in the need for additional county dollars.

Numbers may not total due to rounding.

Previous County ALTCS Contribution Estimates

Please note, the budget enacted on March 23, 2020 sets the FY 2021 county ALTCS contribution at the level outlined in the January JLBC Baseline.

| County | October AHCCCS Budget Request /1 | January Executive Recommendation /2 | January JLBC Baseline /3 |
|--------------|----------------------------------|-------------------------------------|--------------------------|
| Apache | \$ 795,318 | \$ 799,617 | \$ 696,200 |
| Cochise | \$ 5,500,017 | \$ 5,537,880 | \$ 5,181,000 |
| Coconino | \$ 2,387,434 | \$ 2,400,389 | \$ 2,090,300 |
| Gila | \$ 2,602,733 | \$ 2,616,312 | \$ 2,519,200 |
| Graham | \$ 1,745,067 | \$ 1,745,071 | \$ 1,745,100 |
| Greenlee | \$ 10,167 | \$ 10,676 | \$ 3,900 |
| La Paz | \$ 757,055 | \$ 761,791 | \$ 716,100 |
| Maricopa | \$ 206,638,079 | \$ 207,718,476 | \$ 196,891,500 |
| Mohave | \$ 10,212,178 | \$ 10,265,602 | \$ 9,763,200 |
| Navajo | \$ 3,291,571 | \$ 3,309,417 | \$ 2,881,800 |
| Pima | \$ 49,333,623 | \$ 49,591,579 | \$ 47,415,800 |
| Pinal | \$ 15,103,540 | \$ 15,184,214 | \$ 14,431,100 |
| Santa Cruz | \$ 2,512,821 | \$ 2,525,918 | \$ 2,402,000 |
| Yavapai | \$ 9,572,844 | \$ 9,632,787 | \$ 9,074,300 |
| Yuma | \$ 10,513,013 | \$ 10,567,348 | \$ 10,060,500 |
| Total | \$ 320,975,460 | \$ 322,667,077 | \$ 305,872,000 |

/1 Published October 31, 2019

/2 Published January 2020

/3 Published January 2020, same as FY 2021 state budget passed on March 23, 2020.

Preliminary FY 2021 County Payments to the Arizona Department of Revenue (ADOR)

03.23.20 Enacted Budget

| County | FY 2021 ADOR Cost Shift/1 |
|--------------|------------------------------|
| Apache | \$ 44,988 |
| Cochise | \$ 82,622 |
| Coconino | \$ 84,556 |
| Gila | \$ 33,715 |
| Graham | \$ 23,413 |
| Greenlee | \$ 5,307 |
| La Paz | \$ 12,888 |
| Maricopa | \$ 2,401,117 |
| Mohave | \$ 125,925 |
| Navajo | \$ 67,590 |
| Pima | \$ 616,624 |
| Pinal | \$ 236,374 |
| Santa Cruz | \$ 29,829 |
| Yavapai | \$ 132,748 |
| Yuma | \$ 123,135 |
| Total | \$ 4,020,830 |

/1 The FY 2021 budget requires ADOR to collect \$21 million from counties, cities, the Maricopa Association of Governments (MAG) and the Pima Association of Governments (PAG) based on certain taxes collected on their behalf. ADOR's estimate of \$4.0 million for counties is distributed by county using 2010 census population data.