



County Supervisors
A S S O C I A T I O N
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Report to the Gila County Board of Supervisors



June 28, 2011



County Supervisors Association

CSA's Purpose:

CSA is a non-partisan forum for Arizona's 55 county supervisors to address important issues facing local constituents, providing a mechanism to share information and to advance a proactive state and federal policy agenda.

Core Goals:

Protect and enhance county authorities and resources in order to promote efficient, responsive constituent services

Develop and disseminate information to assist state and local decision-making



CSA County Services

Advocacy and Policy Development

- Arizona Legislature and Executive Agencies
- U.S. Congress and Federal Agencies

Research and Informative Products

Communication and Outreach

FY10-11 Association Report: Includes select outcomes, information products, and support services



County Direction to CSA

2011 County Directives to CSA Staff:

1. State budget #1 priority
 - Minimize and mitigate fiscal damage to counties
2. Advance county-initiated CSA-sponsored legislation
3. Protect county interests before the legislature

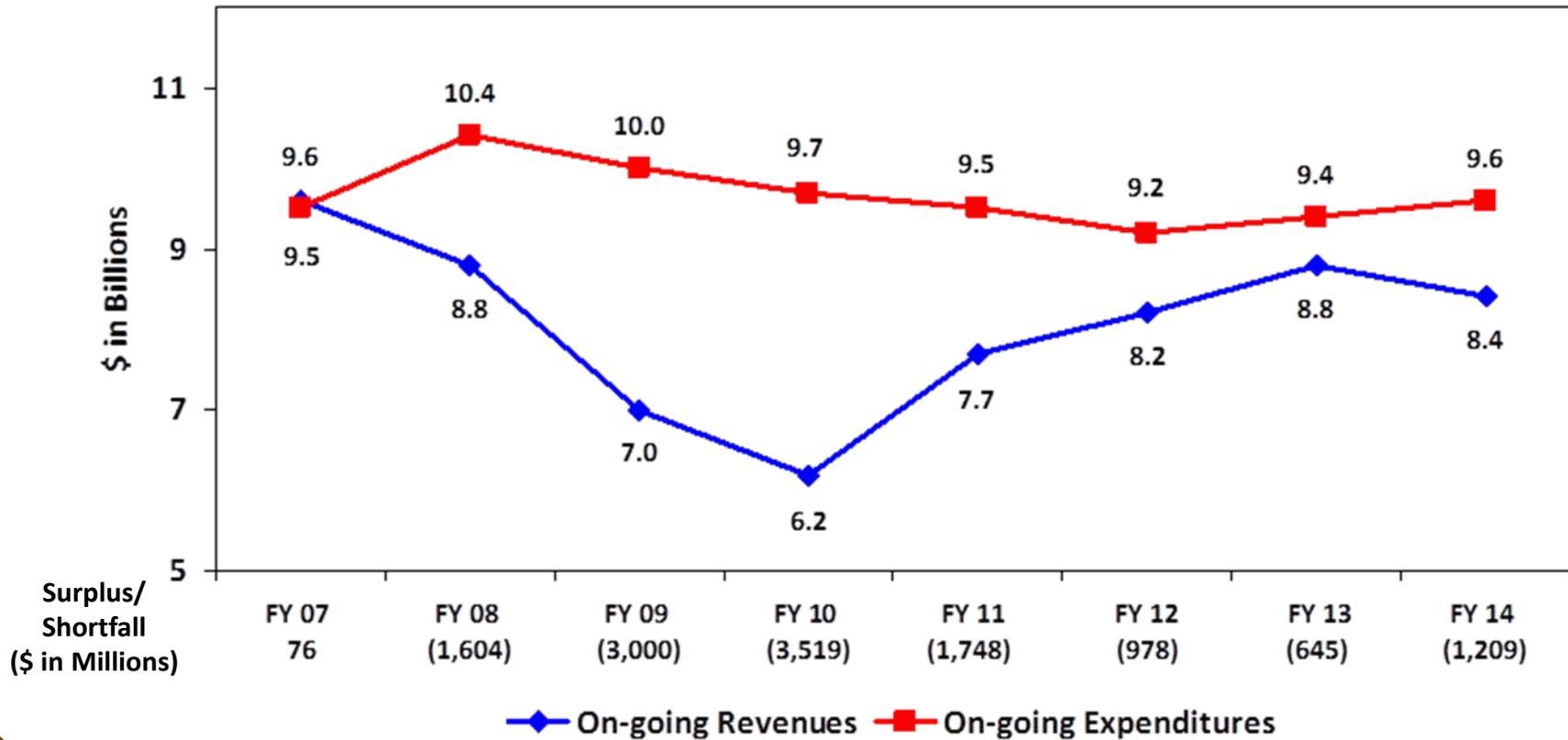


New Legislature, New Challenges

- ✓ The largest Republican majority in state history (40 in House, 21 in Senate)
- ✓ 34 freshman legislators (27 members of the House)
- ✓ Budget deficit and educational deficit
 - Significant time spent *educating* lawmakers and responding to harmful legislation
 - Large number of bills impacting county operations



Lawmakers Focused on “Getting in the Black”



Counts 1 & TPT as on-going in FY11 – FY13

Source:
JLBC



Competing Budget Proposals

In January, Governor Brewer proposed a state budget with **\$65 million** in county impacts, including:

- Additional HURF Shift (\$7.8M), 50% SVP Cost (\$2.3M), ACJC grants (\$2.2M)
- Lower mandated county contributions (\$34M to \$21M)

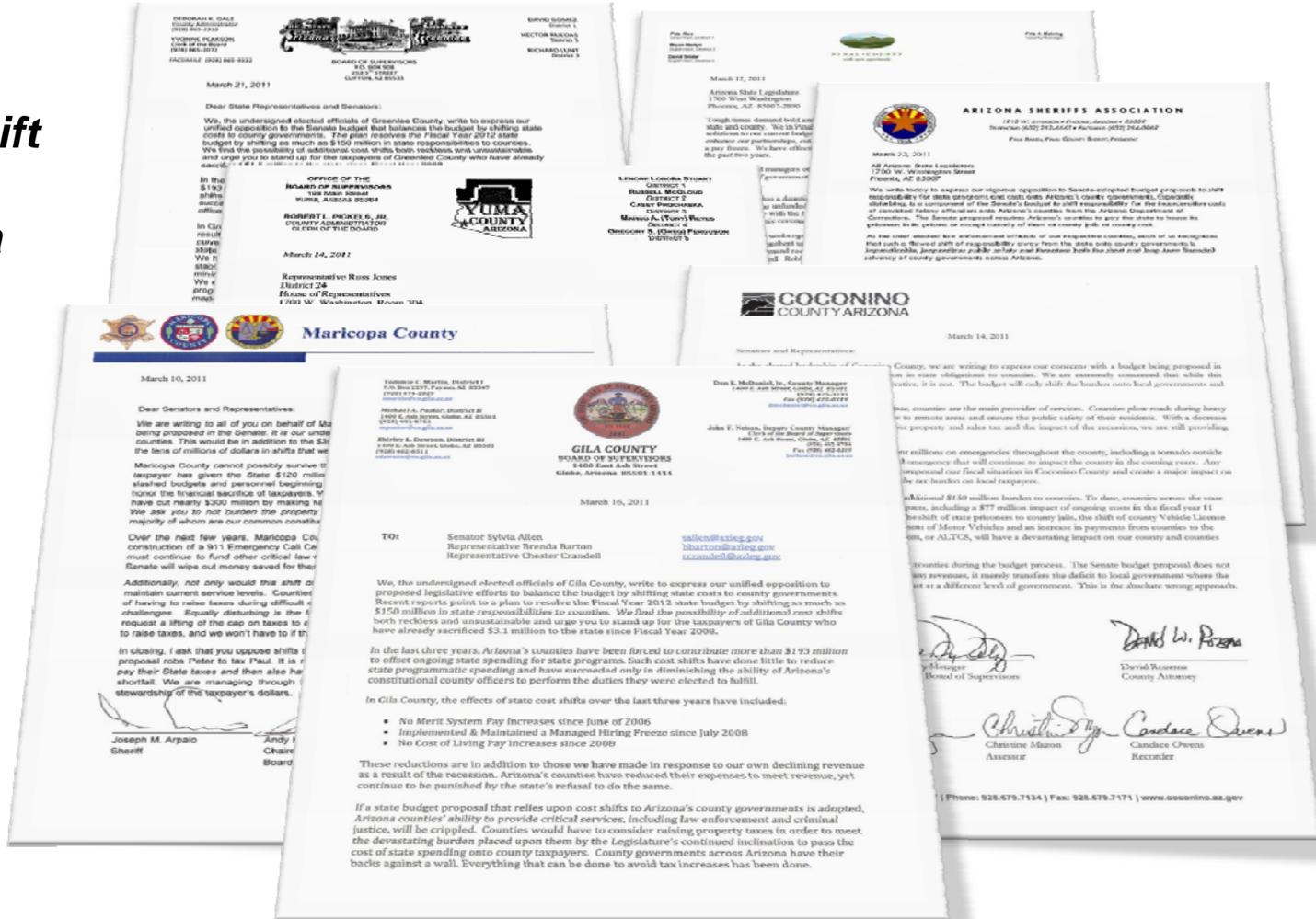
The State Senate passed an alternative budget with **\$150 million** in county impacts:

- Senate budget included county impacts in Governor's proposal, *plus* the prisoner shift, MVD shift, and higher mandated county "contributions"



County Officials Respond to Budget Proposals

Legislative proposals to shift \$150 million to counties drew a sharp response from county elected officials statewide.



Adopted FY12 State Budget

Legislative leaders and the Governor negotiated and passed a final budget that included **\$94 million** in county impacts and:

- Delayed the prisoner shift until July 1, 2012
- Exempted ten counties from the MVD shift
- Expanded the mandated county “contributions” to the five largest counties
- Maintained flexibility language, allowing a county to meet any fiscal obligation from any source of revenue, including special taxing districts controlled by the board of supervisors

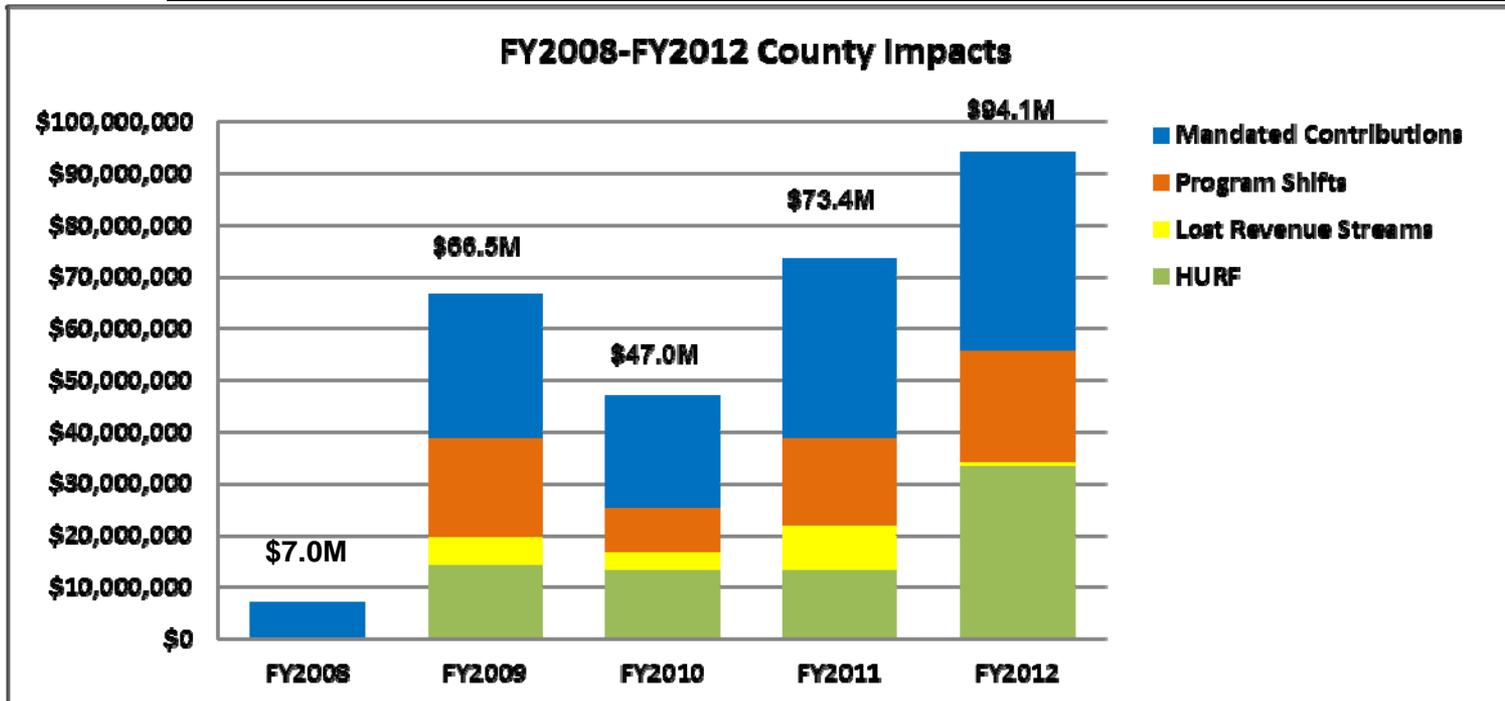


Adopted FY12 State Budget

<u>Enacted FY12 Budget</u>		<u>Gila County</u>
HURF Shift to DPS	(\$20.8 million)	(\$342,221)
HURF Shift to MVD	(\$12.3 million)	N/A
50% SVP Costs at ASH	(\$6.2 million)	N/A
100% of Rural RTC Costs	(\$5.1 million)	(\$383,812)
Reduce State Share of JP Salaries	(\$1.1 million)	(\$37,682)
Maricopa Superior Court Judge Salaries	(\$9.0 million)	N/A
ACJC Grants to Indigent Defense	(\$700,300)	(\$7,287)
Mandated County Transfers	(\$38.6 million)	N/A
Inmate Shift	Delayed	Triggered FY12-13
<i>Estimated Fiscal Impact</i>	<i>(\$94.1 million)</i>	<i>(\$771,002)</i>



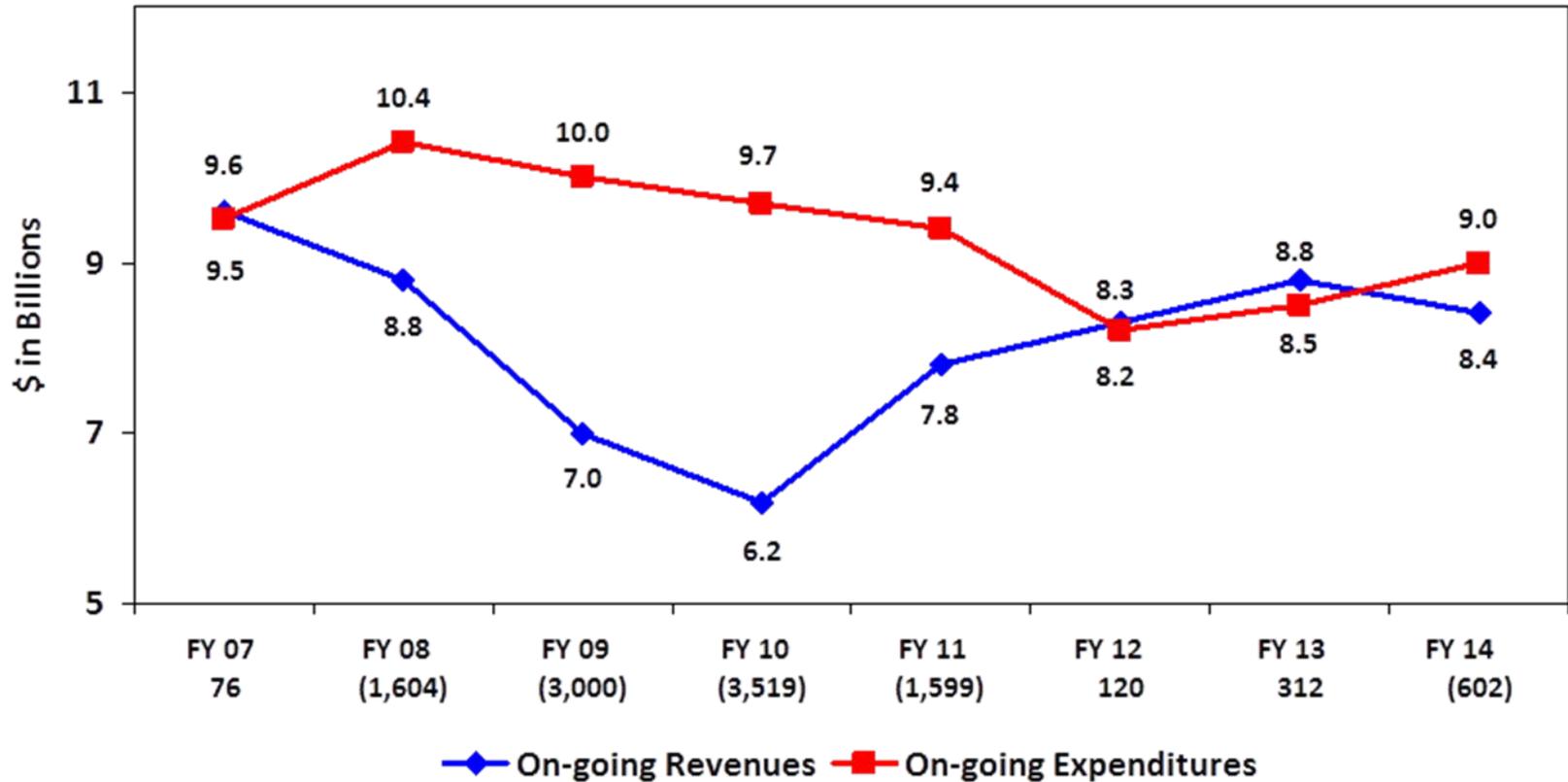
State Budget Impacts (FY08 – FY12)



ESTIMATED AGGREGATE IMPACTS FY08-FY12	STATEWIDE COUNTY IMPACT	GILA COUNTY
HURF Shifts	(\$73.6 million)	(\$1,003,470)
Lost Revenue Streams	(\$17.8 million)	(\$599,708)
Program Shifts	(\$66.5 million)	(\$1,506,697)
Mandated Contributions	(\$130.1 million)	N/A
<i>Estimated Fiscal Impact</i>	<i>(\$288 million)</i>	<i>(\$3,109,875)</i>



Budget Eliminates Structural Deficit Through FY13



Source:
JLBC



CSA Legislative Agenda

Seven of eleven CSA-sponsored bills enacted into law

- HB 2197 charter schools; age restricted communities (*Lesko*)
- HB 2372 conservatorships; guardianships; county reimbursement (*Ash*)
- HB 2236 sharing revenue information; political subdivisions (*Goodale*)
- SB 1291 prisoners; credits for fines (*Griffin*)
- HB 2318 regional and public transportation authorities (*Jones*)
- HB 2319 counties; primitive roads; maintenance (*Jones*)
- SB 1362 structures; flood control (*Antenori*)

Four CSA-sponsored bills held by sponsor, defeated, or vetoed

- SB 1427 flood control district; construction projects (*Nelson*) - **Held**
- SB 1428 counties; employment of contractors; bids (*Nelson*) - **Held**
- SB 1278 county assessor; permanent retrieval fund (*Allen*) - **Defeated**
- SB 1186 2011 tax correction act (*Yarbrough*) - **Vetoed**



Legislation Amended by CSA

Amended multiple bills to address county interests

- HB 2005 subdivisions; acting in concert (*Burges*)
- HB 2103 homemade food products; regulation; exception (*Kavanagh*)
- HB 2424 probate; wards; rights (*Smith*)
- SB 1118 county medical examiner; identification protocol (*Barto*)
- SB 1379 consumer fireworks; regulation (*Antenori*)
- SB 1499 probate proceedings; omnibus (*Driggs*)
- SB 1598 cities; counties; regulatory review (*Klein*)
- SB 1609 retirement systems; plans; plan design (*Yarbrough*)
- HB 2584 workers' compensation; directed care (*Burges*)
- SB 1178 county judgment bonds (*Allen*)



Legislation Opposed by CSA

CSA directly opposed the following bills:

HB 2207 special health care districts; procurement (*Harper*) - **Held**

HB 2501 rules; laws; ordinances; interpretation (*Vogt*)- **Held**

SB 1177 public intoxication; local laws (*Allen*) - **Held**

SB 1215 public meetings; call to public (*Allen*) - **Held**

SB 1411 elected county officers; authority (*Smith*) - **Failed**

SB 1541 sheriff's deputies; overtime pay (*Melvin*) - **Failed**

SB 1286 counties; cities; permits; time limits (*Klein*) - **Held**

Educated legislators on pension reform, illegal subdivisions, homemade food products, county personnel systems, legislative vacancy process, probate, supervisor authority, public meetings, public intoxication, and many other issues.



Legislation Opposed by CSA

In spite of CSA opposition, the following bills became law:

SB 1171 cities; acquisition of wastewater utility (*Antenori*)

SB 1313 public health districts; voter approval (*Murphy*)

SB 1398 moving violations; assessment; equipment; enforcement (*Biggs*)



Legislation Opposed by Counties

Counties worked with Governor Brewer's office on the following vetoes:

HB 2338 special districts; secondary levy limits (*Olson*)

- Capped county health, library, and jail districts

HB 2650 county employees; merit system exemption (*Burges*)

- Required counties to uncover employees

HB 2484 legislative vacancies; precinct committeemen (*Gowan*)

- Eliminated supervisors' role in replacing legislators

SB 2581 STOs; credits; administration (*Mesnard*)

- Threatened county severance tax revenue

SB 1201 firearms omnibus (*Gould*)

- Prohibited restrictions on firearms in county buildings

SB 1041 Arizona quality jobs incentives (*Reagan*)

- Changed tax classifications for new/expanding businesses



Next Steps

Evaluation of prisoner shift implementation

- Determine size and scope of shift
- Assessment of mitigation/reform strategies

Monitor prospects for special session

- Unemployment benefit extension
- State personnel reform

Monitor state's fiscal situation

- AHCCCS lawsuit could create a \$200 million deficit

Connect with counties, stakeholders, and legislators in preparation for next session

- CSA county outreach (June – August)
- Managers meetings in June and August
 - Reforms, cost saving measures



Policy Development Process

Next steps:

County legislative proposals due August 15, 2011

- CSA provided template; staff available to assist with evaluation

CSA Board of Directors meeting, September 15, 2011

CSA Legislative Policy Summit:

Hosted by Navajo County

Show Low, Arizona

October 3-5, 2011



CSA Legislative Summary

Annual summary document will soon be available on the
CSA website: www.countysupervisors.org





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