**BOARD OF SUPERVISORS MEETING MINUTES**
**GILA COUNTY, ARIZONA**

Date: July 26, 2016

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| **MICHAEL A. PASTOR**<br>Chairman | **MARIAN E. SHEPPARD**<br>Clerk of the Board |
| **TOMMIE C. MARTIN**<br>Vice-Chairman | By: Laurie J. Kline<br>Deputy Clerk |
| **JOHN D. MARCANTI**<br>Member | Gila County Courthouse<br>Globe, Arizona |

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PRESENT: Michael A. Pastor, Chairman; Tommie C. Martin, Vice-Chairman (via telephone); John D. Marcanti, Member; Jacque Sanders, Assistant County Manager, Librarian; Jefferson R. Dalton, Deputy Gila County Attorney, Civil Bureau Chief; Marian E. Sheppard, Clerk of the Board; and, Laurie J. Kline, Deputy Clerk

ABSENT: Don E. McDaniel, Jr., County Manager

**Item 1 – CALL TO ORDER - PLEDGE OF ALLEGIANCE - INVOCATION**

The Gila County Board of Supervisors met in a special session at 10:00 a.m. this date in the Board of Supervisors' hearing room. Adam Shepherd led the Pledge of Allegiance and Jeff Dalton delivered the invocation.

**Item 2 – PUBLIC HEARINGS:**

**A. Information/Discussion to obtain public comment regarding the adoption of the final FY 2016-2017 Gila County Budget.**

Jacque Sanders, Assistant County Manager, Librarian, stated that in accordance with the Arizona Revised Statutes, a summary of estimated revenues and expenditures/expenses and tax levy and tax rate information for fiscal year 2017 was published with the notice of this public hearing in the Arizona Silver Belt newspaper, which is the official newspaper of record for Gila County. A copy of the tentative Fiscal Year 2016-2017 Gila County Budget was mailed to the eight libraries in the County; an electronic copy of the Budget was posted on the Gila County website; and, a hard copy was made available to the public in the Clerk of the Board's office. There were also two public forums held - one in Payson and one in Globe to obtain public comment regarding the Budget. Chairman Pastor opened the public hearing and there were no comments received; therefore, he closed the public hearing.

**Item 3 – REGULAR AGENDA ITEMS:**

**A. Information/Discussion/Action to adopt the final FY 2016-2017 Gila County Library District Budget which is included as part of the FY 2016-2017 Gila County Budget.**

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adjourned as the Gila County Board of Supervisors and convened as the Gila County Library District Board of Directors.

Ms. Sanders advised that the Arizona Revised Statutes require that all special taxing districts, such as the Gila County Library District, must adopt an annual budget. The Library District's budget must be adopted by the Library District Board of Directors (BOD) and it will then be adopted by the Board of Supervisors at the time the entire Gila County Budget is adopted. The Gila County Board of Supervisors serves as the Gila County Library District Board of Directors. The tentative Fiscal Year 2016-2017 Library District Budget was adopted on June 21, 2016 in the amount of $1,203,513, which includes an increase from last year of $45,115 due to an increase in the assessed valuation. Ms. Sanders stated that the Library District continues to commit to expanding connectivity at the libraries, providing additional bandwidth and expanding electronic resources. She added that a computer technician position has been added to this year's Library District Budget. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adopted the final FY 2016-2017 Gila County Library District Budget which is included as part of the FY 2016-2017 Gila County Budget.

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously adjourned as the Gila County Library District Board of Directors and reconvened as the Gila County Board of Supervisors.

**B. Information/Discussion/Action to adopt Resolution No. 16-07-06, which authorizes the adoption of the final FY 2016-2017 Gila County Budget in the amount of $94,014,975.**

Ms. Sanders prefaced the presentation by stating that the final Fiscal Year 2016-2017 Gila County Budget represents an overall increase of 1% and a slight decrease in the General Fund and the Special Revenue Fund from last year's budget. She then introduced Robert Mawson, Senior Accountant, to provide an overview of this year's budget.

Mr. Mawson briefly explained the budget process and then provided a slide presentation. The highlights of the presentation are as follows:

**Budget Process Accomplishments**

- Simplified the Budget Process
- Integrated a Five-Year Capital Expenditure Plan & Planning Process
- Improved Communication and Transparency
- Deconstructed and Reconstructed the Budget
- Identified areas for future process improvement
- Identified all fixed and future funding commitments
- Hosted two Public Forums, one in Payson and one in Globe
- Maintained existing tax rate of 4.19%
- Preserved budget reserve balances
- Maintained existing funding for Community Agency, Constituent Funds, Economic Development, Natural Resources and the Gila County Community College
- Provided $3.5 million to fund the Fiscal Year 2017 Capital Expenditure Plan
- Provided for annual employee pay increase (Consumer Price Index and Performance based)
- Absorbed increases to contribution rates of all retirement plans
- Shared the rate increases (6%) associated with medical insurance coverage (average 81.5% employer share of benefit costs)

**Fiscal Year 2016 to Fiscal Year 2017 Comparison**

- Total Budget: $94,014,975 (1% overall increase)
- General Fund: $49,042,638 (1% decrease)
- Special Revenue Funds: $31,083,435 (.5% decrease)
- Debt Service Fund: $854,000 (36% increase)
- Capital Projects Fund: $4,222,000 (3% increase
- Permanent Funds $2,624,402 (29% increase)
- Enterprise Funds: $6,188,500 (13% increase)

**Tentative to Adopted Budget**

- Total all funds remains at $94,014,975
- General Fund Budget reduced by $333,100 to offset the following increases:
    - Special Revenue Budget increased by $272,100
    - Capital Projects Fund increased by $23,500
    - Permanent Fund increased by $37,500

**Levy Increases over Fiscal Year 2016**

- Primary Property Tax Levy
    - $779,511 in additional revenue
- Secondary Library Levy
    - $45,115 in additional revenue
- Secondary Fire District Assistance Levy

- $13,779 in additional revenue

Mr. Mawson reviewed the bar graph entitled "Major Sources of Funds" and it was noted that property taxes generate the most revenue, followed by special revenue, all others, state shared sales tax, PILT (Payment in Lieu of Taxes), the County's half-cent transportation tax, and auto lieu. He then reviewed the bar graph entitled "General Fund Activities" which included County elected offices and divisions/departments that provide services to the community. The Courts are budgeted to receive the highest portion of money from the General Fund followed by the Sheriff's Patrol, Administration, Adult Detention, AHCCCS (Arizona Health Cost Care Containment System)/ALTCS (Arizona Long Term Care System), County Attorney, Sheriff's Administration/Dispatch, Probation/Juvenile Detention, Board of Supervisors, Health, Community Development, Assessor, Recorder, Treasurer, Schools and Constables.

Vice-Chairman Martin commented that she appreciated the simplicity and clarity of the presentation. Supervisor Marcanti stated that he had some questions that were answered by staff prior to the meeting, and he proceeded to compliment the Finance Division staff and the elected officials and department heads for their work in preparing the Budget. Chairman Pastor stated that he was pleased with the manner in which the Budget was prepared, and he feels that the department heads seem to be satisfied with the budget process. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously adopted Resolution No. 16-07-06, which authorizes the adoption of the final FY 2016-2017 Gila County Budget in the amount of $94,014,975. **(A copy of the resolution is attached to the minutes and permanently on file in the Board of Supervisors' Office.)**

**C. Information/Discussion/Action to authorize the advertisement of Request for Qualifications No. 060916 for Pre-Design Alternatives (Phase 1)-Site Development Alternatives for the Payson Courthouse Complex of which some of the improvements may include modifications to the recently acquired NAPA building (Building A) and the existing Sheriff's Office and Jail, as shown on Exhibit A.**

Jeff Hessenius, Finance Division Director, stated that this is a request to advertise for engineering firms to submit qualifications in order to qualify them to develop the plan for the civil work portion of the Payson Courthouse Complex project. Phase 1 [described above] of the project will include the preliminary design alternatives for the site development and will address pedestrian and vehicular traffic flow, parking, drainage, existing vegetation, and the re-location of existing utilities, if necessary. This is for Phase 1 of 2 phases in this project, and it is to evaluate the competence and the qualifications only; after which time, an evaluation committee will be assembled to evaluate the responses from the engineering firms, score them, and award a qualified vendor to provide the next phase of work on the project.

Upon Board approval a notice for Request for Qualifications will be advertised in the Arizona Silver Belt on August 3, 2016, and August 10, 2016, with a bid due date of August 19, 2016. There will be a mandatory walk-through on August 10, 2016. Any bidder questions will need to be submitted to Finance by August 12, 2016, and will be answered no later than August 16, 2016. Supervisor Marcanti affirmed that this phase is for the design only and the next phase would be the build, to which Mr. Hessenius confirmed that he was correct.

Jon Cornell, KQSS radio station reporter, stated that he thought the qualifications for an architect had already been done, to which Ms. Sanders clarified that this is a process to look at the site plan for the whole property and it is a different process from the preliminary design modifications to the building. Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously authorized the advertisement of Request for Qualifications No. 060916.

**D. Information/Discussion/Action to consider a sealed bid for the purchase of Assessor's Tax Parcel No. 101-07-051.**

Marian Sheppard, Clerk of the Board, stated that the property address for this parcel is 691 Utah Street in Hayden, Arizona. Situated on the parcel is a vacant, deteriorated house which the adjoining property owners are concerned will be set on fire, and possibly destroy their home. In this area, there have been several homes that have been vandalized and set on fire. Ms. Sheppard advised that the County's process states that an adjoining land owner may submit a bid which is less than the lien amount if proof of adjoining land ownership is provided at the time the sealed bid is submitted. She confirmed that the process was followed with regard to this bid. Ms. Sheppard stated that it would be beneficial for the Board of Supervisors to consider selling this parcel for less than the total lien amount because the parcel would then be put back on the County tax rolls and the prospective buyers could proceed with tearing down the home to lessen the fire hazard which currently exists. Chairman Pastor asked Ms. Sheppard to open the sealed bid envelope. Ms. Sheppard announced that Billy and Danielle Schneider submitted a bid in the amount of $100 to purchase the subject property. Upon motion by Supervisor Marcanti, seconded by Vice-Chairman Martin, the Board unanimously agreed to sell tax parcel number 101-07-051 to Billy and Danielle Schneider for $100.

**Item 4 – CONSENT AGENDA ACTION ITEMS: (Any matter on the Consent Agenda will be removed from the Consent Agenda and discussed and voted upon as a regular agenda item upon the request of any member of the Board of Supervisors.)**

**A. Approval of four separate Amendments to four separate Professional Services Contracts between Gila County and various attorneys who are**

**utilized by the Superior Court to extend the term of their contracts for an additional one-year period, from July 1, 2016, to June 30, 2017, and to make some other minor language changes to the contracts; all of whom assist the Superior Court in Gila County as public defenders on an annual basis.**

**B. Approval of Amendment No. 1 to Professional Services Contract No. 041515-7 with Steven Burk to increase the contract amount by $1,885.61 for an amended contract amount of $100,873.61 for the contract term of July 1, 2015, to June 30, 2016.**

**C. Approval of the June 28, 2016, July 5, 2016, and July 12, 2016, Board of Supervisors' meeting minutes.**

**D. Acknowledgment of contracts under $50,000 which have been approved by the County Manager for the weeks of May 30, 2016, through June 3, 2016; and June 6, 2016, through June 10, 2016.**

Upon motion by Vice-Chairman Martin, seconded by Supervisor Marcanti, the Board unanimously approved Consent Agenda action items 4-A – 4-D.

**Item 5 – CALL TO THE PUBLIC: Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date.**

There were no comments from the public.

**Item 6 – At any time during this meeting pursuant to A.R.S. §38-431.02(K), members of the Board of Supervisors and the County Manager may present a brief summary of current events. No action may be taken on information presented.**

Each Board member presented information on current events. The County Manager was absent and did not provide any comments.

There being no further business to come before the Board of Supervisors, Chairman Pastor adjourned the meeting at 10:33 a.m.

APPROVED:

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Michael A. Pastor, Chairman

ATTEST:

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Marian Sheppard, Clerk of the Board