

**SPECIAL CSA SESSION
May 15, 2008**

The Maricopa County Board of Supervisors convened at 10:00 a.m., May 15, 2008, to meet with the County Supervisors Association as Directors at the Legislative Policy Committee Board of Directors meeting, held at 1905 W. Washington, Phoenix, AZ, with the following Maricopa County Supervisors present: Andrew Kunasek, Chairman, District 3, Max Wilson, Vice-Chairman, District 4, Don Stapley, District 2. Absent: Fulton Brock, District 1 and Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board and Victoria Mangiapane, Deputy County Attorney to the Board of Supervisors.

President Palmer called the County Supervisors Association Board of Directors and Legislative Policy Committee meeting to order at 10:05 a.m.

UPDATE ON STATE TRUST LAND REFORM BALLOT INITIATIVE

Pat Graham, State Director for The Nature Conservancy and Chairman of the Conserving Arizona's Water and Land Committee, provided three handouts: A Fact Sheet on State Trust Land Reform; a copy of the Initiative Measure; and detailed Conservation Lands map. The state has 9.3 million acres of state trust land remaining in the state. The primary purpose of those lands has begun to shift from more rural-based uses to development. State Trust Land Reform requires an amendment to the state Constitution and the Enabling Act. Previous attempts have failed. Among other things, the reform would set aside 570,000 acres of State Trust Land that can't be sold for development, but would remain in the trust and continue to earn revenue for the trust; it allows for rights-of-ways and easements without a public auction; and it creates a planning process to balance out rapid growth with conservation.

FOREST SERVICE TRAVEL MANAGEMENT PLAN

Supervisor Tenney explained that the Forest Service was directed in 2004 by Washington, D.C. to develop travel management plans for every forest in the country, for the main purpose of dealing with the increased ATV use. Supervisor Tenney believes it is the most significant limitation to the public's access to the forests in our nation's history. Proposed restrictions include: over 60 percent of the roads in the Apache-Sitgreaves National Forest currently opened are scheduled to be closed; in the Apache-Sitgreaves all roads will be considered closed unless posted with a sign stating it is open and if caught on that road, a person would be in violation; camping in forests would only be allowed within 100 yards of an open road or in other designated campsites; motorized 3 game retrieval will not be allowed; on the Apache-Sitgreaves will allow some motorized game retrieval, but only in early seasons and not allowed between dawn and 10:00 a.m.; and will designate certain forest sites to cut firewood. Supervisor Tenney advised that all counties who are part of the Eastern Arizona Counties Association (Navajo, Greenlee, Graham, Gila and Apache) have adopted resolutions by each board opposing the plan as written, have communicated that to D.C. and the Albuquerque district office, and have asked for cooperating agency status in order to have a seat at the table. He suggested counties review how the plan would apply to their county and their constituents. Supervisor Tenney reported that a National Coalition of PILT Counties is being formed to raise money for a lawsuit to try to get a judge to rule that Congress is obligated to fully fund PILT. He said they recognize NACo does an outstanding job each year in championing the cause with the federal government on PILT issues and this coalition is not intended to duplicate or replace NACo's efforts. They have spoken with representatives from NACo and WIR about their intentions and have requested a meeting during the WIR conference next week. All counties were encouraged to adopt a resolution in opposition to the restrictive plan. Supervisor Stapley reported that NACo has prepared a report that states 54% of rural road miles are owned by counties.

NACO REPORT

Supervisor Stapley thanked the state associations' and his Board for their support in his running for and becoming the NACo President. He reported that NACo has a record high of 2,376 counties in its membership. The Prescription Drug Discount Card Program has been a huge success with 1,010 counties nationwide taking advantage of it. Almost \$90 million has been saved since the program began and eight million prescriptions have been filled, representing a 22.5 percent overall average savings. Supervisor Stapley reviewed the voting credentials process for NACo's election at the annual conference in July. The forms were mailed May 7 to each county board chairman. The deadline to return the credential form is June 27. The chosen voting delegate must be a paid conference registrant and it can be the state association executive director (must be so indicated on the form). The election will be held on Tuesday, July 15, in the morning. The evening celebration will include Mary Wilson and The Supremes, plus a country western group from Mesa as the warm-up group. A Meth forum will be held July 24 to educate counties in the western states on the effective strategy to reduce meth use. The Arizona Meth Project will be highlighted at the forum. NACo has received grants to reimburse attendees' airfare or mileage and lodging expenses. The only cost will be the \$100 registration fee. NACo has a green governance committee to promote green initiative ideas. NACo will tackle awareness, education and deliverables on energy use. NACo offers free webinars on a multitude of issues and has dedicated staff available. Supervisor Stapley indicated he would be available to speak with Supervisor Tenney on his PILT issue. He suggested counties utilize NACo and CSA for any issue whenever possible.

LEGISLATIVE REPORT

Craig Sullivan, CSA Executive Director, explained that the session is winding down and staff is looking at floor or conference committee amendments that may arise. Six of the CSA bills are on the Governor's desk; the debit card acceptance and the outdoor fire ban are still in the process. Currently, the referendum on property tax will be narrowed to the permanent repeal of the state equalization rate. At the end of session, CSA will provide a complete summary of bills enacted and a budget summary. Craig stated there is a GOP-led negotiation for key caucus members discussing budget issues. CSA continues to make sure that group has the information needed and has provided the document supplied with today's agenda on the budget shortfall items. CSA has briefed each member of the caucus group, and some of our key champions in the group have done a strong job on our behalf. Supervisor Fisher, La Paz County, expressed concern on the photo radar item. Mr. Sullivan advised there is significant opposition among key champions to shifting prisoners to county jails, but the Governor continues to promote it. Elizabeth Hegedus-Berthold, CSA, advised that HCR 2039 (sponsored by Representative Pearce), illegal aliens, enforcement, trespassing, is currently being held in the House. The Governor vetoed HB 2807, which held similar provisions. It's been mentioned that because HB 2807 was vetoed and couldn't be overridden, it has cleared the way for HCR 2039. The ballot measure would prohibit a political subdivision from passing any policy that restricts the enforcement of federal immigration laws, and provides a fine for any violation of that. The second portion of the measure criminalizes trespassing by illegal immigrants. A first offense would be a class 1 misdemeanor with a term in county jail. A second offense or trespassing committed with a dangerous drug or weapon would be either a class 2 or a class 4 felony, and would require a prison term.

CSA 2009 POLICY DEVELOPMENT REVIEW PROCESS

President Palmer noted that with the legislative summit scheduled for November, the organization will need to be prepared and organized with the legislative package due to the short timeframe that will be remaining after the summit before the 2009 session begins. Todd Madeksza stated that CSA sent out three weeks ago a Legislative Policy Proposal Template for counties to use in submitting legislative

proposals for discussion at the summit. The CSA Policy Development Roadmap and Tips for Developing Successful Proposals were also distributed. The deadline for legislative proposal submittal remains July 30. The tip sheet is intended to be helpful when counties are considering legislative proposals. CSA will remain available as a useful resource for the counties.

DISCUSSION AND APPROVAL OF CSA/ACRF FY 2008-2009 BUDGET

President Palmer explained that the CSA Executive Committee began a budget discussion several months ago to look at real cost increases the organization is facing. The executive committee also considered the economic climate and its impacts on counties. The executive committee instructed staff to take the discussion to the county managers association seeking a recommendation. Subsequently, the executive committee voted to send out for discussion and consideration by the full board a recommended budget proposal which includes a service fee increase of approximately \$74,000 among all 15 counties. The recommended budget proposal included the means to maintain current staff in order to avoid the turnover the organization has had the past few years, including numerous executive directors. An alternative budget was also forwarded that included a \$52,000 service fee increase that eliminates a payment into the operating contingency fund. A year ago the board directed the organization to establish an operating contingency fund because the organization was operating for five years without any contingency fund. The alternative budget was submitted for counties to determine whether that step back was needed due to a county's own budget constraints. The board held discussion on the recommended budget proposal. The discussion included some of the following comments: that CSA staff is doing good work and are valued and that it is not a reflection on CSA, but the concern is on increasing the budget this year when the counties will face the state budget deficit, counties are facing increased expenditures with decreased revenue, and some counties are facing hiring freezes, no pay raises, and reduction in department heads; even though counties are facing tough times, would not like to see CSA take a step backwards; it was felt it was necessary to be well-represented at the legislature during the tough times and the current staff is doing that; the increased service fee amount is small compared to having to hire an outside lobbyist; AACo's service fee increase last year was considered; CSA as an organization is competing against the other lobbying organizations' salaries and the cost of living in Phoenix, not with the counties' markets; CSA as an organization began a few years ago to secure staff development and are in favor of merit raises for employees in order to keep the valuable staff. Mr. Sullivan mentioned that when CSA and AACo split, the prime revenue generators through NACo were assigned to AACo, and CSA was primarily based on service fees and the SOBRA grant. The fundraising efforts have increased each year to try to get more corporate sponsorships, which is dialed into the budget. He mentioned the possibility of looking at other opportunities to diversify the revenue base. It was suggested to approve the budget at level funding and subsequently charge CSA leadership and the executive director to seek outside revenue. A no-growth budget was also proposed, but it was mentioned that a no-growth budget would force the organization to cut programs drastically as the cost of items continue to increase. President Palmer noted that Senator Flake had commented that in his 12 years at the legislature he has never worked with a better staff than the one CSA has now and he appreciates their support. Supervisor Lunt, Greenlee County, moved to approve the recommended budget as presented. Supervisor Tenney seconded the motion. The voting was conducted by ballot with those on the phone voicing their vote. The meeting continued as the ballots were tallied.

COUNTY CAUCUS REPORTS

Supervisor Sanchez reported that Gila County hosted the Small County Caucus dinner meeting last evening. It was well attended, including several legislators. Discussion included the PILT report from Supervisor Tenney and possible legislation to propose at the Summit. Besich, Gila County, said the

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proposed legislation dealt with having several members of a small fire district quit at the same time. There was no Medium County Caucus report. There was no Large County Caucus report.

OTHER BUSINESS

President Palmer stated that CSA was asked to provide two supervisors to attend a forum on energy in Arizona called "Powering Arizona: Planning for the Future." The forum will bring together representatives from industry and government to discuss the energy challenges Arizona will face in the future. Three nominations were received (Supervisors Stapley, Tenney and Archuleta). Mr. Sullivan added that all three will receive invitations from the institute to attend the program. President Palmer requested officials to provide to Penny Adams their NACo steering committee nominations. The deadline is June 13. President Palmer thanked everyone for the budget discussion and debate and advised that the motion as presented did pass by 30-8. He commented that although there were differing opinions, it is important that everyone do their best to support the organization.

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned at 11:47 a.m.

Andrew Kunasek, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board