

Special Meeting Minutes
Monday, June 22, 2009
Meeting Scheduled Start Time: 10:00 AM

BOARD OF SUPERVISORS
Maricopa County, Arizona
 (and the Boards of Directors of the Flood Control District, Library District, Stadium District, Improvement Districts, and/or Board of Deposit)



"The mission of Maricopa County is to provide regional leadership and fiscally responsible, necessary public services to its residents so they can enjoy living in healthy and safe communities."

Board Members
 Max Wilson, District 4, Chairman
 Fulton Brock, District 1
 Don Stapley, District 2
 Andrew Kunasek, District 3
 Mary Rose Wilcox, District 5

County Manager
 David Smith

Clerk of the Board
 Fran McCarroll

Meeting Location
 Supervisors' Auditorium
 205 W Jefferson
 Phoenix, AZ 85003

BOARD OF SUPERVISORS

(and the Boards of Directors of the Flood Control District, Library District, Stadium District, Improvement Districts and/or Board of Deposit)

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The Board of Supervisors of Maricopa County, Phoenix, Arizona, convened in Special Session at 10:00 AM on Monday, June 22, 2009, in the Board of Supervisors Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Fulton Brock, District 1; Don Stapley, District 2; Andrew Kunasek, District 3. Absent: Max Wilson, Chairman, District 4; Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager; and Victoria Mangiapane, Deputy County Attorney.

Management and Budget

1. TRUTH-IN-TAXATION HEARING

- 1) Convene a Truth-in-Taxation hearing, pursuant to A.R.S. §42-17107, to hear taxpayers in favor of or against the proposed tax levy.
- 2) Approve the proposed primary tax levy increase of \$9,687,492. This action requires a roll call vote of the Board.

3) Direct the Clerk of the Board to mail a copy of the truth in taxation notice, a statement of its publication and the result of the governing body's vote to the property tax oversight commission within three days of this hearing pursuant to A.R.S. §42-17107(A)(5).

The FY 2009-10 Maricopa County Primary Property Tax Rate is being reduced from \$1.0327 to \$0.9903 in accordance with the maximum levy, which allows for a 2% increase in total property taxes levied on properties taxed in the prior year. The \$9,687,492 increase cited above amounts to the allowable 2%. (C-49-09-062-2-01)

Acting Chairman Stapley, in accordance with A.R.S. §42-17107, convened the Truth-in-Taxation Hearing in conjunction with the FY 2009-2010 final budget hearing set per A.R.S. §42-17104, to hear taxpayers in favor of or against the proposed tax levy.

Acting Chairman Stapley asked the Clerk if any speaker's request forms had been submitted for this hearing. Ms. McCarroll responded that no speaker forms had been submitted. There being no speakers, motion was made by Supervisor Kunasek, and seconded by Supervisor Brock to approve the proposed primary tax levy increase of \$9,687,492 and direct the Clerk of the Board to mail a copy of the Truth-in-Taxation Notice, a statement of its publication, and the result of the governing body's vote to the Property Tax Oversight Commission within three days of this hearing pursuant to A.R.S. §42-17107(A)(5). Motion carried by a unanimous roll call vote (3-0-2), with Supervisors Stapley, Brock and Kunasek voting "aye". Supervisors Wilson and Wilcox were absent.

2. ADOPT FY 2009-10 BUDGET FOR MARICOPA COUNTY

Convene a public hearing, pursuant to A.R.S. §42-17104, to consider and adopt the following:

1) The FY 2009-10 Budget in the amount of \$2,136,275,386 by total appropriation for each department, fund and function. This represents net reduction of \$207,871 from the Tentative Adopted budget of \$2,136,483,257.

2) Approve the allocations for Economic Development Agencies, Non-Profit Organizations and Agricultural Extension as specified in the Final Adopted Package.

3) Notwithstanding the Budgeting for Results Accountability Policy, approve the following:

a. Adult Probation, Juvenile Probation and Superior Court are collectively known as the Judicial Branch, and considered as one appropriation. Any and all appropriations within the Judicial Branch can be transferred between any and all Judicial Branch departments by fund and function, as requested and approved by the Presiding Judge, without any further Board approval.

b. Public Defense Services, Legal Advocate, Legal Defender, Public Defender and Juvenile Defender are collectively known as Indigent Representation, and are considered as one appropriation. Any and all appropriations within Indigent Representation can be transferred between any and all Indigent Representation departments by fund and function, as requested and approved by the County Manager, without any further Board approval.

c. The appropriated budgets for all internal service funds administered by the Employee Health Initiatives department are considered one appropriation. Any and all internal service fund appropriations within Employee Health Initiatives can be transferred

between any and all funds by function as requested, upon review and recommendation of the Office of Management and Budget and approval by the County Manager, without any further approval by the Board of Supervisors.

- 4) Pursuant to A.R.S. §11-275, the Board of Supervisors authorizes the transfer of any monies received in the General Obligation - Debt Service Fund (312) to be reported in the General Fund (100).

On November 17, 2008 the Board of Supervisors approved the "Budgeting for Results Budget Policy Guidelines," which included direction for development of the FY 2009-10 budget. Departments used these guidelines to prepare and submit their budgets. Budget requests have been extensively reviewed by the Office of Management and Budget (OMB). Budget balancing reductions were approved by the Board on March 16, March 30 and April 13. The Judicial Branch and all elected officials reached agreement with OMB on their budget recommendations, with the exception of the County Attorney and Treasurer. In coordination with the County Manager, the recommended FY 2009-10 Recommended Budget was presented to the Board for Tentative Adoption on May 18, 2009. The Tentative Budget was published as required by statute. (C-49-09-062-2-02)

At the request of Acting Vice Chairman Stapley, Clerk of the Board Fran McCarroll read a statement noting for the record that the Board has previously expressed concerns about the adversarial positions the county attorney's office has often taken against the Board. This concern has caused the Board to retain independent counsel to analyze this apparent ethical conflict and to take actions that may be warranted. The analysis and response is ongoing. The county attorney's office is in attendance at this meeting – presumably to advise the Board as they proceed with the meeting. In light of the stated concerns, the Board in no way waives any conflict or ethical issues that exist as a result of the county attorney's presence here.

Sandi Wilson, Deputy County Manager and Chris Bradley, Deputy Budget Director presented the proposed 2009-10 budget. (Power Point presentation on file in the office of the Clerk of the Board) Supervisor Kunasek commented that while he was encouraged by statements made by the Maricopa County Attorney's Office, he was disappointed that the Treasurer didn't seem to be working toward a solution. Supervisor Brock said that he felt that the fact that the Treasurer has agreed to cooperate with the audit process was a breakthrough.

Supervisor Kunasek asked about the trend in the Arizona Long Term Care System (ALTCS) growth rate. Mr. Bradley replied that the growth went from 7 to 10 percent in one year, which exceeds inflation and population growth. Supervisor Kunasek then asked what impact the poor economy had on the ALTCS growth rate and Mr. Bradley responded that ALTCS growth is mainly driven by the elderly population.

Philip J. MacDonnell, Chief Deputy County Attorney, requested to speak on this item. Mr. MacDonnell expressed disagreement with plans to create a Litigation Division and downsize the Civil Division of the County Attorney's Office. He stated that taking \$6 million from the current \$10 million budget does not account for the increase in property tax cases that, per statute, must be handled by the Civil Division. Mr. MacDonnell suggested that the prudent approach would be to wait until the Court rules on the issue.

Ms. Wilson and LeeAnn Bohn, Deputy Budget Director, offered a presentation on the FY2009-10 Adopted Budget for the Civil Division of the County Attorney's office including a breakdown of the total litigation costs to date. Ms. Wilson commented that

the Office of Management and Budget would continue to work with the Civil Division to make the transition as easy and equitable as possible. (Power Point presentation on file in the office of the Clerk of the Board)

“Hos” Hoskins, Maricopa County Treasurer, read a prepared statement to the Board. He reviewed the qualifications of staff he had designated to determine the Treasurer’s budget. Mr. Hoskins maintained that an honest effort was made to arrive at the best estimate of what will be required to fund the agency throughout the coming year. Brian Hushek, Deputy Budget Director responded with a presentation of the history and actions regarding the Treasurer’s budget. (Treasurer’s statement and Power Point presentation on file in the office of the Clerk of the Board)

Motion to adopt the FY2009-2010 Budget as presented in the agenda item above by Supervisor Brock, seconded by Supervisor Kunasek
Ayes: Kunasek, Stapley, Brock
Absent: Wilcox, Wilson

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Acting Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board

IMPROVEMENT DISTRICT

The Board of Directors of the Improvement District convened in Special Session at 10:00 AM on Monday, June 22, 2009, in the Board of Supervisors Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Vice Chairman, District 2; Fulton Brock, District 1; Andrew Kunasek, District 3. Absent: Max Wilson, Chairman, District 4; Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager; and Victoria Mangiapane, Deputy County Attorney.

I-1. ADOPT FY 2009-10 BUDGETS FOR COUNTY IMPROVEMENT DISTRICTS

Pursuant to A.R.S. §48-954, convene a Public Hearing to adopt the Fiscal Year 2009-10 Budget for the County Improvement Districts per the FY 2009-10 Budget Schedules entitled "District Assessment of Special Districts" and "Street Lighting Improvement District Levies."

The "Direct Assessment of Special Districts" and "Street Lighting Improvement District Levies" budgets have been submitted by the Department of Finance. (C-49-09-064-2-01)

Motion to approve by Director Brock, seconded by Director Kunasek
Ayes: Kunasek, Stapley, Brock
Absent: Wilcox, Wilson

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Acting Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board

FLOOD CONTROL DISTRICT

The Board of Directors of the Flood Control District convened in Special Session at 10:00 AM on Monday, June 22, 2009, in the Board of Supervisors Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Vice Chairman, District 2; Fulton Brock, District 1; Andrew Kunasek, District 3. Absent: Max Wilson, Chairman, District 4; Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager; and Victoria Mangiapane, Deputy County Attorney.

F-1. ADOPT FY 2009-10 BUDGET FOR THE FLOOD CONTROL DISTRICT

Convene a public hearing to consider and adopt the FY 2009-10 Budget in the amount of \$96,730,311 by total appropriation for each fund and function for the Flood Control District. This amount represents no change from the Tentative Adopted budget of \$96,730,311.

On December 3, 2008 the Board of Directors approved the policy guidelines that the District used to prepare and submit its budget. The budget request has been extensively reviewed by the Office of Management and Budget (OMB). In coordination with the County Manager, the FY 2009-10 Recommended Budget was presented to the Board of Directors and tentatively adopted on May 18, 2009. (C-49-09-063-2-01)

Motion to approve by Director Brock, seconded by Director Kunasek
Ayes: Kunasek, Stapley, Brock
Absent: Wilcox, Wilson

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Acting Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board

LIBRARY DISTRICT

The Board of Directors of the Library District convened in Special Session at 10:00 AM on Monday, June 22, 2009, in the Board of Supervisors Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Vice Chairman, District 2; Fulton Brock, District 1; Andrew Kunasek, District 3. Absent: Max Wilson, Chairman, District 4; Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager; and Victoria Mangiapane, Deputy County Attorney.

L-1. ADOPT FY 2009-10 BUDGET FOR THE LIBRARY DISTRICT

Convene a public hearing to consider and adopt the FY 2009-10 Budget by total appropriation by fund and function for the Library District in the amount of \$31,524,526. This amount represents no change from the Tentative Adopted budget of \$31,524,526.

On December 3, 2008 the Board of Directors approved the policy guidelines that the District used to prepare and submit its budget. The budget request has been extensively reviewed by the Office of Management and Budget (OMB). In coordination with the County Manager, the FY 2009-10 Recommended Budget was presented to the Board of Directors and tentatively adopted on May 18, 2009. (C-49-09-060-2-01)

Motion to approve by Director Brock, seconded by Director Kunasek
Ayes: Kunasek, Stapley, Brock
Absent: Wilcox, Wilson

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Acting Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board

STADIUM DISTRICT

The Board of Directors of the Stadium District convened in Special Session at 10:00 AM on Monday, June 22, 2009, in the Board of Supervisors Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Vice Chairman, District 2; Fulton Brock, District 1; Andrew Kunasek, District 3. Absent: Max Wilson, Chairman, District 4; Mary Rose Wilcox, District 5. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager; and Victoria Mangiapane, Deputy County Attorney.

S-1. ADOPT FY 2009-10 BUDGET FOR THE STADIUM DISTRICT

Pursuant to A.R.S. §48-4232, convene a public hearing to consider and adopt the FY 2009-10 Budget by total appropriation for each fund and function for the Stadium District in the amount of \$10,555,364. This amount represents no change from the Tentative Adopted budget of \$10,555,364.

On December 3, 2008 the Board of Directors approved the policy guidelines that the District used to prepare and submit its budget. The budget request has been extensively reviewed by the Office of Management and Budget (OMB). In coordination with the Executive Director, the recommended FY 2009-10 budget was presented to the Board of Directors and tentatively adopted on May 18, 2009. (C-49-09-061-2-01)

Motion to approve by Director Brock, seconded by Director Kunasek
Ayes: Kunasek, Stapley, Brock
Absent: Wilcox, Wilson

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Acting Chairman of the Board

ATTEST:

Fran McCarroll, Official Record Keeper