

FINANCIAL POLICIES

This section details the financial policies and goals that guide Pima County's budget development process.

Adhere to a Well Defined Budgetary Process

Refer to pages 2-3 through 2-5 for an in depth discussion of the various elements of the budgetary process including the basis of presentation, basis of budgeting, budgetary control, budget amendments, and budget preparation and approval.

Adopt a Balanced Budget

Arizona Revised Statute 42-17151 states, in pertinent part:

On or before the third Monday in August each year the governing body of each county shall fix, levy and assess the amount to be raised from primary and secondary property taxation. This amount, plus all other sources of revenue, as estimated, and unencumbered balances from the preceding fiscal year, shall equal the total of amounts proposed to be spent in the budget for the current fiscal year.

This requirement, in effect, mandates the adoption of a balanced budget. Furthermore, it is Pima County's policy that unencumbered balances from the preceding fiscal year are considered "one-time" monies and are not to be used to fund recurring expenses, i.e., recurring operating expenditures must be matched by recurring operating revenues.

Diversify the County's Revenue Sources

Property Taxes

The fiscal year 2004/05 Adopted Budget relies on no change in the property tax rate for General Government, no change in the Debt Service tax rate, no change in the Library District tax rate, and no change in the Flood Control District tax rate. The total property tax rate for Pima County decreases slightly from \$5.4981 to \$5.4967 per \$100 of assessed valuation. (This includes \$.0427 of the Fire District Assistance Tax rate, set by state formula.)

For fiscal year 2003/04, Pima County had the highest combined property tax rate of any county in Arizona at \$5.4981 per \$100 of assessed value and the third highest primary tax rate at \$4.0720. The County's base of taxable property is relatively weak, consisting of \$5,745 of assessed value per person, whereas nine other counties, including Maricopa County, have a stronger tax base relative to their population. Despite having the highest combined property tax rate, the weaker tax base means Pima County annually collects relatively less local taxes per person.

General Government Revenues other than Property Taxes

Excluding revenues related to primary property taxes, projected fiscal year 2004/05 general government revenue from all other sources is \$124.7 million an increase of \$4.7 million over the fiscal year 2003/04 adopted budget. State shared sales taxes are expected to increase by \$7 million, and state shared vehicle license taxes are projected to increase by \$1.7 million. Increased General Government Revenues also will come from business license taxes - \$250 thousand, contributions from enterprise funds - \$484 thousand and \$13 thousand from alcoholic beverage license taxes. The adopted budget assumes elimination of \$3.8 million in State funding for Proposition 204 implementation. Approximately \$700 thousand in Federal Medical Assistance Percentage money will not be received, and there will be a reduction of approximately \$180 thousand of federal in lieu dollars.

Departmental Revenue Enhancements/Increases

During each fiscal year's budget planning and preparation, opportunities for non-tax revenue enhancements and increases are routinely explored. For a complete schedule of revenue adjustments, including new fees and other charges, as well as existing fee increases, refer to the *Supplemental Information* section – *Summary of Revenue by Fund, Department, and Category*.

Local Sales Tax

Several times over the course of the fiscal year 1999/2000 budget planning process, the Board of Supervisors discussed and voted on whether to adopt a half cent general excise tax (sales tax). As permitted by Arizona Revised Statutes, a unanimous vote of the Board would have enacted such a tax. However, a unanimous vote was not forthcoming, despite the County Administrator's strong recommendation that a sales tax be approved. During subsequent fiscal year budget planning processes, there was little such discussion, although the County Administrator remains firm in his belief that a sales tax should be enacted, in order to provide property tax relief, as well as to address the pressing needs of the County.

Unlike property taxes, it is estimated that between 13 and 20 percent of an excise tax in Pima County would be paid by nonresidents of the County. The projected fiscal year 2003/04 half-cent sales tax revenues of \$57.3 million would have been the equivalent of a primary property levy of \$1.10 per \$100 of assessed value.

State Shared Income Taxes

In the tax equity battle that occurred with the state legislature in the 1990's, tax equity for Pima County was defined as a three-legged stool, with redistribution of sales tax, highway user revenue funds (HURF), and state shared income tax each defining one leg of the stool. Sales tax equity was achieved first, followed by HURF equity in 1997. There has been no progress made in obtaining the third leg of the tax equity stool, which is state shared income tax.

All incorporated jurisdictions in Arizona receive state shared income taxes. If Pima County were an incorporated municipality, it would be the fourth largest city in the state. The County's share of income tax would be equivalent to nearly \$30 million each year. If these revenues were received, they could be used to further reduce the primary property tax by \$0.57 per \$100 of assessed value.

Stabilize the Property Tax Rates

Table 1 underscores the Board of Supervisor's commitment to stabilize tax rates. The total rate for fiscal year 2002/03 decreased by slightly more than 1 percent from the previous fiscal year, and has remained constant ever since (except for the Fire District Assistance Tax, set by State formula).

Table 1

Comparison of Property Tax Rates

	<u>FY 2001/02</u> <u>Tax Rates</u>	<u>FY 2002/03</u> <u>Tax Rates</u>	<u>FY 2003/04</u> <u>Tax Rates</u>	<u>FY 2004/05</u> <u>Tax Rates</u>
Pima County Primary (General Gov't)	\$4.0720	\$4.0720	\$4.0720	\$4.0720
Debt Service	0.8950	0.8150	0.8150	0.8150
Library District	0.2124	0.2124	0.2124	0.2124
Flood Control District	0.3546	0.3546	0.3546	0.3546
Fire District Assistance Tax	<u>0.0488</u>	<u>0.0458</u>	<u>0.0441</u>	<u>0.0427</u>
Total	\$5.5828	\$5.4998	\$5.4981	\$5.4967

Maximize the Generation and Collection of Fines, Fees, and Reimbursements

The Office of Revenue, Collections and Audit (ORCA) was created within the County Administrator's department to provide audit, reporting and collection functions to increase County revenues through improved efficiency and collections. ORCA coordinates and monitors all County collection activities. Departments are required to diligently pursue all funds owed to Pima County. The County Administrator provides quarterly reports to the Board, regarding all collection activities including recommendations to write off certain accounts. ORCA conducts routine cash handling audits, performance/management audits and contract audits pertaining to all County departments and Elected Officials Offices. Findings are made on the efficiency of the operations and compliance with County rules. Audit reports are prepared and distributed in accordance with Administrative Procedure 3-23 and ORCA procedures. Internal auditors assist in implementation of recommendations when appropriate. Finally, ORCA works with County offices and departments to identify new sources of revenue for the County, and processes applications for revenue when more than one department participates in the revenue program.

Maintain an Adequate Ending General Fund Balance

Over the past five years, the unreserved ending General Fund balance ranged from an actual high of \$31 million for fiscal year 2002/03 to a projected low of \$17.8 million for fiscal year 2003/04. The Board of Supervisors has adopted an unreserved ending General Fund Balance of \$13.0 million for fiscal year 2004/05, which is 3.5 percent of budgeted operating revenues, below the Government Finance Officers Association (GFOA) recommendation that "no less than five to 15 percent of regular general fund operating revenues" be maintained as unreserved fund balance. However, over the past five years, budgeted unreserved ending fund balance typically has been significantly less than the amount that has actually occurred, as seen in Table 2 below. If this trend continues, Pima County can expect to see an actual unreserved ending fund balance that falls within the GFOA guidelines.

Table 2

General Fund Unreserved Ending Fund Balance

	Budgeted	Actual	% of Revenue
Fiscal Year 1999/00	\$ 2,000,000	\$23,221,039	8.4
Fiscal Year 2000/01	\$ 6,780,498	\$19,653,279	6.6
Fiscal Year 2001/02	\$11,500,000	\$28,655,034	9.0
Fiscal Year 2002/03	\$13,600,000	\$30,999,355	9.4
Fiscal Year 2003/04	\$13,400,000	\$17,757,637 *	5.0
Fiscal Year 2004/05	\$13,000,000		3.5

* projected

Close monitoring of expenditures, and strong intergovernmental revenues (e.g., state shared sales tax, vehicle license tax, etc.) have accounted for the favorable variances from budget. Continuing cost shifts from the State, as it faces its own fiscal crisis, have led to a drop in the projected unreserved ending fund balance for fiscal year 2003/04.

Eliminate Long Term Cash Deficits

The long term cash deficits of certain funds are those that have accumulated as a result of losses over multiple years which cannot be covered by accounts receivable for those funds. In recent years, the largest of the County's long-term deficits was attributable to components of the Health Care System. At the beginning of fiscal year 1999/2000, funds within the Health Care System that had accumulated cash deficits were Kino Community Hospital, Posada del Sol, Pima Home Health, and Pima Health System Community Services. The total amount to be repaid was \$49.2 million.

Principally as the result of a 10 percent increase in the General Government tax rate in fiscal year 1999/2000, all of the \$49.2 million was repaid as of the end of fiscal year 2000/01.

Recognizing that the Health Care System has and would continue to face financial challenges, the Board of Supervisors approved \$12.3 million of General Fund operating transfers in fiscal year 2001/02, \$15.1 million in operating transfers in fiscal year 2002/03, and \$31 million in operating transfers in fiscal year 2003/04 to cover any short term operating deficits of the Health Care System. In fiscal year 2003/04, the Board of Supervisors began the process of leasing and turning over the operation of Kino Community Hospital to University Physicians, Inc. (UPI) in order to stem operating deficits. See page 6-11 of this section for a schedule of payments to UPI to cover the cost of this transition over the next ten years.

The Fiscal Year 2001/02 Adopted Budget included General Fund operating transfers to retire the deficits of the Recycling and Solid Waste Funds. Landfill tipping fees and operations have been restructured to head off any future deficits.

The Stadium District is one major fund that remains with an accumulated cash deficit. This amounted to approximately \$6 million as of June 30, 2003. In fiscal year 2003/04, \$2.97 million was transferred from the General Fund to cut this deficit in half. It is anticipated that the remainder of this deficit amount will be addressed in the fiscal year 2005/06 budget.

The Graphic Services Internal Service Fund is projected to have an accumulated cash deficit of \$771,480 at the end of fiscal year 2003/04. This fund is budgeted to receive \$198 thousand of General Fund operating transfers in fiscal year 2004/05. The remainder of the deficit cash balance will be addressed in fiscal year 2005/06.

Provide Board of Supervisors General Contingency Funding

The Board of Supervisors unreserved Contingency Fund is funded at \$1.5 million. This is a decrease of \$2 million from the fiscal year 2003/04 amount, since there is a reduced need to mitigate possible future adverse state budget actions regarding Arizona counties. With the Board's continued judicious management of these funds, as well as the Budget Stabilization Fund discussed below, it is realistic to assume that the fiscal year 2003/04 ending General Fund balance will be substantially higher than the budgeted amount. For fiscal year 1999/2000, similar planned management was responsible for a large part of the increase in the General Fund ending fund balance from a budgeted amount of \$2 million to an actual amount of \$23.2 million; for the fiscal year 2000/01 ending fund balance increase of \$12.9 million over the budgeted amount; for the fiscal year 2001/02 ending fund balance increase of \$17.2 million over the budgeted amount; and for the fiscal year 2002/03 ending fund balance increase of \$17.4 million over the budgeted amount.

Provide a Tax Reduction/Debt Retirement Fund

The Tax Reduction/Debt Retirement Fund was established in fiscal year 1999/2000 for the purpose of pooling revenues from various actions or activities in order to offset possible future tax increases. Revenue sources include any new revenues derived from expense recoveries, such as federal or state reimbursements for criminal justice and law enforcement, the sale of surplus property, and fee increases by General Fund departments, where General Fund support is reduced or the fees are not for a specified purpose. Since the fund's inception, over \$5.1 million in federal State Criminal Alien Assistance Program (SCAAP) revenue has been deposited to this fund, and over \$800 thousand in federal Southwest Border Prosecution Initiative revenue has been deposited to the fund.

Provide a Budget Stabilization Fund

Prior to fiscal year 1999/2000, the only method of managing budget exceedences had been to reserve funding in the Board of Supervisors Contingency Fund for that purpose. In fiscal year 1999/2000 this process was further developed and institutionalized through the establishment of the Budget Stabilization Fund (in the General Fund). For fiscal year 2004/05, expenditure funding in the Budget Stabilization Fund amounts to \$4,431,194. Funding is reserved for the items listed in the following table:

Table 3

Budget Stabilization Fund

Kino Hospital Transition Costs	\$2,988,874
Restoration to Competency	1,065,266
Legal Defender Juvenile Pilot Program	318,174
Justice Court Pro Tem Costs	<u>58,880</u>
Total Budget Stabilization Fund	\$4,431,194

Promote Budget Accountability

With the fiscal year 1999/2000 budget, the Board of Supervisors adopted a Budget Accountability Policy (see the *Supplemental Information* section - *Pima County Budget Policies*). The purpose of the policy is to establish guidelines and a methodology for the Board of Supervisors to perform their duties related to the budget and to operate Pima County Government as provided by law, by exercising financial and programmatic control over expenditures and revenues related to County programs and services. It specifically addresses appropriations for supplemental funding, transfers of appropriations among programs, and budget exceedence.

Follow a Programmatic Method of Budgeting

Prior to fiscal year 1998/99, departments within Pima County budgeted solely on a cost center/account line item basis. While this type of presentation provides valuable information, it does not identify the full cost or funding sources associated with programs.

Starting in fiscal year 1998/99, and continuing since then, the budget has been presented using a line item and programmatic method. The goal of this presentation is to plan and measure financial operations and to evaluate programs and the impact they have on the community. *Programs* in this context, are defined as *a group of closely related activities or services*. Departments organize their activities into programs and report quantitative results for each. They also provide a statement describing the main function or purpose of each program, the primary services provided, and goals and objectives.

Additionally, departments are asked to provide outcome, quality, output, and/or efficiency performance measures in their program submissions. To highlight performance trends, departments are asked to report each program performance measure for a three year period, the actual result for fiscal year 2002/03, the estimated result for fiscal year 2003/04, and the planned result for fiscal year 2004/05. As this type of presentation evolves, the goal will be to have quality output and customer service performance measures added to departmental budget submissions.

Obtain Preapproval of Grants with Fund Impact

Pima County receives significant grant funding from federal, state, and local agencies. Often, the Board of Supervisors is not apprised of grant applications and resulting fiscal impacts to the County, until after grants are awarded and funding is pending or, in some cases, already received. Further, information and analysis accompanying requests for grant acceptance are inconsistent and in some cases insufficient to allow the Board to plan for the short and long term fiscal needs of the County. With the adoption of the fiscal year 1999/2000 budget, the Board directed that a policy be established to address these issues and to detail their expectations concerning acceptance terms and conditions under which grant funding is received. Board of Supervisors Policy No. D22.6 was adopted on October 26, 1999, and is contained in the *Supplemental Information* section - *County Budget Policies*.

Conduct Periodic Base Budget Reviews

Board of Supervisors Policy No. D22.5, adopted on October 26, 1999, mandated that, beginning with fiscal year 2000/01, every department shall develop an annual budget using a zero base methodology at least once during each subsequent four year period. Pursuant to the Board schedule, this fiscal year ten departments developed annual budgets using a zero base budget (ZBB) methodology. Other departments used the target base approach traditionally employed by the County.

Each department undergoing the zero base review is asked to budget on the basis of its current level of service without regard to its target base. Increased funding for new programs, mandates, or services is presented in supplemental requests. Departments are asked to conduct a thorough assessment of service demands; review, and if necessary, redefine program goals and objectives; and develop performance measures linked to the goals and objectives. Each line item request has to be fully justified and costs allocated to the appropriate service and activity.

The participating departments and Budget Division staff agree that the ZBB process is time consuming, but benefits derived from the process justify the time and personnel resources used. The ZBB process provides departments an opportunity to assess and justify department operations, identify services needed to meet goals and objectives, determine optimal levels of funding, accurately allocate revenue and expenditures to the appropriate programs, and prioritize services. All departments have completed the ZBB process at least once as of fiscal year 2004/05. In the future, departments will be encouraged to build upon their previous experience and improve on their efforts to achieve the objectives of the process, particularly in the areas of cost justification, performance measures, and operational efficiency.

Provide Justification for all Supplemental Requests

During the budget process, any departmental funding request that exceeds the prior year's level of funding (with authorized adjustments) must include an impact statement describing the ramifications should additional funding not be granted. This impact can be stated in terms of opportunities lost, mandates not met, services not provided, or outcomes not achieved. Departments are also instructed to be as explicit as possible, when describing the effect of unfunded proposals, especially

regarding the impact on Pima County residents. For fiscal year 2004/05 funding approved for supplemental requests includes the following net fund impacts: \$6,063,057 for General Fund operating departments, \$20,000 for the Transportation Fund, \$318,174 in the Budget Stabilization Fund, and \$42,676 in the Kino Employee Transition Fund. (See *Summary Schedules* section - *Summary of Adopted Supplemental Packages.*)

Provide Adequate Employee Compensation

In his Fiscal Year 2004/05 Recommended Budget Memorandum to the Board of Supervisors (see *Budget Issues* section), the County Administrator states “The numerous, substantial challenges the County has faced during the past few years, as well as the continued day-to-day provision of exemplary service to the public, could not have been successfully accomplished without the talent and dedication of our workforce. This service has been performed within the progressively difficult context of the reduced resources and increased service demands brought about by a weakened economy. The County cannot afford to fall significantly behind in the marketplace and award of meaningful employee compensation increases should be of the highest priority.”

With the adoption of the fiscal year 2004/05 budget, the Board of Supervisors approved a general salary adjustment of 2.5 percent effective the pay period beginning August 8, 2004 and another general salary adjustment of 2.5 percent effective the pay period beginning December 26, 2004. In addition, Sheriff’s commissioned and corrections officers will receive a one step increase on their anniversary date. The following table summarizes the salary increases over the past six years.

Table 4
Salary Increase Summary

Fiscal Year	Salary Increase
FY 1999/00	2 ½% <u>general adjustment</u> effective Jan 2, 2000 2 ½% <u>anniversary</u> with successful performance evaluation
FY 2000/01	2 ½% <u>anniversary</u> with successful performance evaluation
FY 2001/02	2 ½% <u>general adjustment</u> effective Sep 9, 2001 5% <u>market adjustment</u> on anniversary establish <u>step plan</u> for Sheriff
FY 2002/03	\$0.8135 per hour or one time \$500 <u>general adjustment</u> effective Dec 19,2002 1 <u>step adjustment</u> for Sheriff non command staff effective date in class
FY 2003/04	No general adjustment, anniversary increases, or step increases awarded
FY 2004/05	2 ½% <u>general adjustment</u> effective Aug 8, 2004 2 ½% <u>general adjustment</u> effective Dec 26, 2004 1 <u>step adjustment</u> for Sheriff non-command staff effective date in class

Continue to Implement the County Ordinances that Authorize Bond Projects

Capital Improvement Plan and Capital Projects Budget

Bonding is not a new or unique method of financing public infrastructure and expansion in Pima County, as there have been nine voter-approved bond elections since 1974 yielding over \$2 billion in voter-approved bonds.

In May and November of 1997, voters authorized approximately \$257 million of general obligation bonds, \$105 million of sewer revenue bonds, and \$350 million of transportation bonds, for a total 1997 authorization of \$712 million. More recently, in May 2004, voters authorized approximately \$582 million of general obligation bonds and \$150 million of sewer revenue bonds, for a total 2004 authorization of \$732 million. Of the \$582 million of 2004 authorization of general obligation bonds, \$174.3 million are designated for open space acquisition use. Combining the 1997 and 2004 authorization provides total bond proceeds of \$1.44 billion. As a result of these approvals, Pima County currently has \$1.82 billion in active, funded capital improvement projects (including Wastewater Management). Of this amount, \$1.57 billion covers bond related projects and \$245 million covers non-bond related projects. The proposed Capital Improvement Plan (CIP) for fiscal years 2004/05 - 2008/09 identifies, among other items: active projects, funding sources, debt profiles, unfunded needs, and a schedule of bond sales. The CIP currently has 154 capital improvement projects and a total of \$147.1 million budgeted for fiscal year 2004/05. Of this amount, \$15 million in projects are funded by Wastewater Management, and \$132.1 million was approved in the fiscal year 2004/05 Capital Projects Adopted Budget. In addition, \$15 million is expected in matching funds with the primary source being \$11.8 million from the Corps of Engineers for Flood Control projects. (For project-by-project details, see the *Summary Schedules* section – *Summary of Active Capital Improvement Projects*.)

The following table shows that, of the \$712 million in 1997 bond authorization, \$427 million in bonds have been sold and of the \$732 million in 2004 bond authorization, \$41 million in bonds have been sold.

Table 5

1997 and 2004 Bond Authorizations

	<u>1997 Authorization</u>	<u>Amount Sold</u>	<u>Amount Remaining</u>
General Obligation Bonds	\$257.0 m	\$215.7 m	\$ 41.3 m
Sewer Revenue Bonds	105.0 m	81.1 m	23.9 m
Transportation Bonds	<u>350.0 m</u>	<u>130.2 m</u>	<u>219.8 m</u>
Total Bonds	\$712.0 m	\$427.0 m	\$285.0 m
	<u>2004 Authorization</u>	<u>Amount Sold</u>	<u>Amount Remaining</u>
General Obligation Bonds	\$582.0 m	\$41.0 m	\$541.0 m
Sewer Revenue Bonds	<u>150.0 m</u>	<u> </u>	<u>150.0 m</u>
Total Bonds	\$732.0 m	\$41.0 m	\$691.0 m

Legal Debt Limits

- County General Obligation Bonds

General obligation debt may not exceed six percent of the value of the County's taxable property as of the latest assessment. However, with voter approval, debt may be incurred up to 15 percent of the value of taxable property. Legal debt margin at June 30, 2003, is as follows:

Net assessed valuation (in thousands):		\$4,835,561
<u>Debt Limit (15% of net assessed valuation):</u>		\$ 725,334
<u>Amount of debt applicable to debt limit:</u>		
General obligation bonds outstanding	\$200,275	
Less assets in debt service fund available for payment of general obligation bond principal	<u>(2,226)</u>	<u>(198,049)</u>
Legal debt margin available		<u>\$ 527,285</u>

- Flood Control District General Obligation Bonds

Flood Control general obligation debt may not exceed five percent of the value of the Flood Control District's taxable property as of the latest assessment. Legal debt margin at June 30, 2003, is as follows:

Net assessed valuation (in thousands):		\$4,158,577
<u>Debt Limit (5% of net assessed valuation):</u>		\$207,929
<u>Amount of debt applicable to debt limit:</u>		
Flood Control general obligation bonds outstanding	\$4,585	
Less assets in debt service fund available for payment of flood control bond principal	<u>(26)</u>	<u>(4,559)</u>
Legal debt margin available		<u>\$ 203,370</u>

For fiscal year 2003/04, debt percentages are estimated to be 3.9 percent for general obligation bonds and .10 percent for Flood Control general obligation bonds. (For details see the *Supplemental Information* section – *Long Term Debt Service Schedules*.)

- Transportation Revenue Bonds

Arizona Revised Statute § 11-378 requires what is referred to as “two times coverage,” meaning that at the time of bond issuance (1998) Highway User Revenue Funds (HURF) received in fiscal year 1997/98 (\$33,445,603) had to be at least two times the amount of the first debt service payment for fiscal year 1998/99 (\$6,151,333). In fiscal year 2004/05, HURF revenues are budgeted at \$52.3 million and \$12.9 million in transportation revenue bonds debt service is scheduled, providing approximately 4.1 times coverage.

- Sewer Revenue Bonds

There is no legal debt limit on sewer revenue bonds.

Alternative Sources of Revenue

- Transportation Revenue Bonds

The November 1997 bond election authorized the sale of transportation revenue bonds to be repaid with HURF revenues. No other Arizona county has used this mechanism to fund capital projects. It should be noted that the 1997 and 1999 state legislatures passed what is known as "HURF equity" legislation. This legislation changed the distribution formulas to account for, in part, unincorporated populations, netting Pima County a 28 percent increase in HURF receipts in fiscal year 1997/98, the first year the legislation took effect. Over the ten year period ending with fiscal year 2006/07, the HURF equity legislation is estimated to net an additional \$144.6 million to Pima County. These additional dollars have been and will continue to be used first for debt service on transportation revenue bonds, with the remainder used for other transportation related expenses.

- Matching of Bond Proceeds

Over the years, the County has been very successful in matching bond proceeds with other funding sources. For example, \$483.5 million in bond authorizations expended through the spring of 1996 were leveraged into a total investment approximating \$800 million. Furthermore, the \$712 million 1997 bond authorization is expected to be leveraged with \$788 million in other funding sources, such as federal and state aid, private contributions from home owners associations and developers, Flood Control District tax revenues, HURF revenues, roadway impact fees, lease purchase payments, and sewer connection fees. When completed, the 1997 Bond Program will result in a \$1.5 billion investment in the community.

Operating and Maintenance Costs

The sale of bonds not only obligates the County for the repayment of principal and interest, but also obligates it for the payment of future costs related to the continued operating and maintenance of capital improvements. To plan for these future costs, Pima County routinely studies projected expenditures associated with completed CIP projects. This planning enables the County to better judge the amount of other revenues needed to maintain facilities and identify appropriate alternative sources of funding in advance of actual needs. Additional information about operations and maintenance expenditures associated with capital improvement projects, can be found in the *Supplemental Information* section - *Pima County Capital Improvement Program Summary*.

Bond Sales Scheduling

The schedule of bond sales is premised upon pledges by the Board of Supervisors to maintain secondary property taxes for general obligation debt at or below \$1.00 per \$100 of assessed valuation, and debt service for transportation revenue bonds at or below the increment received as a result of passage of "HURF equity" legislation. In general, annual increases in Wastewater Management user fees of 5 percent or less, and annual increases in connection fees of 12 percent or less are the goals.

- General Obligation Bonds

For fiscal year 2004/05, the secondary tax rate is maintained at \$0.8150 per \$100 of assessed valuation.

- Sewer Revenue Bonds

In fiscal year 1997/98, sewer user and connection fees increased 4.3 percent and 12 percent respectively. No fee increases occurred in fiscal year 1998/99. User fees and connection fees increased by 5.3 percent and 11 percent respectively in fiscal year 1999/2000, by 5 percent and 11 percent in fiscal year 2000/01, by 3.8 percent and 12 percent in fiscal year 2001/02, and by 5 percent and 12 percent in fiscal year 2002/03. The Board also approved two additional 12 percent rate increases in Connection Fees (Participating Rates) to be effective on June 1, 2003, and on September 1, 2003. During fiscal year 2003/04, the Board approved a 4.0 percent increase in User Fees and a 6.0 percent increase in Connection Fees to be effective July 1, 2004.

Table 6

Increases in Sewer User and Connection Fees

Fiscal Year	User Fees	Connection Fees
1997/98	4.3%	12.0%
1998/99	0.0%	0.0%
1999/00	5.3%	11.0%
2000/01	5.0%	11.0%
2001/02	3.8%	12.0%
2002/03 (effective 7/1/2002)	5.0%	0.0%
2002/03 (effective 4/1/2003)	0.0%	12.0%
2002/03 (effective 6/1/2003)	0.0%	12.0%
2003/04	0.0%	12.0%
2004/05	4.0%	6.0%

Implement Health Care System Reforms, Contributing to Financial Stability

Kino Community Hospital

On February 3, 2004 the Board of Supervisors voted to approve a services agreement with University Physicians, Inc. (UPI) to operate Kino Community Hospital (Kino) effective that date, and the agreement continued through June 15, 2004. On June 16, 2004 Kino ceased to be a Pima County budgeting/accounting entity per se, as UPI entered into 25-year lease agreement to manage and operate the hospital. This ended Pima County's operation of Kino after a 27-year run and, it is believed, will lead eventually to the provision of a full range of medical services at Kino without the need for General Fund support.

Over the next 10 years, however, Pima County will continue to provide General Fund support to UPI/Kino according to the schedule in Table 7.

Table 7

General Fund Support to UPI/Kino

Year 1	\$25,833,333
Year 2	\$19,791,667
Year 3	\$14,791,667
Year 4 through 7	\$10,000,000
Year 8	\$ 9,958,333
Year 9	\$ 8,958,333
Year 10	\$ 7,666,667

Institutional Health

As a result of voter-approved Proposition 204 in 2001, Pima County transitioned its Medical Assistance Department, which had processed eligibility applications for public health programs, into the Department of Institutional Health. This new department continued funding the County's mandated contributions to State health programs, but also assumed oversight of the County's correctional health care responsibility. The creation of Institutional Health also helped meet the County's need to develop a centralized pool of expertise to serve as the administrative oversight structure for the Pima County Integrated Health Care System (PCIHS). Included under PCIHS is a diverse set of payer and provider operations including: the Public Health Department, Pima Health System & Services (Pima County's acute care and long term care plans), provision of health care at the adult and juvenile detention centers, Posada del Sol Nursing Home, provision of mandated behavioral health services, and lease oversight of University Physicians Hospital at Kino, formerly Kino Community Hospital.

The four main functions of the Department of Institutional Health include:

- Administration and funding of the County's mandated contributions toward State health care programs, such as contributions to the Arizona Health Care Cost Containment System (AHCCCS), the Arizona Long Term Care System (ALTCS), and the Arizona Department of Health Services.
- Oversight and funding of local health care mandates, such as provision of Title 36 behavioral health services, and correctional health care at the County's adult and juvenile detention centers.
- Technical assistance/consultation for County administration regarding PCIHS functions and activities, including development and maintenance of a library to serve as "institutional memory" on health care issues.
- Coordination of corporate compliance activities within the PCIHS.

Conduct Studies of Criminal Justice System Elements, Leading to Financial Stability

Since the summer of 2000, private contractors have conducted three major studies of various elements of the Pima County Criminal Justice System. These studies were performed in order to provide the Board of Supervisors with the information necessary to make critical funding decisions regarding the disparate organizations that comprise this system.

Harvey M. Rose Accountancy Corporation

Shortly after the adoption of the fiscal year 2000/01 budget, Pima County issued a request for proposals from consultants to conduct performance/operations audits of the departments comprising the criminal justice system. Departments selected to undergo the audit were the Superior Court, Juvenile Court, Ajo Justice Court, Green Valley Justice Court, Justice Courts Tucson, Indigent Defense, County Attorney, and Sheriff. The Harvey M. Rose Accountancy Corporation was selected to perform the audit and presented its report to the Board of Supervisors on May 8, 2001.

The Board of Supervisors directed that the audit project include the following goals:

- Determine General Fund cost impacts resulting from criminal justice system operations.
- Identify revenue enhancement opportunities, such as increased opportunities for federal reimbursement, due to the County's "border county" status.

- Identify cost recovery opportunities, with special emphasis on increasing revenues in the Justice Courts and recovering costs from the city of Tucson Municipal Courts, where possible.
- Develop recommendations for achieving program and service delivery economies, cost efficiencies, and operational improvements.
- Determine the cost effectiveness of drug court and the reduction of time (convicted, but not yet sentenced inmates) spent in the County jail, pending transfer to the State Department of Corrections.
- Assess existing management controls and develop recommendations for improvements, with emphasis on the number of conflict cases in the Public Defender and Legal Defender offices, and the use of the 1984 “Joe U. Smith” case load standards by the Public Defender and Legal Defender offices to withdraw from representation and hire a contract attorney as a replacement.
- Assess criminal justice system department performance and compliance with laws and/or regulations set by management, applicable technical standards or norms, expert opinions, prior year performance by similar entities, and other measurements.
- Identify the costs and resulting benefits from a 10 percent criminal trial rate.

The final Management Audit report contained 22 findings and more than 100 recommendations, addressing such diverse issues as reducing criminal case processing delays, improving security and public access to the courts, obtaining jail staffing efficiencies, managing the Juvenile Detention Center population, consolidating crime laboratory services, and increasing revenue collection effectiveness. Harvey M. Rose estimated that “. . . the proper implementation of (the) recommendations would result in the County realizing at least \$1.7 million in net savings including reduced costs and increased revenues.” Staff from the County Administrator’s office has been assigned to review and follow up on the recommendations contained in the audit report.

In the area of Indigent Defense, the Rose audit noted that the lack of formalized standards in the Public Defender and Legal Defender offices limited external oversight of the offices’ productivity and that weights needed to be developed for each case type to elaborate on the numerical standards referred to in the case of “Joe U. Smith”.

Among the recommendations of the Rose audit that have been implemented are the following:

- The Superior Court, through Administrative Order 2000-51, addressed the issues of continuances, trial dates, changes of plea and conflict withdrawals in an effort to improve its criminal case flow management system and achieve an earlier disposition of cases;
- Probation Services and the Early Intervention and Prevention divisions were consolidated into one division;
- The human resources departments in the Superior Court and Adult Probation were consolidated;
- All court related debt collection services were centralized under the Clerk of the Superior Court;
- A new risk assessment tool was implemented at the Juvenile Detention Center;
- Pima County successfully lobbied for the passage of legislation that permits the Juvenile Court to assess the costs of detention in a county juvenile detention facility against parents or guardians based on their ability to pay.

American Prosecutor Research Institute

In an effort to provide better criminal justice services to the citizens of Pima County and determine if there are areas in which efficiencies could be achieved, the Pima County Attorney's Office secured funding from the Board of Supervisors in response to the Harvey M. Rose audit to have the American Prosecutor Research Institute (APRI) study the time needed to adjudicate cases in the criminal justice system and the resources needed by the prosecutor's office to handle their caseload.

Overall, in a report issued in August 2003, APRI found the Pima County Attorney's Office to be efficient and effective in its processing of criminal cases. However, APRI determined that the Pima County Attorney's Office needed 25 additional attorneys and 4 additional investigators. To begin to address this additional staffing need, the County Attorney submitted a supplemental request for Fiscal Year 2004/05 that would add additional staff in the misdemeanor and juvenile case units. However, because of funding constraints, the Board of Supervisors was not able to provide funding for this request.

The Spangenburg Group

On June 1, 2004 Robert Spangenburg presented to the Board of Supervisors *A Review of the Delivery of Indigent Defense Services of Pima County (Review)*, the culmination of a three-year study. The goal of the study was to conduct a quantitative case-weighting study of the three indigent defense agencies: Public Defender, Legal Defender, and Contract Attorneys. The Spangenburg Group's task was to develop workload standards based on the different case types and the actual work that was being performed by attorneys representing indigent defendants in Pima County. While the *Review* reported that the study went well, knowledge surfaced of several important issues that would make the implementation of new workload standards difficult.

- The data systems of the indigent defense agencies do not reliably track the information necessary to implement new workload standards;
- The data systems within other agencies of the criminal justice system (i.e., the Courts, County Attorney, and Sheriff) are not compatible with each other or the indigent defense agencies;
- A comprehensive and reliable projection of future workload by case type needs to be fully developed;
- The criminal justice system agencies do not act as an integrated system, and instead have been operating to a large extent in isolation rather than as part of a network of agencies that together can improve the operation and efficiency of the Pima County criminal justice system.

From the study, the Spangenburg Group made 37 recommendations covering all of the Pima County criminal justice system agencies. The number one recommendation from the study was that Pima County establishes a criminal justice task force or committee to begin to address the systemic problems in the criminal justice system set out in the *Review*. To this end, the County Administrator will draft, for consideration by the Board of Supervisors, a County ordinance that will establish such a committee.

NON FINANCIAL AND STRATEGIC PLANNING

Provide Services Mandated by Legislation and by Community Consensus

County government in Arizona is structured to provide services to county residents as stipulated by law and as deemed desirable by the elected representatives of county residents. To these ends, Pima County has organized its service delivery units into five basic functional areas corresponding to the primary services required. These areas are County Administration, Community & Economic Development, Justice & Law Enforcement, Medical Services, and Public Works. In each functional area, a mission statement guides operational planning at a strategic level, while more specific departmental goals and objectives form the basis for budget development.

Implement Strategic Planning Methodology and Performance Budgeting

Pima County departed from its traditional line item budget presentation utilizing a target base and has now implemented a program-oriented presentation of its budget developed from a zero base as provided under Board of Supervisors Policy No. D22.5. This policy requires that each department prepare its budget from a zero base and with a thorough review of operations once every four years. This approach incorporates the establishment of departmental mission statements, goals, objectives, and their related performance measures. An increasing emphasis has been placed on the performance aspect of this process, with the intent of improving efficiency and effectiveness of the County's service delivery by all departments. The following departmental mission statements serve as a starting point for defining strategic plans in each functional area.

County Administration consists of providing services mandated by law such as elections, property valuation and tax assessment, official document recording, conducting Board of Supervisors' meetings, financial reporting, and internal business matters including human resources, purchasing, and risk management.

ASSESSOR

Locate, identify, and value all real and personal property in Pima County. Annually value and add to the tax roll all new construction, additions, changes in ownership, subdivisions and parcel splits. Educate and assist the public in the valuation and appeals process. Department goals address:

- Timely and accurate performance of mandated duties
- Innovations in procedure, such as process automation
- Interdepartmental support for property valuation issues

BOARD OF SUPERVISORS

Fulfill the duties and responsibilities set forth in Arizona Revised Statutes. Fund and maintain public health and safety. Lay out, maintain, and manage roads and bridges within the County. Provide health care and legal services to the indigent population of the County. Supervise the official conduct of all County officers charged with assessing, collecting, safekeeping, managing, or disbursing public revenues. Initiate and support state legislation beneficial to Pima County. Pursue federal and state funding to support services for County residents. Respond to constituents' problems, suggestions, inquiries, or complaints. Establish policies and goals to be carried out and achieved by County departments. Set spending limits and approve budgets of all County Departments. Department goals address:

- Growth management
- Fiscal responsibility
- Quality of life in Pima County

CLERK OF THE BOARD

Record and publish all proceedings of the Board of Supervisors. Preserve and file all accounts acted upon by the Board. Provide efficient management, suitable storage, and utilization of Pima County records. Process, preserve, and file all petitions, various licenses and applications. Process subscriptions, publicize amendments, and codify ordinances for inclusion in the Pima County Code. Fulfill requirements of boards, commissions, and committees. Discharge statutory requirements for special taxing districts. Perform all other duties required by law, rule, or order of the Board. Department goals address:

- Timely and accurate performance of mandated duties
- Innovations in procedure, such as process automation

COUNTY ADMINISTRATOR

Carry out the policies of and attain goals established by the Board of Supervisors. Provide information and technical assistance to the Board. Administer and oversee all non-elected official department operations. Provide management, coordination, and communication on all legislative issues and intergovernmental needs. Direct activities of the Office of Revenue and Collections and the Office of Strategic Technology Planning. Department goals address:

- Implementation of Board of Supervisors policies and plans
- Revenue enhancement opportunities
- Cultural and economic development of Pima County

ELECTIONS

Conduct fair, honest, and efficient elections pursuant to all federal and state laws and regulations. Provide election support to all jurisdictions (cities, towns, schools, fire districts, and any other special district within Pima County) that contract with the County. Serve as the filing office for candidate nomination filings. Serve as the filing office for campaign finance reports. Responsible for all reprecincting and redistricting as required by the Board of Supervisors. Conduct community outreach and assistance to assure compliance with The Americans With Disabilities Act and The Voting Rights Act. Department goals address:

- Proper and efficient conduct of elections
- Timely reporting of results

FINANCE

Provide centralized financial services to internal and external customers of the County. Financial operations includes administration, bond financing, budget development and monitoring, tax levy and tax rate compilation, financial statement preparation, financial systems control, accounts payable, payroll processing, records maintenance, and mail services. See fiscal goals in the preceding Financial Policies part of this section.

FORENSIC SCIENCE CENTER

Perform investigations regarding individuals whose deaths are under the jurisdiction of the office of the Medical Examiner. Department goals address:

- Improvement the quality of death investigation standards

HUMAN RESOURCES

Formulate and carry out policies relative to personnel administration and provide the full range of personnel services including recruitment and selection, classification, compensation and benefits, training, labor relations, affirmative action reporting, records maintenance, investigations and audits, and employment rights. Department goals address:

- Assurance of market competitiveness
- Compliance with mandated personnel policy
- Interdepartmental support for human resources issues

INFORMATION TECHNOLOGY

Implement information technology standards and security procedures. Manage the County's mainframe computer, network servers, wide area network, and telecommunications. Direct the development of financial application systems and the acquisition of computer hardware/software. Support the financial application systems and direct the licensing of hardware/software. Manage franchise licensing and contract coordination for cable, fiber, and competitive local exchange carriers. Provide a central help desk function for computer hardware and software problem resolution. Departmental goals address:

- Consolidation of County IT systems
- Increased utilization of IT by elected officials
- Quality of voice/data infrastructure

NON DEPARTMENTAL

This is a budgeted funds management mechanism, rather than an operating department. Other departments carry out its functions, therefore, it does not formulate goals or objectives of its own.

PROCUREMENT

Provide all materials and services for County departments, except as specified by delegation pursuant to the procurement code or under the small purchase procedure. Administer the Pima County Minority/Women-Owned Business Enterprise Program in accordance with County Code requirements for outreach, price preference, subcontractor goals, and compliance review. Ensure compliance with the Living Wage Ordinance 2002-1 through assistance, review, and monitoring of eligible Pima County contracts, as outlined in the covered services section of the ordinance. Manage the contracts review approval process. Provide vendor/business assistance and education to vendors concerning bid preparation, bonds and insurance, and the conduct of business with the County. Track and monitor all County contracts. Department goals address:

- Efficiency of purchasing process
- Compliance with Procurement policy and procedure
- Vendor assistance with county transactions

RECORDER

Provide quality service to the public by ensuring prompt and efficient indexing and imaging of documents presented for public record. Provide expeditious retrieval and reproduction of documents previously recorded as required by the provisions of Title 11 of the Arizona Revised Statutes and the Public Records laws. Maintain voter registration rolls and conduct early voter activities as mandated in Title 16 of the Arizona Revised Statutes in an efficient and cost effective manner for Pima County and all taxing districts within Pima county (schools, fire districts, water districts, cities, and towns). Department goals address:

- Access to the voting process for all citizens
- Accuracy and timeliness of document recording
- Efficiency in performing mandated functions

TREASURER

Serve as the custodian of public monies and as the ex officio tax collector. Account for the collection, custody, and disbursement of public revenue, and report the same to the Board of Supervisors. Collect and distribute taxes. Accept deposits, clear warrants, and provide investment services to Pima County and its political subdivisions. Department goals address the following:

- Investment revenue optimization
- Innovations in procedure, particularly in process automation
- Efficiency in performing mandated functions

RISK MANAGEMENT

Manage the Pima County Risk Management program in such a way as to protect and conserve Pima County's human, financial, and physical assets while providing continuity of mandated services and fiscal integrity. Invest in long-term risk reduction through a comprehensive program designed to lessen the County's exposure to loss. Provide, through appropriate risk financing techniques, the funding to pay for losses incurred without disrupting the County budget. Minimize the total net cost of the program to the County budget, by application of risk control and risk financing techniques. Department goals include:

- Loss reduction
- Compliance with laws, rules and regulations
- Adequate funding for loss coverage

Community & Economic Development encompasses programs and initiatives which enable county residents to benefit from economic, cultural, and educational opportunities made possible, at least in part, by public funding. Because these services involve more latitude, and are generally covered by enabling rather than mandating legislation compared to many of the administrative services, they depend more on special revenue funding than on General Fund support. This functional area was restructured in fiscal year 2004/05 to focus on coordination of similar functions, expansion and better utilization of available funding, and a greater emphasis on the issues of economic development and affordable housing.

COMMUNITY & ECONOMIC DEVELOPMENT ADMINISTRATION

Administer the Economic Development & Tourism; Community Services, Employment & Training; Community Development & Neighborhood Conservation; Community Resources; School Superintendent; County Free Library and Stadium District departments. Department goals address:

- Obtaining and leveraging \$10 million in bond funding for neighborhood reinvestment
- Expansion of Local Housing Trust Fund, leveraged with federal HOME funds and private funds
- Privatization of economic development recommendations
- Restructuring of Afterschool Recreation funding

COMMUNITY RESOURCES

Improve the quality of life for residents of Pima County by offering a selection of cultural, recreational, educational, and health related services through various facilities operated by Pima County. Department goals address:

- Recreation Programs at Kino Veteran's Memorial Community Center
- Development of Kino Teen Clinic
- Operation of Las Artes education center
- Operation of Kino Sports Complex
- Pima Vocational High School

ECONOMIC DEVELOPMENT & TOURISM

Facilitate business and tourism growth with various community partners located in Pima County. Department goals address:

- Coordination of public funding
- Awareness of Pima County as a travel destination
- Utilization of County Facilities (County Fairgrounds, Tucson Electric Park)

COMMUNITY DEVELOPMENT & NEIGHBORHOOD CONSERVATION

Enhance the economic welfare of inhabitants of Pima County by promoting more and better human service delivery, promoting intergovernmental and community collaboration, addressing critical human and community needs, and promoting infrastructure, economic, and

social service development in low and moderate income communities. Department goals address:

- Augmentation and leveraging of funding
- Increase in number of residents served in the areas of housing assistance, human services, and youth programs
- Improvement in collaboration with private and nonprofit sectors in delivery of services

COMMUNITY SERVICES, EMPLOYMENT & TRAINING

Provide services that assist local employers, improve the education and skill level of workers and youth, increase the average household income, and improve the economic, physical, and social well being of the entire community, with particular focus on lower income neighborhoods and communities. Department goals address:

- Promotion of youth education
- Coordination of shared resources
- Improvement of standard of living through employability skills, education, and economic assistance to low income residents

SCHOOL SUPERINTENDENT

Perform functions mandated by the Arizona Revised Statutes and State Board of Education. Administer the funds of local public school districts, including the issuance of payrolls. Prepare financial information for the Board of Supervisors for setting the property tax rates. Department goals address:

- Compliance with state mandates and educational standards
- Pursuit of educational grants
- Collaboration with other agencies in addressing educational issues

COUNTY FREE LIBRARY

Meet current and future public library needs and Pima County residents. Provide a forum for community issues and a linkage of community, state, and national information services. Department goals address:

- Promotion of community literacy and education
- Quality of information services

STADIUM DISTRICT

Manage and operate Tucson Electric Park during the major league baseball spring training season, minor league baseball season, and community events held in the stadium. Department goals address:

- Marketing strategy
- Expansion of field usage and availability
- Expansion of gem and mineral show events

Justice & Law Enforcement, encompassing the courts, sheriff patrol and detention operations, prosecution, as well as public defense responsibilities, works to ensure public safety and provide needed legal services as mandated under constitutional and statutory provisions of county, state, and federal governments.

CLERK OF THE SUPERIOR COURT

Maintain and hold accessible for the public and the court all records of the Pima County divisions of the Superior Court. Assist the public and all parties dealing with the court system. Establish, execute, and administer policies and procedures in compliance with the statutes of the state of Arizona and the Judicial Merit System. Coordinate with the Presiding Judge and Court Administrator the prompt and orderly disposition of the business of the court. Collect and disburse fees. Monitor the department's revenue and expenditures. Provide clerk services during trials and other proceedings. Receive, record, and disburse all court ordered

payments of child support, spousal maintenance, and special paternity. Maintain permanent civil, probate, criminal, and child support case files. Department goals address:

- Development of automated processing
- Means to improve operating efficiency
- Improvement in customer service delivery

CONSTABLES

Act as Peace Officer for the Justice Courts. Serve criminal and civil summons. Evict tenants under writs of restitution. Collect debts on writs of execution. Serve restraining orders. Perform arrests and bring defendants to court on civil warrants. Department goals address:

- Compliance with state mandates
- Improvement in quality and efficiency of service delivery

COUNTY ATTORNEY

Represent the state in felony matters occurring throughout Pima County and in all misdemeanor cases occurring in unincorporated areas of Pima County. Provide legal advice to the Board of Supervisors, County departments, and other entities. Provide advocacy and crisis intervention for victims and witnesses via the Victim Witness Program. Investigate and prosecute racketeering crime and administer resources for all Pima County law enforcement agencies via the Antiracketeering Program. Assist County residents in collecting bad check restitution via the Bad Check Program. Operate 88-Crime telephone hotline 24 hours a day, receiving citizen tips to assist in solving crimes. Support and administer youth related programs working with nonprofit agencies. Provide community protection by working with neighborhoods in order to reduce trends in youth violence, increase public safety, and reduce crime. Administer the Adult Diversion Program as an alternative to prosecution. Department goals address:

- Protection of Pima County residents' safety and legal rights
- Emphasis on prosecution of violent, dangerous, repetitive offenders
- Community outreach
- Effective representation of Pima County in civil matters
- Improvement in efficiency, particularly in automated systems

INDIGENT DEFENSE

Provide quality legal representation in an efficient, cost effective manner to indigent individuals entitled to appointed counsel. Department goals address:

- Quality of representation for indigent clients
- Retention of legal staff
- Efficiency of service delivery

JUSTICE COURT AJO

Provide prompt and consistent delivery of services to the public, litigants, and attorneys within this judicial precinct in compliance with court mandates. Provide prompt and orderly disposition of civil, criminal, and traffic cases. Maintain orderly, complete, and accurate records. Collect, record, and disburse fees and fines in accordance with statute, court orders, and policy. Issue marriage licenses. Prepare various reports prescribed by law. Provide general information to the public regarding various County departments. Department goals address:

- Compliance with mandated functions
- Collection of fee revenue
- Improvements in operating efficiency

JUSTICE COURT GREEN VALLEY

Provide prompt and consistent delivery of services to the public, litigants, and attorneys within this judicial precinct in compliance with court mandates. Provide prompt and orderly disposition of civil, criminal, and traffic cases. Maintain orderly, complete, and accurate records. Collect, record, and disburse fees and fines in accordance with statute, court orders, and policy. Issue marriage licenses. Prepare various reports prescribed by law. Provide general information to the public regarding various County departments. Department goals address:

- Compliance with mandated functions
- Collection of fee revenue
- Improvements in operating efficiency

JUSTICE COURTS TUCSON

Serve the public, litigants, and attorneys by the prompt and orderly disposition of civil, criminal, and traffic cases. Maintain orderly, complete, and accurate records. Prepare statistical reports and other reports as prescribed by law. Collect, record, and disburse fees and fines in accordance with statutes, court orders, and policies. Follow court performance guidelines set by court rules, statutes, administrative orders and guidelines established by the Administrative Office of the Supreme Court. Meet ethical standards for court staff and judges, as written and enforced by the Commission on Judicial Conduct. Accomplish financial management, as guided by the Minimum Accounting the standards set and enforced by the State Auditor General. Adhere to the established operational guidelines reviewed by the Court Services Division of the Supreme Court. Department goals address:

- Compliance with mandated functions
- Collection of fee revenue
- Improvements in operating efficiency
- Quality of customer service

JUVENILE COURT

Exercise jurisdiction, under federal and state constitutions, laws, and Rules of the Court, over all children under the age of 18 years who are referred to the court for reasons of mental health, incorrigibility, or delinquency and for all families involved in matters of dependency, severance, and adoption. Promote the interests and safety of the community, promote the rehabilitation of children and their families, facilitate the protection of children who are abused or neglected, and provide services to those children and families involved with the court in accordance with the due process of law. Work actively with, and provide leadership to, the community, the public, and private agencies to promote justice, education, and prevention of juvenile delinquency and abuse. Department goals address:

- Staff retention
- Effectiveness of detainee rehabilitation
- Improvement in case processing efficiency

PUBLIC FIDUCIARY

Accept appointment by the Superior Court to serve as conservator, guardian, or personal representative for individuals. Maintain and administer insurance benefits to meet estate-planning needs. Maintain and liquidate securities. Prepare taxes. Determine eligibility and provide burial for indigent persons. Department goals address:

- Quality of service delivery
- Efficiency of service delivery
- Minimization of procedural error
- Cost effective, respectful indigent burial

SHERIFF

Provide law enforcement and public safety services to Pima County. Provide safe and secure detainment of inmates. Provide support services for law enforcement and corrections personnel. Department goals address:

- Quality and completeness of mandated responsibilities
- Performance of special law enforcement functions
- Provisions for the health and welfare of inmates
- Public outreach

SUPERIOR COURT

Adjudicate cases in which exclusive jurisdiction is not vested in another court. Provide administrative services and automated information systems to the court. Provide interpreting services to non-English speaking and hearing impaired defendants, witnesses, and victims. Provide custody/visitation evaluation and mediation, marriage/divorce counseling, and custody evaluations. Provide a legal collection and library facilities and assist in the retrieval of information. Provide jurors for Superior Court, Justice Courts, and Tucson Municipal Court. Publish the daily calendar, collect and analyze statistics, and manage the daily calendars for Superior Court divisions. Conduct investigations of defendants and provide supervision of probationers. Provide information about arrestees and detainees to the judicial divisions and monitor compliance with conditions of release. Department goals address:

- Performance that ensures public confidence in the judicial system
- Efficiency in operating procedures including automated systems
- Interpreter services and jury administration
- Improvement in adult probation outcomes
- Compliance with mandated responsibilities

Medical Services departments provide health services and health care to Pima county residents and administer funding to and from state and other sources.

INSTITUTIONAL HEALTH

Oversee the health care services provided to the populations at the County's Adult and Juvenile Detention centers by monitoring the performance of health care providers under contract to provide such services, ensuring the provision of quality health care and the reduction of County liability. Ensure the County's compliance with statutory obligations regarding health care and mental health care by funding the county's mandated contributions to state health care delivery systems and by funding of, and adjudicating claims for the County's Title 36 mental health responsibilities. Provide technical assistance and other support to County administration regarding the County's health care components, including operational audits, feasibility studies, revenue maximization, and cost reduction. Budget for Arizona Health Care Cost Containment System (AHCCCS) and Arizona Long Term Care System (ALTCS) payments, and University Physicians, Inc. (UPI) contract for the lease and operation of University Physicians Hospital at Kino (formerly Kino Community Hospital). Department goals address:

- Compliance with AHCCCS requirements
- Cost control with budget guidelines
- Improvement in effectiveness of health care delivery
- Assistance to UPI in re-opening the hospital to a full service hospital and promoting greater accessibility to health care on Tucson's south side

PIMA HEALTH SYSTEM & SERVICES

Operate an acute/ambulatory health plan for the Arizona Health Care Cost Containment System (AHCCCS), and administer a long term care program for the Arizona Long Term Care System (ALTCS). Department goals address:

- Compliance with AHCCCS/ALTCS mandated requirements
- Coordination and efficiency of the health system
- Expansion and quality of services provided
- Efficiency in administration of system operations

PUBLIC HEALTH

Monitor the community's health by conducting and coordinating a balanced program of primary, secondary, and tertiary prevention aimed at health promotion, disease prevention, and prompt medical treatment. Provide animal control and emergency management services.

Department goals address:

- Efficiency in support services to all health services
- Expansion in number of county residents served
- Compliance with mandated responsibilities
- Improvement in quality of health care services offered

Public Works provides for the infrastructure of the county which encompasses floodwater management, roads, recreational facilities, county buildings, sewer and landfill operations, as well as environmental issues.

CAPITAL PROJECTS

The Capital Projects budget reflects anticipated funding for the construction of Pima County capital improvement projects (excluding enterprise fund projects), as detailed in the proposed fiscal year 2004/2009 Five Year Capital Improvement Program. Department goals address:

- Responsibility in fiscal and reporting responsibilities
- Implementation of the Capital Improvement Plan

DEVELOPMENT SERVICES

Review all permit applications and issue the applicable permits. Review all building plans and perform inspections. Enforce zoning and building codes complaints. Assign addresses and review and approve new and proposed changed street names. Administer the comprehensive plan, rezoning, and appeals processes. Administer compliance reviews of zoning and development regulations for subdivision plats and development plans for land development.

Department goals address:

- Quality of customer service
- Compliance with mandated responsibilities, codes and regulations
- Effectiveness of enforcement operations
- Facilitation of approved development by effective delivery of review and permitting services

ENVIRONMENTAL QUALITY

Preserve and protect the environment of Pima County for the long-term benefit of citizens' health, welfare, safety, and quality of life. Identify and respond to environmental issues by providing services including monitoring, enforcement, information, and education. Department goals address:

- Efficiency in the delivery of administrative services
- Compliance with air quality standards
- Compliance with solid and hazardous waste standards
- Compliance with water quality standards
- Public education and outreach

FACILITIES MANAGEMENT

Provide for well planned and well maintained Pima County government facilities through efficient and cost effective management, programs, and delivery of service to the public. Operate and manage Pima County's six self-supporting, revenue generating parking garages facilities, in order to offer safe, secure parking for employees and the public. Department goals address:

- Efficiency of operational administration
- Minimization of cost overruns
- Quality of customer service
- Compliance with code and regulations

FLEET SERVICES

Purchase, maintain, and dispose of cars and light trucks, heavy trucks, off-road heavy equipment, and radio communications equipment. Provide fuel for all County vehicles and equipment from nine fueling sites located throughout the County and from mobile fuel trucks for off-road equipment. Maintain complete inventory and cost accounting records for all vehicles, equipment, fuel, parts, and communications equipment. Department goals address:

- Optimization of communication equipment, maintenance and standardization
- Improvement in cost effectiveness of fleet resources including fuel and vehicle usage
- Improvement in efficiency of administration

FLOOD CONTROL DISTRICT

Implement structural flood control solutions and provide comprehensive non-structural flood prevention services to protect public health, safety, and welfare. Enhance natural floodplain characteristics and community environmental quality by preserving and protecting riparian habitat resources. Support Pima County's Section 10(a) Permit application to the U.S. Fish and Wildlife Service. Fulfill the mission set forth by the Board of Supervisors in the Sonoran Desert Conservation Plan pertaining to riparian elements. Department goals address:

- Responsibility for public safety and compliance with federal flood insurance guidelines
- Provisions for flood warnings and flood damage mitigation
- Provision of flood control infrastructure projects
- Support for the Sonoran Desert Conservation Plan

GRAPHIC SERVICES

Provide graphic design, computer graphics, desktop publishing, technical illustration, cartography, displays, presentation, and web design and development services to all County departments. Provide other services including digital imaging, slide and multimedia presentations, video editing, computer animation, 3D rendering, and production of large exhibits. Provide graphic arts expertise, forms design services, typesetting, pre-press services, offset printing, digital printing, copying, bindery, and pick up and delivery services to all County departments. Department goals address:

- Quality of workforce and its retention
- Expansion of services
- Upgrade of equipment

NATURAL RESOURCES, PARKS & RECREATION

Manage metropolitan and rural parks, natural resource lands, river parks, tracks, sports complexes, centers, pools, and programs. Department goals address:

- Effectiveness of administration including fiscal management, training, and reporting functions
- Improvement in public utilization
- Enhancement in quality of facility operation and maintenance

PUBLIC WORKS ADMINISTRATION

Provide administrative and cultural resources services, and direct the real property activities for the departments within the Public Works functional area. Department goals address:

- Quality and effectiveness of all Public Works operating departments
- Effectiveness in administration of real property and fiscal resources

SOLID WASTE MANAGEMENT

Provide efficient and environmentally responsible solid waste facilities. Manage and operate the solid waste disposal and transfer facilities necessary for the safe and sanitary disposal of solid waste generated within Pima County. Department goals address:

- Provision of adequate solid waste disposal facilities
- Efficient operation and closure of existing facilities
- Control of wildcat dumping
- Effective administration, tracking, and reporting of operations

TRANSPORTATION

Operate and maintain the County's transportation system, including roadway and drainage way infrastructure, bicycle and pedestrian facilities, and transit services. Provide planning, design, and construction of transportation projects. Install, upgrade, and improve traffic control devices. Review and regulate new land development relative to regional transportation plan considerations. Appraise, acquire, and manage property. Develop and improve a geographic information system. Maintain drainage way and flood control structures. Department goals address:

- Fiscal responsibility
- Workforce development
- Enhancement of the safety and utility of the county's road system
- Improvement of information systems

WASTEWATER MANAGEMENT OPERATIONS & MAINTENANCE

Protect the public health and environment in Pima County by the safe delivery, treatment, and reuse of wastewater. Department goals address:

- Effectiveness and efficiency in the operation of the sewerage system
- Compliance with applicable sewage regulations
- Improvement in long range capital planning

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