

FINANCIAL POLICIES

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

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 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.

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.

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 unit/object 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 2010/11, the estimated result for fiscal year 2011/12, and the planned result for fiscal year 2012/13. As this type of presentation evolves, the goal will be to have quality, outcome, and customer service performance measures added to departmental budget submissions.

Follow Measures to Weather the National Economic Downturn

Like all governments in Arizona, Pima County has necessarily adjusted to reduced revenues and increased service demands during this unprecedented economic recession. Faced with plummeting state shared revenues, the County began to reduce overall expenditures more than four years ago. State shared funding sources in the areas of sales tax, vehicle license tax, and highway user revenue funds (HURF) have decreased more than \$36 million from their peak in fiscal year 2006/07 to fiscal year 2011/12 and are only now beginning to recover. For the third year in a row and only the second time in nineteen years, the property tax base has also shown a decline. The primary assessed value of the County declined from the previous year approximately 2.84 percent, while the secondary assessed value declined approximately 3.28 percent, which means for the fiscal year 2012/13 budget, our tax base will be in aggregate 10.1 percent smaller than it was in fiscal year 2009/10. Current economic conditions may appear to be improving, but will not be reflected in the property tax base for 24 to 36 months. Hence, we continue to forecast another 6.6 percent contraction of the tax base over the fiscal years 2013/14 through 2015/16. While our tax base shrinks and our state shared revenues are near historic lows, the State of Arizona, in balancing the state budget, has made unprecedented expense transfers and shifts to counties, but not to cities and towns. Since fiscal year 2009/10, these shifts have resulted in more than \$35 million in revenue reductions and expense shifts to Pima County through fiscal year 2011/12. In fiscal year 2012/13, the State will begin to reverse many of the revenue reductions and cost transfers. However, they will remain significant. Given the drop in state shared revenues from fiscal year 2006/07 to 2012/13, a declining value in the property tax base, and \$35 million in state cost shifts and transfers over the three prior years, Pima County continues to face unprecedented budget challenges. A number of measures have been followed to address these challenges, some of which are summarized here:

- Across-the-board budget reductions of approximately 11.5% percent for most General Fund departments have yielded \$18.3 million in savings for each of fiscal years 2008/09 and 2009/10, \$25 million in fiscal year 2010/11, and will yield \$27.7 million in fiscal year 2011/12. While no additional across-the-board reductions were made for fiscal year 2012/13, the County will continue to realize these savings.
- No across-the-board pay adjustments were given to County employees from fiscal year 2008/09 through fiscal year 2010/11. A 1 percent general across-the-board pay adjustment was given in fiscal year 2011/12 to help offset mandated employee retirement contribution increases. No across-the-board pay adjustments were budgeted for fiscal year 2012/13. Over this period, annual cost savings were as much as \$8 million compared to a two-percent pay increase.
- Since fiscal year 2007/08 total budgeted Full-Time Equivalent (FTE) positions in Pima County have decreased by 1,091 or 13.0 percent primarily through attrition or transfer.
- The County has also tactically shifted its service model based on trends and actions beyond its control. These shifts have occurred without layoffs, and the planned shifts have been fully executed. Specifically, the County began moving away from direct healthcare delivery in 2004 with the management turnover of Kino Community Hospital to University Physicians, Inc. Two years ago, the County, recognizing the competitive pressure exerted by the State of Arizona in implementing the Arizona Health Care Cost Containment System exited the Acute Care Program. Over the past year, the County exited the Arizona Long Term Care System and fully transitioned the ownership and use of its long-term care facility, Posada del Sol, to a private entity.
- Over the years, Pima County has continued to change and upgrade its benefits package for employees. Not only has the County expanded its benefits package, but the cost to provide these benefits has steadily increased. The actual cost to the County for employee benefits in fiscal year 2003/04 totaled \$65 million. The adopted budgeted benefit cost in fiscal year 2012/13 totals nearly \$120 million which represents an 83 percent increase over the fiscal year 2003/04 amount.

A significant portion of this increase is the result of increases in the cost of employee medical insurance and retirement contributions. Fiscal year 2012/13 aggregate benefits increased in excess of \$14 million over fiscal year 2011/12. This increase in benefits costs will be absorbed by the County despite its shrinking tax base and increasing costs within other areas of the County's budget.

- Several General Fund expenditures, through a variety of management initiatives, were reduced below their budgeted amounts in the prior fiscal year, including energy costs for facilities, Inmate Restoration to Competency and Inmate Medical Care.
- Overall County budgeted expenditures of \$1,233,496,441 are 5 percent less than the fiscal year 2011/12 budget and 17 percent less than five years ago.

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 2012/13 no funding was available or approved for supplemental requests.

Diversify the County's Revenue Sources

Property Taxes

The fiscal year 2012/13 Adopted Budget primary property and secondary tax rates for General Government, Debt Service, the Flood Control District and the County Free Library District are unchanged from fiscal year 2011/12. The total property tax rate for Pima County remains at \$4.8073 per \$100 of assessed valuation.

General Government Revenues other than Property Taxes

Excluding revenues related to primary property taxes, projected fiscal year 2012/13 general government revenue from all other sources is \$136.4 million, an increase of \$1.3 million over the fiscal year 2011/12 adopted budget. State Shared Sales Taxes are expected to increase by \$7.4 million, while Vehicle License Tax revenue is expected to decrease by approximately \$142 thousand. Other changes in revenue include a \$275 thousand decrease in Pooled Investment Interest and a \$98 thousand decrease in Business License and Permit revenue. Transient Lodging tax revenue increases by \$280 thousand. Contributions for Administrative Overhead from other County funds will decrease by \$4.9 million in fiscal year 2012/13 due to fewer dollars received from enterprise, special revenue and internal service funds for central administrative support primarily due to the dissolution of the Pima Health System. Federal Payments in Lieu of Taxes (F-PILT) decrease by \$1.0 million because of the expiration of full funding of the PILT program as part of the Federal economic stimulus package enacted in 2008.

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 unincorporated Pima County were a municipality, it would be the fourth largest city in the state and the County’s share of income tax would be equivalent to nearly \$28.0 million. If these income tax revenues were received, they could be used to further reduce the primary property tax by \$0.3468 per \$100 of assessed value.

Local Sales Tax

Several times over the course of the fiscal year 2007/08 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 in order to provide property tax relief, as well as to address the pressing needs of the County.

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 *Revenue Sources* section – *Summary of Revenue by Fund, Department, and Category*

Stabilize the Property Tax Rates

Table 1 underscores the Board of Supervisor’s commitment to stabilize, if not reduce, property tax rates. The total rate decreased by 1.7 percent in fiscal year 2009/10, increased by 1.9 percent in fiscal year 2010/11, increased by 3.7 percent in fiscal year 2011/12, and, despite declining property values of 2.84 percent for the Pima County Primary Net Assessed Value and 3.28 percent for the County’s Secondary Net Assessed Value remains unchanged in fiscal year 2012/13.

Table 1
Comparison of Property Tax Rates*

	<u>FY 2009/10</u> <u>Tax Rates</u>	<u>FY 2010/11</u> <u>Tax Rates</u>	<u>FY 2011/12</u> <u>Tax Rates</u>	<u>FY 2012/13</u> <u>Tax Rates</u>
Pima County Primary (General Gov’t)	\$3.3133	\$3.3133	\$3.4178	\$3.4178
Debt Service	0.7100	0.7500	0.7800	0.7800
Library District	0.2643	0.3100	0.3460	0.3460
Regional Flood Control District	<u>0.2635</u>	<u>0.2635</u>	<u>0.2635</u>	<u>0.2635</u>
Total	\$4.5511	\$4.6368	\$4.8073	\$4.8073

* Does not include Fire District Assistance Tax, which is set by state formula.

Maintain an Adequate Ending General Fund Balance

Over the past ten years, the unreserved ending General Fund balance ranged from an actual low of \$25.6 million for fiscal year 2003/04 to a high of \$77.5 million for fiscal year 2009/10. The Board of Supervisors has adopted an unreserved ending General Fund Balance of \$29.9 million for fiscal year 2012/13, which is 6.5 percent of budgeted operating revenues. This is within the Government Finance Officers Association (GFOA) recommendation that “no less than five to fifteen percent of regular general fund operating revenues be maintained as unreserved fund balance”. Over the past ten years,

actual unreserved ending fund balance typically has been significantly higher than the amount that had been budgeted, as seen in Table 2 below. 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. The large variances for fiscal years 2009/10, 2010/11 and 2011/12 were primarily due to State Arizona Long Term Care System (ALTCS) payment adjustments: greater than estimated General Fund revenues from State, Federal and County sources: management initiatives in such areas as energy, inmate health and Restoration to Competency resulting in reduced costs, and refunds resulting from the State's receipt of federal stimulus funds.

Table 2

General Fund Unreserved Ending Fund Balance

	<u>Budgeted</u>	<u>Actual</u>	<u>% of Revenue</u>
Fiscal Year 2002/03	\$13,600,000	\$30,999,355	9.4
Fiscal Year 2003/04	\$13,400,000	\$25,628,388	7.2
Fiscal Year 2004/05	\$13,000,000	\$33,171,433	8.9
Fiscal Year 2005/06	\$15,800,000	\$46,423,513	10.8
Fiscal Year 2006/07	\$23,000,000	\$48,671,901	10.9
Fiscal Year 2007/08	\$24,500,000	\$27,749,033	5.9
Fiscal Year 2008/09	\$24,024,720	\$35,802,620	7.7
Fiscal Year 2009/10	\$24,447,921	\$77,451,391	15.8
Fiscal Year 2010/11	\$24,040,215	\$53,651,182	11.4
Fiscal Year 2011/12	\$34,774,388	\$66,529,982	* 13.5
Fiscal Year 2012/13	\$29,930,587		6.5

* Projected amount

Note: In compliance with State statute, beginning in fiscal year 2007/08, what formerly had been budgeted as ending fund balance is now budgeted as reserved contingency expenditure.

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

The Financial Management and Audit Division reviews and analyzes the County's cash position, and conducts routine cash handling, performance, management, and contract audits pertaining to all County departments and Elected Officials' Offices.

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 that cannot be covered by accounts receivable for those funds. Since fiscal year 1999/2000 the County has made a concerted effort, through the transfer of General Fund dollars, to eliminate the long-term cash deficits of a number of funds. Currently, three major funds require General Fund support to forestall the occurrence of negative cash deficits.

The continued loss of Major League Baseball coupled with the economic downturn has resulted in the need to take certain actions to maintain the financial stability of the Stadium District. Fiscal year

2011/12 projected revenues were insufficient to cover the Stadium's operating, maintenance and debt service costs requiring the substantial use of existing fund balance. Consequently, the fiscal year 2011/12 budgeted subsidy of \$1.5 million was transferred from the General Fund to the District. A similar situation is expected in fiscal year 2012/13 and the remaining existing fund balance will not cover all budgeted costs. However, in order to avoid a negative fund balance by the end of fiscal year 2012/13, \$1.5 million has been budgeted in the Board of Supervisors' Budget Stabilization Fund pending final determination of the amount needed by the Stadium District.

While the County has made concerted efforts in reducing costs and increasing fees, as appropriate, the Solid Waste Special Revenue Fund continues to incur operating losses. The Adopted Budget for fiscal year 2011/12 included \$800,000 in the Budget Stabilization Fund to cover operating losses and this amount was transferred to Solid Waste. In order to avoid accumulation of a long term deficit in this fund, the Adopted Budget for fiscal year 2012/13 also includes \$800,000 in the Budget Stabilization Fund to cover possible operating losses. Solid Waste staff will continue developing options for the Board of Supervisors to consider and implement during the fiscal year that will continue to reduce these projected operating losses.

The countywide planning function is within the Development Services Department and benefits all County residents. This function cannot currently be sustained solely through fee generated revenue given the substantial decrease in development activity. The Adopted Budget for fiscal year 2011/12 included \$1,000,000 in the Budget Stabilization Fund to cover operating losses. As a result of additional cost savings and increased fees, only \$194 thousand was required to cover losses with the remaining funds transferred to assist in the upgrading of the department's permitting system. The fiscal year 2012/13 Adopted Budget includes \$1,000,000 in the Budget Stabilization Fund to cover any actual operating losses.

Provide Board of Supervisors General Contingency Funding

While the Board of Supervisors unreserved Contingency Fund has typically been funded at \$1.0 million per year, in recognition of overall economic difficulties certain outside community agency funding provided by the Board's Contingency Fund in fiscal year 2008/09 will continue to be funded using this source. This, along with the subsequent budget reductions in fiscal years 2010/11 and 2011/12, effectively reduces the fiscal year 2012/13 Board Contingency Fund to a starting point of \$744,994.

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 2012/13, budgeted expenditure authority in the Budget Stabilization Fund amounts to \$3,300,000. Discussions of all of the items in the following table can be found in the *Budget Issues* section.

Table 3

Budget Stabilization Fund

Development Services - planning function	\$ 1,000,000
Solid Waste - operating loss	800,000
Stadium District – operations	<u>1,500,000</u>
Total Budget Stabilization Fund	\$ 3,300,000

Obtain Pre-approval of Grants with Fund Impact

Pima County receives significant grant funding from federal, state, and local agencies. Often, the Board of Supervisors had not been apprised of grant applications and resulting fiscal impacts to the County until after grants were awarded and funding was pending or, in some cases, already received. Further, information and analysis accompanying requests for grant acceptance were 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*.

Maintain Adequate Funding for Self-Insurance Trust Fund

Pima County’s Self-Insurance Trust Fund is a statutory trust covering the cost of tort liability, workers’ compensation, self-insured dental, unemployment, and related administrative and loss control costs. An annual actuarial analysis estimates outstanding liabilities and future year funding requirements. The Trust is overseen by seven Trustees, no more than one of which can be a County employee, and is audited annually. Funding at a 75 percent confidence level has been maintained for the past twelve years (present value funding).

Provide Adequate Employee Compensation

Over the years, and as long as resources were available, Pima County has demonstrated its commitment to providing adequate compensation to its employees by approving market adjustments, anniversary pay increases, step plan funding, and matching of the employee share of retirement rate increases. The County Administrator has previously stated, “The County continues to be challenged to remain competitive in attracting and retaining experienced, high quality personnel throughout our workforce.”

The following table summarizes the salary increases since fiscal year 1999/2000.

Table 4
Salary Increase Summary

Fiscal Year	Salary Increase
FY 1999/00	2.5% <u>general adjustment</u> effective Jan 2, 2000 2.5% anniversary with successful performance evaluation
FY 2000/01	2.5% anniversary with successful performance evaluation
FY 2001/02	2.5 % <u>general adjustment</u> effective Sep 9, 2001 5.0% <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

Pima County FY 2012/13 Adopted Budget

- FY 2004/05 2.5% general adjustment effective Aug 8, 2004
2.5% general adjustment effective Dec 26, 2004
1 step adjustment for Sheriff non-command staff effective date in class
new step plan for Sheriff's non-command staff, offering a market adjustment to bring officers in line with other local jurisdictions
- FY 2005/06 2.5% general adjustment effective Jul 10, 2005
1.7% general adjustment effective Jul 10, 2005 to compensate for increased retirement rate contribution for members of the Arizona State Retirement System
1 step adjustment for Sheriff's corrections non-command staff effective date in class
- FY 2006/07 2.8% general adjustment effective Jul 1, 2006
1.7% general adjustment effective Jul 1, 2006 to compensate for increased retirement rate contribution for members of the Arizona State Retirement System
1 step adjustment for Sheriff's corrections non-command staff, deputies, and sergeants effective date in class
- FY 2007/08 2.1% general adjustment effective Jul 8, 2007
2.5% market adjustment effective Jul 8, 2007
0.5% general adjustment effective Jul 8, 2007 to compensate for increased retirement rate contribution for members of the Arizona State Retirement System
10% and 5% step adjustment for Sheriff's deputies, sergeants, and corrections non-command staff effective January 6, 2008

Resources available in fiscal year 2008/09, fiscal year 2009/10, and fiscal year 2010/11 were insufficient to fund an employee compensation package, though existing employee benefits have been maintained. While other government jurisdictions have been forced to resort to furlough days and other such actions during this time of economic downturn, Pima County has managed to avoid such.

The Board of Supervisors approved a 1.0 percent general adjustment for existing employees in fiscal year 2011/12 to partially offset the impacts of increased retirement plan employee contributions as well as mandated shifts between some employee and employer retirement contributions percentages. While these mandated shifts in retirement contribution percentages were later reversed by the State Legislature, the 1.0 percent general adjustment for existing employees was retained.

The fiscal year 2012/13 aggregate benefits costs for the County increased in excess of \$14 million from the fiscal year 2011/12 cost. As a result of the County having to absorb these additional benefits costs, there were insufficient resources available for any employee compensation package adjustments in fiscal year 2012/13.

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 eleven 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. In May 2004, voters authorized approximately \$582 million of general

Pima County FY 2012/13 Adopted Budget

obligation bonds and \$150 million of sewer revenue bonds, for a total 2004 authorization of \$732 million. In May 2006, voters approved general obligation bonds of \$18 million for Psychiatric Urgent Care Facilities and \$36 million for Psychiatric Inpatient Hospital Facilities. Combining the 1997, 2004 and 2006 authorization provides total bond proceeds of \$1.5 billion.

Pima County currently has \$1.3 billion in active bond projects fully or partially funded by bonds and \$1.1 billion in active non-bond projects resulting in a total capital improvement program of \$2.4 billion. The proposed Capital Improvement Program (CIP) for fiscal year 2012/13 – 2016/17 identifies, among other items: active projects, funding sources, debt profiles, unfunded needs, and a schedule of bond sales. The CIP currently has 280 capital improvement projects and a total of \$482.6 million budgeted for fiscal year 2012/13. Of this fiscal year amount, Regional Wastewater Reclamation funds \$237.7 million, Telecommunications funds \$2.4 million, and Fleet Services funds \$18.4 million with \$224.1 million approved in the fiscal year 2012/13 Capital Projects Adopted Budget. In addition to the total adopted budget, \$3.2 million is expected in matching funds with the primary source from the Corps of Engineers for Flood Control projects. (For project-by-project details, see the CIP section – *Summary of Active Capital Improvement Projects.*)

The following table shows that, of the approximately \$1.5 billion bond authorization, \$1,347.1 million in bonds have been sold with \$151.1 million remaining.

Table 5
1997, 2004 and 2006 Bond Authorizations

	<u>Authorization</u> (million)	<u>Sold</u> (million)	<u>Remaining</u> (million)
1997 General Obligation Bonds	\$ 257.0	\$ 247.5	\$ 9.5
1997 Sewer Revenue Bonds	105.0	105.0	0.0
1997 Transportation Bonds	350.0	262.2	87.8
2004 General Obligation Bonds	582.2	532.3	49.9
2004 Sewer Revenue Bonds	150.0	150.0	0.0
2006 General Obligation Bonds	54.0	50.1	3.9
Total	\$1,498.2	\$ 1,347.1	\$ 151.1

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. Pima County has received voter approval for all general obligation debt. The legal debt margin at June 30, 2011, is as follows (in thousands):

Net assessed valuation:	\$9,342,561
<u>Debt Limit (15% of net assessed valuation):</u>	\$1,401,384
<u>Amount of debt applicable to debt limit:</u>	
General obligation bonds outstanding	\$ 452,750
Less net assets in debt service fund	

Pima County FY 2012/13 Adopted Budget

available for payment of general obligation bond principal	<u>(27,904)</u>	<u>(424,846)</u>
Legal debt margin available		<u>\$ 976,538</u>

- Street and Highway Revenue Bonds

Arizona Revised Statute §11-378 presently requires that in order for the County to issue bonds payable from Street and Highway Revenues, the County must have received Street and Highway Revenues in the year preceding the issuance of the additional bonds in an amount equal to at least one and one-half times the highest annual principal and interest requirements thereafter to come due on all such bonds to be outstanding following the issuance of the additional bonds, provided that if the Street and Highway Revenues received in the preceding year do not equal at least two times the highest annual principal and interest requirements, the proposed bonds must bear a rating at the time of issuance of "A" or better by at least one nationally recognized credit rating service, taking into account any credit enhancement facility in effect with respect to such bonds.

Each time Pima County has issued Street and Highway Revenue Bonds, the County has met the requirements of Arizona Revised Statute §11-378. In fiscal year 2011/12, the County issued \$20.0 million in new Street and Highway Revenue Bonds and met the statutory requirement. The County is not planning to issue Street and Highway Revenue Bonds in fiscal year 2012/13. For the fiscal year 2012/13, Street and Highway revenues are projected at \$46,964,305. The highest annual principal and interest payment required after issuance of these bonds is scheduled to be \$17,436,525 in fiscal year 2017/18, providing over 2.5 times coverage.

- Sewer Revenue Debt

There is no statutory legal debt limit on Sewer Revenue debt. Within the documents for Sewer Revenue debt, the County has provided a covenant to the debt holders which limit the issuance of additional Sewer Revenue debt unless the covenant set forth in Board of Supervisors' Resolution Nos. 1991-138, as amended, and 2010-50 has been met. That covenant requires that the net revenues of the sewer system for the year preceding an issuance of debt be at least 120 percent of the maximum annual debt service for all debt.

Matching of Bond Proceeds

Over the years, the County has been very successful in matching bond proceeds with other funding sources. The \$1.498 billion in bond authorizations is expected to be leveraged with at least \$945.8 million in other funding sources including federal and state aid, Regional Transportation Authority funds, contributions from home owners associations and developers, Flood Control District tax revenues, HURF revenues, roadway impact fees, and sewer connection fees.

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 *CIP* section.

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 \$0.81 per \$100 of assessed valuation. For fiscal year 2012/13, the secondary tax rate is \$0.7800 per \$100 of assessed valuation which is unchanged from fiscal year 2011/12 rate.

In regards to sewer revenue debt, user and connection fees are examined annually to ensure that they recover all direct and indirect costs of service, including debt, and are approved by the Board of Supervisors. Rate adjustments for user and connection fees are based on five-year financial plans.

The following table presents the increases (including planned increases) in sewer user and connection fees since fiscal year 1997/98.

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%
2005/06	8.0%	10.0%
2006/07 (effective 8/11/2006)	6.0%	6.0%
2006/07 (effective 1/1/2007)	6.0%	6.0%
2007/08 (effective 7/1/2007)	6.0%	6.0%
2007/08 (effective 1/1/2008)	9.0%	6.0%
2008/09 (effective 7/1/2008)	9.5%	9.5%
2008/09 (effective 3/20/2009)	12.75%	0.0%
2009/10 (effective 7/1/2009)	12.75%	0.0%
2009/10 (effective 1/1/2010)	12.75%	0.0%
2010/11 (effective 7/1/2010)	10.0%	6.5%
2011/12 (effective 7/1/2011)	10.0%	6.5%
2012/13 (effective 7/1/2012)	10.0%	*
2013/14 (effective 7/1/2013)	10.0%	*

* On May 15, 2012, the Board of Supervisors adopted Resolution No. 2012-27 establishing a change in the methodology for calculating connection fees. As part of this change, new connection fee rates were established based on water meter size rather than fixture unit equivalents.

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, Health Services, and Public Works. In each functional area, a function 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 with a thorough review of operations once every four years. This approach incorporates the establishment of departmental function 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 zero base process has been suspended since fiscal year 2009/10 due to limited resources during administrative restructuring and to facilitate the implementation of Project PimaCore. The following function statements are the basis for detailed departmental strategic plans:

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, list, value and defend 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. Layout, 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, publish, preserve, and file all proceedings and accounts acted upon by the Board of Supervisors. Administer the Pima County Records Management Program. Process, preserve, and file all petitions, various licenses, and applications. Publicize amendments and codify ordinances for inclusion in the Pima County Code. Administer and direct compliance to requirements for boards, commissions, and committees. Discharge statutory requirements for special taxing districts and State Board of Equalization Hearing Officers. 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

COMMUNICATIONS OFFICE

Effectively communicate the various programs and services available to the public. Work with the Information Technology Department to develop a new interactive County website. Provide graphic design services to all County departments. Department goals address:

- Timely and accurate media release performance
- Standardization of website appearance and functionality
- Optimizing graphic design services function

COUNTY ADMINISTRATOR

Carry out the policies 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. Oversee such programs as the Sonoran Desert Conservation Plan and the Office of Strategic Planning. Department goals address:

- Implementation of Board of Supervisors policies and plans
- Preservation of open space and the sensitive desert environment

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 other special districts within Pima County) that contract with the County. Serve as the filing office for candidate nomination filings and for campaign finance reports. Administer reprecincting and redistricting as required by the Board of Supervisors. Conduct community outreach and assistance to ensure compliance with the Americans With Disabilities Act, and Voting Rights Act. Department goals address:

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

FINANCE & RISK MANAGEMENT

Provide centralized financial and risk management services for the County. Financial and risk management operations include administration, bond financing, budget development and monitoring, tax levy and rate compilation, tax assembly coordination, financial statement preparation, financial systems control, accounts payable and receivable, payroll processing, grants oversight, records maintenance, mail services, workers' compensation, loss control and prevention, internal audit, cash management, collection of delinquent accounts, and formation and collection function of improvement districts. Department goals include:

- Compliance with laws, rules, and regulations

Pima County FY 2012/2013 Adopted Budget

- Application of best practices in reporting and budgeting as promulgated by governing boards and associations
- Loss reduction and adequate funding for loss coverage

FORENSIC SCIENCE CENTER

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

- Improvement in the quality of death investigation standards

HUMAN RESOURCES

Recruit and retain a highly committed, highly competent, and results-oriented workforce and provide various employment related services and activities. Services include, but are not limited to, recruitment and selection, employment rights, classification and compensation, benefits administration, management training, records management, and federal, state, and local labor reporting. Department goals address:

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

INFORMATION TECHNOLOGY

Manage the County's computer and network processing, wireless (radio) communications, and telecommunications environment. Direct and manage the development and ongoing maintenance support of application systems and the acquisition and licensing of associated computer hardware/software. Develop and implement information technology standards and security procedures. Manage franchise licensing and contract coordination for cable, fiber, cellular, and competitive local exchange carriers. Provide access to an eLearning environment. Provide a central service desk function for computer hardware and application software problem resolution. Coordinate Pima County Information Technology activities with various agencies and the general public. Departmental goals address:

- Process improvements and consolidation of County IT systems
- Improved 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.

OFFICE OF EMERGENCY MANAGEMENT AND HOMELAND SECURITY

Establish and maintain the highest possible quality emergency prevention, preparedness, response, mitigation and recovery function to protect the lives and property of the residents of Pima County in the event of a natural or man-made disaster through planning; the conduct of training and exercises; the establishment and maintenance of a state-of-the-art Emergency Operations Center; and coordination and communications with all departments within Pima County, emergency response agencies at the local, state, tribal, and federal level, and the public at large. Department goals address:

- Availability of accurate, comprehensive information systems
- Maintenance of a state of the art Emergency Operations Center
- Efficiency of response preparedness to achieve damage minimization in a disaster
- Comprehensiveness of interagency and public outreach

PROCUREMENT

Procure materials and services for County departments, except as specified by delegation pursuant to the procurement code or the small purchase procedure. Administer the Pima County Small 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 by assisting, reviewing, and monitoring County contracts. Manage the contracts review approval process. Assist and educate 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

Record and maintain all documents presented for public information. Maintain voter registration rolls in an efficient and cost effective manner. Conduct early voting activity as prescribed by Title 16 of the Arizona Revised Statutes. 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 ex-officio tax collector for Pima County and its political subdivisions. Account for the collection, custody, and disbursement of public revenue, and report the same to the Board of Supervisors. Collect and distribute taxes for all taxing jurisdictions in Pima County. 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

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, they depend more on special revenue funding than on General Fund support, compared to many of the administrative services.

COMMUNITY & ECONOMIC DEVELOPMENT ADMINISTRATION

Enhance the economic and cultural well-being of Pima County constituents, with particular focus on improving the status of the economically disadvantaged, and to meet and report performance and fiscal requirements of federal, state, and private grantors. The department oversees the Community Development & Neighborhood Conservation, Community Services-Employment & Training, Economic Development & Tourism, Kino Sports Complex departments, and the Pima County Public Library and Stadium Districts. Department goals address:

- Improve department efficiency
- Increase level of Employee Combined Appeal Program (ECAP) funding
- Obtain additional federal stimulus funding

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 the 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

Improve the economic and social sustainability of Pima County by: developing skilled workers; assisting employers to meet workforce needs; mitigating the impact of layoffs through employment services; addressing basic housing needs of low income individuals; helping youth develop into successful adults; maximizing access to public and community resources; and helping persons with barriers such as homelessness and illiteracy transition into society.

Department goals address:

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

COUNTY FREE LIBRARY

Provide Pima County residents with free and equitable access to the information resources needed for full participation in the community and for the enrichment of individual lives.

Department goals address:

- Promotion of community literacy and education
- Quality of information service
- Improvement of library collection and its accessibility

ECONOMIC DEVELOPMENT & TOURISM

Facilitate business and tourism growth with various community partners located in Pima County and the state of Arizona. Serve as a marketing outreach agency promoting the quality of life of the region to create potential leisure and business opportunities with Pima County leased assets, meeting planners, conference attendees, and leisure visitors. Coordinate activities with both public and private sector partners. Department goals address:

- Coordination of public funding
- Awareness of Pima County as a travel destination
- Utilization of County Facilities (e.g., County Fairgrounds, Kino Sports Complex)

KINO SPORTS COMPLEX

Improve the quality of life for residents of Pima County by providing a variety of cultural and recreational services through various facilities operated by Pima County. Department goals address:

- Increased participation in recreation programs at Kino Community Center
- Landscaping service delivery at various locations

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 school district financial information for the Board of Supervisors for setting the property tax rates. Maintain mandated programs involving the parents of children that are either in private schools or being taught at home. Operate Pima Accommodation District, educational services, and school bus service for students in unorganized territory in Pima County. Plan and operate multi-district educational programs. Department goals address:

- Compliance with state mandates and educational standards
- Pursuit of educational grants

- Collaboration with other agencies in addressing educational issues

STADIUM DISTRICT

Provide family entertainment for Pima County residents through sports recreation and community events. Continue to develop relationships with professional baseball teams that will have a positive impact on the community and the local economy. Department goals address:

- Expansion of field usage and availability
- Expansion of gem & mineral shows and other non-sports events
- Maintaining landscapes to a consistently high standard

Justice & Law Enforcement, encompassing the courts, sheriff patrol, investigations, and detention operations, prosecution, as well as public defense responsibilities, working 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 Pima County division records 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 the prompt and orderly disposition of the business of the court with the presiding judge and court administrator. Collect and disburse fees. Monitor revenues 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 government 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 the 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

Pima County FY 2012/2013 Adopted Budget

- 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 for indigent individuals entitled to appointed counsel. Provide representation in the Superior Court, Juvenile Court, Justice Courts, the Arizona Court of Appeals, Arizona Supreme Court and, in certain circumstances, the federal courts. 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 the 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 statutes, County ordinances, court orders, policies and guidelines established by the Administrative Office of the Courts. Issue marriage licenses. Prepare various reports prescribed by law. Provide general information to the public regarding various County departments. Serve and protect society by offering selected offenders the opportunity to become law-abiding and productive citizens through the Adult Probation program. 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 judicial services according to law with respect and fairness to all parties. Coordinate the prompt and orderly disposition of civil, criminal, and traffic cases. Collect and disburse fees in compliance with statutes, County ordinances, and accounting standards set by the Supreme Court. Department goals address:

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

JUSTICE COURTS TUCSON

Serve the public, litigants, and attorneys by providing 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, ordinances, and policy. Follow court performance guidelines set by court rules, statutes, administrative orders, and the Administrative Office of the Courts. Meet ethical standards for court staff and judges, as written and enforced by the Commission on Judicial Conduct. Accomplish financial management, as guided and enforced by the minimum accounting standards set by the Supreme Court and by the State Auditor General. Adhere to the established operational guidelines reviewed by the Court Services Division of the Supreme Court. Provide a safe and secure environment for employees, elected officials, and the public. 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 facilitate the provision of 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:

- Effectiveness of detainee rehabilitation
- Improvement in case processing efficiency
- Effectiveness of probation programs

OFFICE OF COURT APPOINTED COUNCIL

Provide eligibility screening and recommend attorney assessments for legal representation of out-of-custody defendants charged with criminal offenses in Superior, Juvenile, and Justice Courts. Represent children in dependency and severance cases. Provide administrative support by reviewing contract compliance and reviewing and processing claims submitted by contract attorneys and other defense related professional services in seven functional areas including misdemeanor, felony, first degree murder, Title 36, Rule 32, Juvenile Court, and the Court of Appeals. Department goals address:

- Quality and cost efficiency of services
- Adherence to rules and professional standards
- Increased safety and compliance with speed limits

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 of and provide burial for indigent persons. Department goals address:

- Quality of service delivery
- Efficiency of service delivery
- Minimization of procedural error
- Respectful, cost effective indigent burial

SHERIFF

Provide law enforcement and public safety services in unincorporated 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 facility and assist in the retrieval of information. Provide jurors for Superior Court, Justice Courts, and Tucson Municipal Court.

Pima County FY 2012/2013 Adopted Budget

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

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

HEALTH

Monitor, protect, and improve the community's health by conducting and coordinating a balanced program of primary, secondary, and tertiary prevention aimed at health promotion, disease prevention, and early, prompt medical treatment. Ensure establishments comply with consumer health and food safety standards. Provide animal control 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

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. Provide lease oversight of University Physicians Healthcare Hospital (UPHH), formerly known as Kino Community Hospital. Fund and administer the Pima County Restoration to Competency Program housed at the Pima County Adult Detention Center and fund services provided for program patients at the Arizona State Hospital. Department goals address:

- Compliance with Arizona Health Care Cost Containment System (AHCCCS) requirements
- Monitoring and audit of correctional health care vendor performance
- Improvement in effectiveness of health care delivery
- Appropriate County funding of UPHH operations and monitoring of services
- Minimize referrals of Restoration to Competency patients to Arizona State Hospital

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 valued at \$100,000 or more (excluding enterprise and internal

service fund projects), as detailed in the proposed fiscal year 2012/2013 – 2016/2017 Five Year Capital Improvement Program. Department goals address:

- Responsibility in fiscal management and reporting
- Implementation of the Capital Improvement Program

DEVELOPMENT SERVICES

Provide land use planning, development, and permitting services. Administer the rezoning, comprehensive plan amendment, and appeals processes. Review subdivision plats and development plans for compliance with zoning and development regulations. Review all permit applications and issue permits. Review all building plans and perform compliance inspections. Enforce zoning and building codes complaints. Assign addresses, approve new street names, and process street name changes. 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 residents' 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 and water quality standards
- Compliance with solid and hazardous waste 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 eight self-supporting, revenue generating parking garage/lot 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, and off-road heavy 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, and parts. Department goals address:

- Improvement in cost effectiveness of fleet resources including fuel and vehicle usage
- Improvement in efficiency of administration

NATURAL RESOURCES, PARKS & RECREATION

Manage Pima County natural resources, urban parks, and recreation programs. Lead community efforts to conserve the Sonoran Desert and enhance the urban environment. Provide quality recreation, education, and leisure activities. Department goals address:

- Effectiveness of administration including fiscal management, training, and reporting

Pima County FY 2012/2013 Adopted Budget

- Improvement in public utilization
- Enhancement in quality of parks operation and maintenance

OFFICE OF SUSTAINABILITY & CONSERVATION

Ensure that social, environmental, and economic dimensions of sustainability policy adopted by the Board of Supervisors are considered and incorporated into County planning, projects, and development. Department goals address:

- Development of plans for Cultural Resources and Open Space preservation
- Integration of Sonoran Desert Conservation Plan with other County planning efforts
- Ongoing implementation of the County's Sustainable Action Plan

PUBLIC WORKS ADMINISTRATION

Provide administrative services and capital project management and direct the real property activities for the departments primarily 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

REGIONAL FLOOD CONTROL DISTRICT

Protect public health, safety, and welfare by implementing structural flood control solutions and providing comprehensive non-structural flood prevention services and oversight of floodplain management requirements of the Federal Flood Insurance Program. 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 and fulfill the mission pertaining to riparian elements set forth by the Board of Supervisors in the Sonoran Desert Conservation Plan. 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

REGIONAL WASTEWATER RECLAMATION

Protect the public health, safety, and the environment by providing quality service, environmental stewardship, and renewable resources. Department goals address:

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

SOLID WASTE MANAGEMENT

Provide efficient and environmentally responsible solid waste facilities for the people of Pima County. Manage and operate the solid waste disposal and transfer facilities necessary for the safe and sanitary disposal of solid waste generated within its jurisdiction. 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

Provide for the safe and efficient movement of people and goods. Maintain and rehabilitate Pima County's street and highway system. Review and regulate new developments relative to regional transportation plan considerations. Plan, design, and implement all transportation capital construction projects. Install, upgrade, and improve traffic control devices to enhance or sustain traffic flow and motorist safety. Provide alternate modes of transportation. Develop, integrate, and maintain an automated mapping/facilities, management/geographic information system. Continue implementation and development of the records modernization program. Department goals address:

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