

**Pinal County
Tentative Budget
FY 2009-2010**

May 13, 2009

Vision

Pinal County government provides progressive and proactive leadership in the areas of economic development, state-of-the-art technologies, growth management, and public services to promote healthy and safe communities.

Mission

Pinal County Government protects and enhances its citizens' quality of life by providing public services in an ethical, efficient, and responsible manner delivered by a motivated, skilled and courteous workforce.

Managing for Results Strategic Priorities FY 2009

- Regional Leadership
- Growth
- Public Safety
- Healthcare
- Transportation
- Jobs and Economic Development
- Financial Responsibility
- Accountability

Managing for Results FY 2009

- Regional Leadership
 - Hosted 1st Air Quality Summit to educate stakeholders for improved air quality
 - Chief architect of accord between Union Pacific Railroad, County and municipalities that resulted in UP's \$35 million commitment for grade separated crossings in Pinal County

Managing for Results FY 2009

- Growth
 - Completed Regional Roads of Significance Study and Small Area Transportation Studies (SATS) to cooperatively plan for future across multiple jurisdictions
 - Although growth has slowed, Pinal County had the 2nd fastest growth rate in the United States - a net in-migration of 8-10,000 residents in 2009

Managing for Results FY 2009

- Growth

- Development Services implementation of 15-point Growth Planning Initiative

<u>Substantially Complete</u>	<u>In Progress</u>
<ul style="list-style-type: none">• Funding: Plan Fee Update• Funding: Impact Fees CIP Plan• Pinal Trails Plan• Quality of Life: Noise Ordinance, MLD Ordinance, Density/Diversity Standards• Small Area Transportation Planning• Open Space Master Plan• Freeway Corridor Planning• Subdivision Standards Update	<ul style="list-style-type: none">• Comprehensive Plan Updates• Zoning Code Updates• Specific Area Planning
	<u>On-Going</u>
	<ul style="list-style-type: none">• Population Demographics Model• Environmental: Air, Water, Wastewater, Floodplain/Control, Electricity• GIS/ACCELA/E-Gov• Staffing & Organization

Managing for Results FY 2009

- Public Safety
 - Despite downturn in economy, public safety positions were exempt from hiring freeze
 - 13.44 minute average response time for Priority One calls
 - Adult Drug Court – implementation plan is complete
 - Approved creation of Superior Court Division 10

Managing for Results FY 2009

- Healthcare

- Increased childhood immunization rates

- Increased rates from 61% in 2008 to 74.5% in 2009 for children 12 to 23 months; and from 40% in 2008 to 62% in 2009 for children 24 to 35 months

- Pinal County received the Arizona Big Shot award from Arizona Partnership on Immunizations

Managing for Results FY 2009

- Healthcare
 - Expanded Public Health Clinic hours to provide better access to services
 - Provided service for 1,468 Long-Term Care clients and 615 Home Care clients (up 13% over prior year)

Managing for Results FY 2009

- Transportation
 - 78% of dirt roads (excluding primitive) were maintained on a frequency of once every 4 weeks
 - 251 road miles preserved
 - One traffic signal to be installed in May 2009

Managing for Results FY 2009

- Jobs and Economic Development
 - Participated in training and support programs to stimulate economic development in conjunction with WiFi Partnership
 - Obtained federal Recovery Act ‘catch up’ grant to re-roof and replace swamp coolers with energy-efficient HVAC units in public housing units
 - Provided funding to Pinal County’s Economic Development Foundations

Managing for Results FY 2009

- Financial Responsibility
 - Maintained extremely favorable bond rating
 - Fitch upgraded Pinal County in FY 2008 and in March 2009 stated Pinal's rating was "Stable" at "A"
 - Reduced tax rate to \$3.43 from the 2007 rate of \$4.01
 - Improved financial controls, internal audit procedures and fiscal accountability

Managing for Results FY 2009

- Accountability
 - Internal Audit department won the Bronze Award in the 2009 Association of Local Government Auditors Website Award competition for being the strongest in usability, accessibility, and silent whistle feature; rated very high in content and uniqueness
 - Pinal County's website beat all other Arizona Counties in Sam Adams Alliance Sunshine review - a transparency in government rating

Managing for Results Strategic Priorities FY 2010

- Regional Leadership
- Growth
- Public Safety
- Healthcare
- Transportation
- Jobs and Economic Development
- Accountability
- Financial Responsibility

Evaluating & Improving Results

- Evaluate Performance against Targets
- Initiate Service Improvements
- Conduct Employee Evaluations

Analyzing & Reporting Results

- Validate and Record Data
- Analyze Performance Information
- Communicate Results

Delivering Results

- Deliver Services and Collect Data
- Monitor Activity and Budget Performance

Managing for Results

Planning for Results

- Mission, Vision, Values
- Environmental Assessment
- Issue Statements
- Strategic Goals
- Programs, Activities, Services
- Performance Measures and Targets
- Employee Performance Plans

Budgeting for Results

- Align with Strategic Goals and Performance
- Allocate Resources
- Purchase Results

Managing for Results FY 2010

- Growth
 - Pinal County will effectively coordinate land use (growth area), environmental planning (energy, water), open space, transportation, economic development and housing to guide growth in Pinal County for sustainable communities
 - Update land use policies, including timely site plan reviews

Managing for Results FY 2010

- Public Safety

- Pinal County will foster safe neighborhoods and communities and will provide residents and court users with effective and timely court services, as evidenced by the goals established in the Managing For Results process.
- By 2010, have an overall crime rate of less than or equal to the national average crime rate as published by the FBI Uniform Crime Report.
- By 2010, decrease law enforcement response time to 10 minutes for Priority 1 emergency calls.

Managing for Results

FY 2010

- Public Health
 - Pinal County will provide residents with quality, accessible healthcare. “Building Healthy Communities” is a model that includes a full continuum of care that promotes healthy lifestyles and prevention while encompassing both outpatient and institutional care.
 - Increase vaccination rate to 80% in FY 2010.
 - By 2012, the percentage of students who use alcohol, marijuana, methamphetamines and prescription medications in grades 8, 10, and 12 will be less than or equal to the state average, as published by the Arizona Criminal Justice Commission, Arizona Youth Survey.

Managing for Results FY 2010

- Transportation
 - Pinal County will provide residents and the traveling public with quality, maintained roads and will expand its multi-modal (public transportation, personal vehicle, etc.) transportation capacity and diversify funding sources to provide residents with a greater range of alternative travel means through one- to five-year goals set using the Managing For Results process.

Managing for Results

FY 2010

- Transportation
 - By 2011, 15% of unincorporated County paved roads will have a rating of “good” or “better” with less than 10% having a substandard rating. By 2010, the road rating inventory for paved roads will be complete.
 - By 2010, Pinal County will convert dirt and gravel roads to chip-sealed roads by 30 miles per year.

Managing for Results FY 2010

- Jobs & Economic Development
 - Pinal County government will work collaboratively with regional governments to promote the creation of jobs that provide a more diversified economy for sustainable communities.

Managing for Results FY 2010

- Accountability
 - Pinal County will provide public information available on the County website and through other media sources, such as Channel Pinal and You Tube, so its residents will know what services they receive from the County and the value they receive in return for the taxes they pay.
 - The County's Internal Auditor will continue working to improve accountability.

Managing for Results FY 2010

- Accountability
 - By 2010, 50% of surveyed respondents will report that they know what services the County provides.
 - By 2010, 80% of survey respondents say they value the services they receive from the County in return for the taxes they pay.

Managing for Results FY 2010

- Financial Responsibility
 - By 2010 maintain a balanced budget
 - Reduction in Primary Property Tax
 - Maintain the financial rating of “A”
 - Maintain 15% Financial Stability Reserve
 - Minimize use of Rainy Day Fund

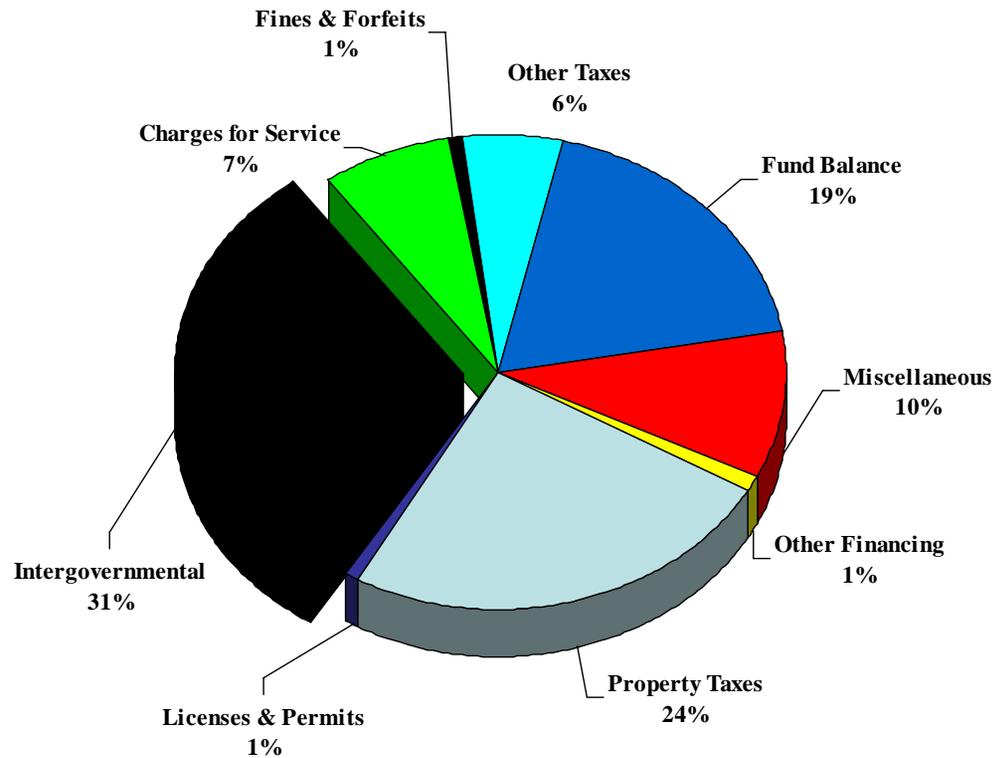
FY 2010 Budget Parameters

- Downturn in economy
 - 2nd fastest growing county in the nation
 - County Sales Tax down (15%)
 - State Shared Sales Tax down (23%)
 - Building Permits down (61%)
- Financial stability
- Minimize service delivery impacts
- Scale back county government based on declines in revenues

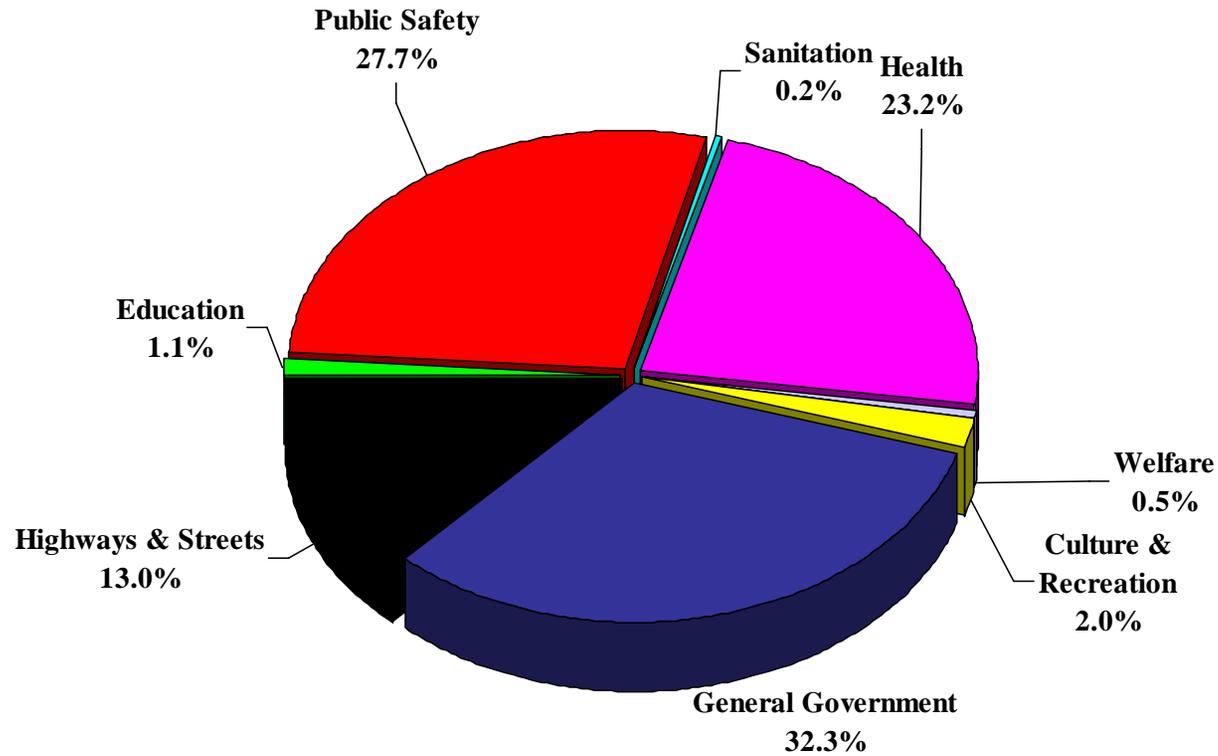
Total Budget Prior Year Comparison

Fiscal Year 2009-2010	\$412,193,853
Fiscal Year 2008-2009	<u>445,794,271</u>
Net Change	(\$33,600,418)

Fund Balance and Revenues - All Funds



Expenditures - All Funds



Net Change by Fund Type

General Fund	(\$14,701,582)
Special Revenue Fund	(26,697,755)
Enterprise Fund	2,366,318
Capital Projects Fund	5,844,750
Debt Service Fund	<u>(412,149)</u>
Net Change	(\$33,600,418)

General Fund

Fund Balance

Fund Balance – July 1, 2008

Financial Stability (15%)	\$26,575,785
▶ Reserved Rainy Day	\$ 7,638,685
Capital – Fund Balance	\$ 5,950,038
Reserved State Impact	\$ 893,221
SCAAP/Operating	<u>\$ 463,348</u>
Fund Balance July 1, 2008	\$41,521,077

Fund Balance – July 1, 2008

July 1, 2008	\$41,521,077
FY 2007-08 Operating Adjust	<u>(\$ 2,546,520)</u>

July 1, 2008	\$38,974,557
Operating Deficit	(\$ 7,136,499)
Capital	<u>(\$ 2,320,183)</u>

June 30, 2009	\$29,517,875
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Fund Balance

July 1, 2009 – June 30, 2010

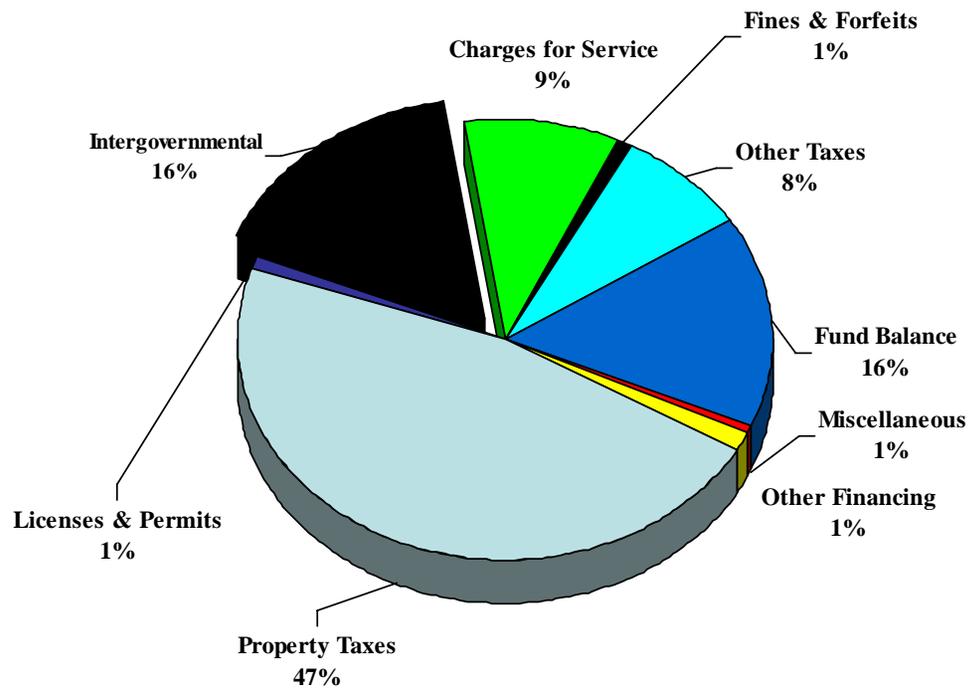
Financial Stability (15%)	\$24,897,229
Reserved Rainy Day	<u>4,620,646</u>
	\$29,517,875

Revenue & Expenditure Summary

Revenue & Expenditure Summary

Beg. Fund Balance	\$29,517,875
Revenue Increase	\$8,072,000
Revenue Decrease	<u>(\$12,972,000)</u>
Expenditure Increase	\$11,100,000
Expenditure Decrease	<u>(\$16,000,000)</u>
End. Fund Balance	\$29,517,875

FY 2010 Summary of General Fund Revenues



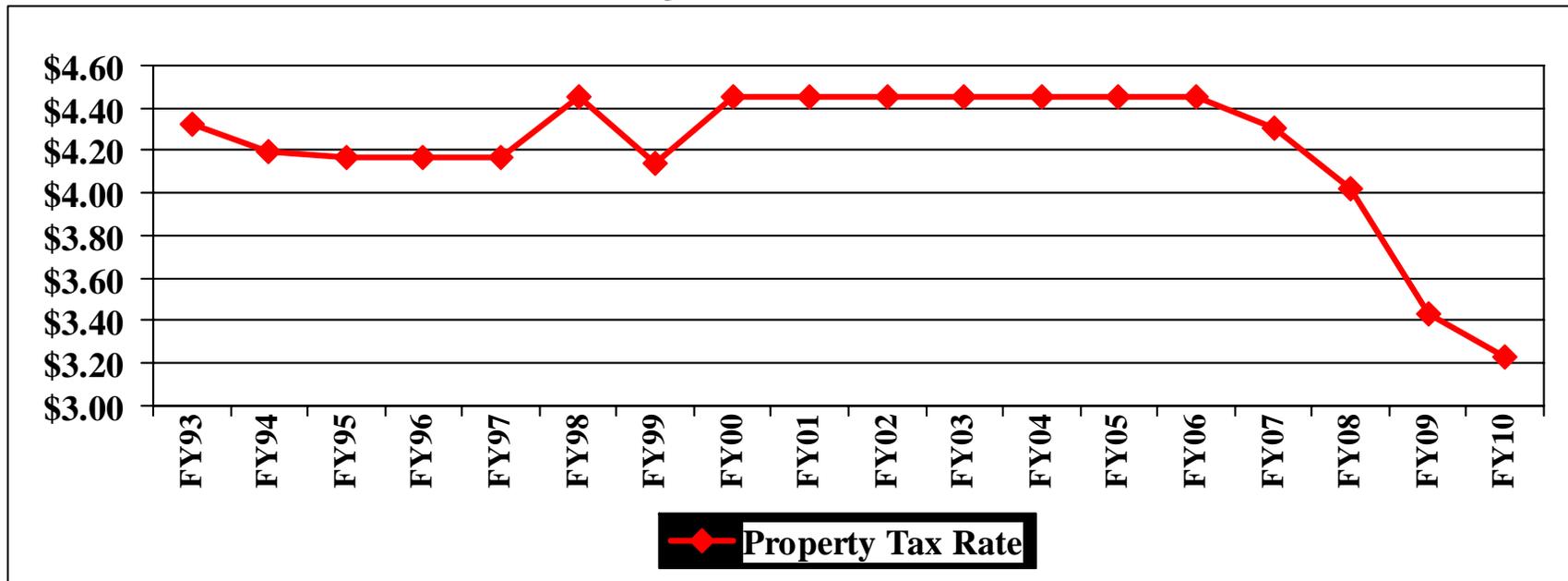
General Fund Net Revenue Change

FY 2008-2009 Revenue	<u>\$167,200,000</u>
Property Tax	\$8,072,000
Intergovernmental	(\$6,600,000)
County Sales Tax	(\$2,500,000)
License & Permits	(\$1,570,000)
Fines & Forfeits	(\$ 240,000)
Miscellaneous	(\$1,700,000)
Transfers In	(\$362,000)
FY 2009-2010 Revenue	<u>\$162,300,000</u>

Primary Property Tax Reduction

	FY 2009	FY 2010	Decrease
Primary Property Tax	\$3.43	\$3.23	\$0.20

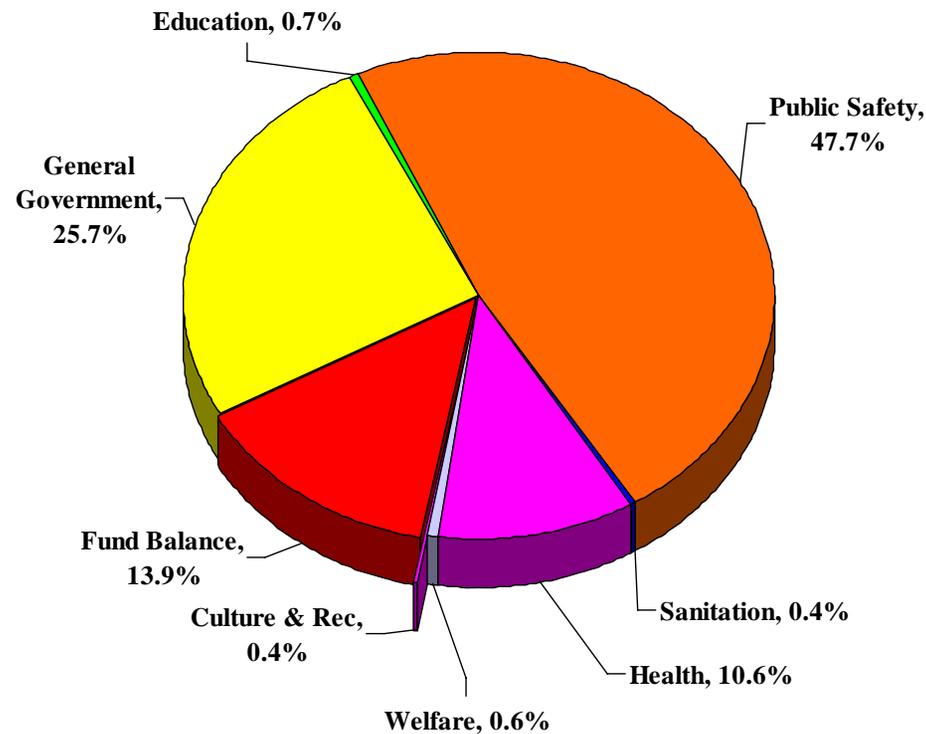
Lowest Primary Tax Rate in 32 Years



Pinal County Tax Rate History

<u>Year</u>	<u>Rate</u>
1875	\$1.50
1900	\$2.60
1950	\$1.12
1970	\$2.04
1980	\$3.64
1990	\$4.33
2000	\$4.45
2006	\$4.30
2007	\$4.01
2008	\$3.43
2009	\$3.23

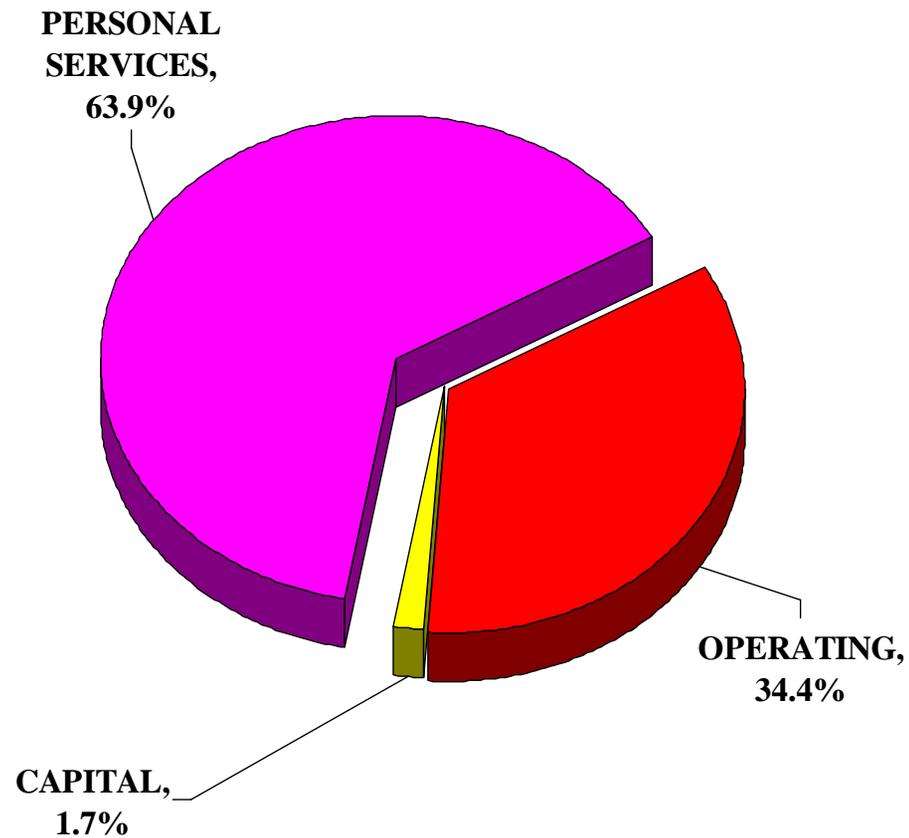
FY 2010 Summary of General Fund Expenditures



General Fund Net Expenditure Change

FY 2008-2009 Expenditures	<u>\$167,200,000</u>
AHCCCS	\$1,000,000
FY 2009 Vacancy Savings	\$4,000,000
Capital / State Impact	\$6,100,000
Operating Reductions	(\$6,500,000)
Reduction in Force	(\$2,100,000)
Reduction in Salary	(\$5,000,000)
Transfers Out	(\$2,400,000)
FY 2009-2010 Expenditures	<u>\$162,300,000</u>

FY 2010 Summary of General Fund Expenditures



General Fund Budget Reductions

- Departments developed cost reduction plans
- Personal services 64% of GF budget
- Savings achieved by reduction in operating budget and position elimination
- Transfer of operating budgets to non-General Fund sources (Special Revenue accounts)
- Short term (2 years) adjustment for Superior Court & Justice Courts

General Fund Budget Reductions

- One-time revenue contribution from Long Term Care, RICO, Jail Enhancements and Inmate Services funds
- Budget balanced without the use of Rainy Day or Financial Stability
- Budget reduction goal: *10%*
 - Elected Officials \$2.0M
 - Courts \$1.3M
 - Administrative Services \$2.0M
 - Development Services \$2.1M
 - Health & Human Services/BOS \$1.2M

General Fund Budget Reductions

- Reduction in force
 - All Funds - *160.5 positions*
 - General Fund - 82
 - Elected Officials/Courts - 25
 - Administrative Services -24
 - Development Services -29
 - Health & Human Services -1
 - Board of Supervisors -3

General Fund Budget Reductions

DEPARTMENT	Total Positions Eliminated
ELECTED OFFICIALS	
ASSESSOR	6.0
COUNTY ATTORNEY	2.0
COUNTY ATTY/CHILD ABUSE ASSESSMENT	0.0
RECORDER	3.0
RECORDER/VOTER REGISTRATION	0.0
SCHOOL SUPERINTENDENT	0.0
SHERIFF	2.0
SHERIFF/ADULT DETENTION	0.0
TREASURER	5.0
TOTAL	18.0

General Fund Budget Reductions

DEPARTMENT	Total Positions Eliminated
COURTS	
CLERK OF THE SUPERIOR COURT	0.0
JUSTICE/PEACE-CASA GRANDE	0.0
JUSTICE/PEACE-APACHE JUNCTION	0.0
JUSTICE/PEACE-ELOY	0.0
JUSTICE/PEACE-ORACLE	0.0
JUSTICE/PEACE-FLORENCE	0.0
JUSTICE/PEACE-MAMMOTH	0.0
JUSTICE/PEACE-SUPERIOR	0.0
JUSTICE/PEACE-MARICOPA	0.0
CONCILIATION COURT	1.0
JUVENILE PROBATION	0.0
JUVENILE DETENTION	3.0
ADULT PROBATION	0.0
ADULT PROB/PRETRIAL SERVICES	0.0
SUPERIOR COURT	3.0
TOTAL	7.0

General Fund Budget Reductions

DEPARTMENT	Total Positions Eliminated
ACM - ADMINISTRATIVE SERVICES	
ASST CNTY MGR/ADMIN SERVICES	1.0
SHERIFF/FLEET MAINTENANCE	0.0
PARKS AND GROUNDS MAINTENANCE	2.0
RISK MANAGEMENT	0.0
FINANCE	2.0
ELECTIONS	0.0
FACILITIES MANAGEMENT	9.0
BUDGET & RESEARCH	1.0
VISITOR CENTER	1.0
HUMAN RESOURCES	2.0
INFORMATION TECHNOLOGY	6.0
TOTAL	24.0

General Fund Budget Reductions

DEPARTMENT	Total Positions Eliminated
ACM - DEVELOPMENT SERVICES	
ASST CNTY MGR/DEVELOPMENT SRV	0.0
PLANNING & DEVELOPMENT	7.0
BUILDING SAFETY	19.0
ENV HLTH/ENVIRONMENTAL PROGRAM	0.0
SOLID WASTE	2.0
ENV HLTH/GENERAL SANITATION	0.0
DEV SRVS/ONE STOP SHOP	1.0
ENV HLTH/VECTOR CONTROL	0.0
TOTAL	29.0

General Fund Budget Reductions

DEPARTMENT	Total Positions Eliminated
ACM - HEALTH & HUMAN SERVICES	
ASST CNTY MGR/HEALTH-HUMAN SRV	1.0
PUBLIC DEFENDER	0.0
HEALTH/JAIL	0.0
PUBLIC FIDUCIARY	0.0
MENTAL HEALTH CARE	0.0
MEDICAL EXAMINER	0.0
HOUSING ADMINISTRATION	0.0
HEALTH/JUVENILE HEALTH D.C.	0.0
TOTAL	1.0

General Fund Budget Reductions

DEPARTMENT	Total Positions Eliminated
BOARD OF SUPERVISORS	
BOARD OF SUPERVISORS	0.0
INTERNAL AUDIT	0.0
COUNTY MANAGER	2.0
CABLE OFFICE	0.0
COMMUNICATION/PUBLIC AFFAIRS	0.0
CLERK OF THE BOARD	1.0
TOTAL	3.0

General Fund Budget Reductions

- Reduction in salary
 - 5% salary reduction for all positions
- Reduction in operating expenditures
- Reduction in capital expenditures

General Fund Historical Employee Benefits

Year	COLA	LOS	ASRS	Total	Health Care
2000	3%	2.5%	N/A	5.5%	100%
2001	2%	2.5%	N/A	4.5%	100%
2002	2%	2.5%	N/A	4.5%	100%
2003	2%	2.5%	N/A	4.5%	100%
2004	2%	2.5%	3.2%	7.7%	100%
2005	2%	2.5%	N/A	4.5%	100%
2006	2%	2.5%	1.7%	6.2%	100%
2007	2%	2.5%	1.7%	6.2%	100%
2008	3%	2.5%	0.5%	6.0%	100%
2009	0%	2.5%	N/A	2.5%	100%

General Fund Budget Reductions

- Minimize service delivery impacts
- Prioritize Public Safety delivery
- Scaled back Development Services
- Preserves Public Health Services
- Identify operating efficiencies in Administrative Services

Special Revenue Fund

Special Revenue Fund Prior Year Comparison

Fiscal Year 2009–2010	\$118,226,009
Fiscal Year 2008–2009	<u>144,923,764</u>
Net Change	(\$26,697,755)

Special Revenue Fund

Grant Appropriation Reserve	\$5,088,849
Clk of the Court (Child Support)	872,767
Courts (Grants)	770,420
School Reserve Fund	633,886
Road Projects	(8,585,355)
Impact Fees	(12,059,252)
Highway Fund	(10,982,518)
Sheriff (Prisoner Fees)	(2,115,944)
County Attorney	<u>(320,608)</u>
Total	(\$26,697,755)

Flood Control District

FY 2009 Secondary Flood Control Tax - \$0.1500

FY 2010 Secondary Flood Control Tax - \$0.1700

- Schnepf Bridge
- Drainage Improvements
- Flood Plain Delineations
- Area Drainage Master Plan – Final Phase
- Flood Gauge Warning System
- Community Rating System
- National Pollution Discharge Elimination System (NPDES) Compliance

Special Revenue Fund Budget Reductions

- Reduction in force
 - All Funds - *160.5 positions*
 - Special Revenue Fund – *72.5*
 - Public Works - *40.5*
 - Public Health - *32.0*
- Reduction in salary
 - *5%* salary reduction for all positions

Enterprise Fund

Enterprise Fund Prior Year Comparison

Fiscal Year 2009–2010	\$66,100,450
Fiscal Year 2008–2009	<u>63,734,132</u>
Net Change	\$2,366,318

Enterprise Fund

Long Term Care	\$2,087,144
Sheriff Inmate Services	792,594
Horizon Home Care	(35,973)
Fairgrounds	(469,447)
Other	<u>(8,000)</u>
Total	\$2,366,318

Enterprise Fund Budget Reductions

- Reduction in force
 - All Funds - *160.5 positions*
 - Enterprise Fund
 - Horizon Home Health - *6.0*
- Reduction in salary
 - *5%* salary reduction for all positions

Capital Projects Fund

Capital Projects Fund Prior Year Comparison

Fiscal Year 2009–2010	\$28,033,153
Fiscal Year 2008–2009	<u>22,188,403</u>
Net Change	\$5,844,750

Capital Projects Fund

Master Facilities Plan	\$12,000,000
Land/Building (GADA)	11,477,500
Gantzel Road	3,570,000
Imaging Project	805,959
GIS Continuation	90,803
Voter Registration/VRAZ	<u>88,890</u>
Total	\$28,033,152

Debt Service Fund

Debt Service Fund Prior Year Comparison

Fiscal Year 2009–2010	\$16,282,884
Fiscal Year 2008–2009	<u>16,695,033</u>
Net Change	(\$412,149)

Debt Service Fund

Project	Amount	Payoff Date
Gantzel Road	5,044,813	2025
Adult/Juv Detention Facility Exp	4,974,694	2030
Superior Court/Sheriff Admin	2,495,586	2025
Capital Lease - Equip/Vehicles	2,001,808	2013
Series 2009 GADA	917,239	2018
Series 2008 GADA	567,600	2026
Energy Conservation	207,087	2013
Casa Grande Probation Building	<u>74,057</u>	2010
Total	\$16,282,884	

Budget Calendar

May 13	Tentative Budget Adoption
June 24	Final Budget Adoption
August 17	Property Tax Levy Adoption

Looking Ahead Beyond 2010

- Conservative revenue projections
- 2nd fastest growing county in the nation
- Diverse retail mix – positive influence on recovery
- Assessment of other revenue and transfer policies
- Operational improvement opportunities

Thank you

Special Thanks

- Thank you to the Board of Supervisors for providing policy guidance and leadership
- Thank you to Elected Officials, Judicial Branch Departments and Appointed County Departments for their cooperation during this difficult budget process

**Total Tentative Budget
FY 2009-2010**

\$412,193,853

**Pinal County
Tentative Budget
FY 2009-2010**

May 13, 2009