



County Administrative Officer's Transmittal Letter

To: Lionel Ruiz, Chairman, District 1
Sandie Smith, District 2
Jimmie Kerr, District 3

With pleasure, I present to you the Fiscal Year 2004-2005 Budget. This balanced budget reflects the careful planning and teamwork of elected officials and employees throughout the organization.

A year makes all the difference in the world. Looking back a year at our situation we were unsure how to manage with the increased costs and a slowing in sales tax revenue. How was Pinal County going to be affected by the State of Arizona, whose own budget woes were starting to move downhill to the counties?

Move forward one year and Pinal County is not only growing, but continues to be one of the fastest growing counties in the nation. We, as county employees, are trying to keep up with the fast pace of growth. Many new and exciting challenges are taking place within our boundaries. The Phoenix-metro and Tucson-metro areas have discovered the beauty, charm and affordable costs associated with our county.

Fiscal Year 2004-2005 is positioning itself to be a year full of excitement, changes and challenges.

Challenges for the year include:

1. Planning for population growth
2. Service needs of population
3. Infrastructure needs
 - a. Roads
 - b. Courts
 - c. Health
 - d. Public Safety
4. Employee retention and training
5. Economic Development
6. State cost increases
7. Continue to grow fund balance

Meeting these challenges head on is a priority for the County. Planning for the rapid population growth requires management to meet and discuss strategies. A decision was made to create a new Development Services sector within the county. This was accomplished by creating the position of Assistant County Manager for Development Services to oversee Planning & Zoning, Building Safety, Air Quality, Sanitation, Public Works, Hearing Office and the Flood Plain Administrator. Previously, these departments reported to the Deputy County Manager and



County Manager. The interaction between them was on an as-needed basis. This new organizational plan creates a synergy amongst the departments. Each department has been and will be dependent on one another and this plan allows for an optimal flow of information between them.

Also, the new Development Services Division is now a one-stop shop for all planning, zoning, building permits, air quality, sanitation, etc. There is a centrally located desk that allows all of the individual departments to meet with the public.

As the population growth continues so does the need for increased or expanded services. Pinal County government has attempted to modernize and streamline our way of doing business. The County has either implemented new services or is in the process of implementing them.

Geographic Information System (GIS) software and hardware project This project is an ongoing project and is in its third year of work. The first milestone will be the finalizing of the base map, including right-of-way specific information. From this map, all other levels of the system will be implemented. The total cost of the base map program is approximately \$800,000 and should be completed by the end of FY06. The entire project, which is estimated to cost almost \$3 million, should take approximately five years.

Electronic Records Storage Project/Bar Code This project will enable departments to electronically store and retrieve their documents and to code files or physical assets with a bar code. This project will make responding to citizens' requests for information more timely, as well as limiting the need for additional storage facilities. Also, it will allow for the more complete tracking of the physical assets of the county. The cost for the pilot project is approximately \$30,000. To do a county-wide program the initial costs are projected to be approximately \$1,000,000. The first phase should be completed in FY05. The remaining departments will be ongoing and will be added each year until all are on the system.

Development Services In order to streamline the development processes, a new integrated software package is being installed. This multi-phase project will allow Development Services to integrate their entire division, Planning, Building Safety, Environmental Health, Air Quality and Flood Plain Maintenance. Each department will then be able to do their work in a more efficient manner and, each department will be able to monitor the process of all the different projects. Total cost is approximately \$300,000 for Building Safety, \$250,000 for Planning and Zoning, \$200,000 for Air Quality and Environmental Health. This project, called Accela, will be completed over an 18-month time frame.

County-wide Infrastructure Many components of the County's computer network infrastructure are quite old and antiquated. This project includes installing new networking, hardware (servers), software and security. Some of the fiber and cabling is over 15 years old. Communication equipment, switches and hubs that are no longer supported by the manufacture or the vendor will also be replaced. The cost for the total upgrade is approx \$1 million, completed in phases over three years. Completion is scheduled for FY07.



On-line Subscriptions The County embarked on a new era of research materials this year. In prior years, the county relied upon printed materials for all of the Superior Court, Justice Courts, Public Works, County Attorney, etc. The problem with the printed material is that it was out of date as soon as it was published. Now, the County is on-line with its new subscriptions of law material. This material, which consists of many legal databases, statutes, etc., is also available in the County's public law library. The benefit of the subscription, besides continuously updated, is that research is much simpler and faster. Court research can be done in a fraction of the time; Public Works is able to look up statutes pertaining to rights-of-way, etc. On top of this, the county is saving over \$50,000 per year versus the paper subscriptions.

Infrastructure needs have weighed heavily on the county and will continue to do so into the foreseeable future. Many of these areas consist of roads, court facilities, detention facilities, health clinics, etc. Due to the growth, the County Management team has met and discussed how to meet these immediate needs.

Roads Like the arteries in the human body, if the roadways were to clog-up, the county would be in serious trouble. Currently, there are three main areas of growth within the county, the southern region, western region and the northern region. The northern region is by far the heaviest concentration of new housing for the county. There are currently over 100,000 homes in the process of being built. This tremendous growth has placed a huge burden on the two roads that lead into and out of the area. The Public Works department has engineered the plans to take the two-lane country road and make it a four-lane highway with a middle-turn lane. The traffic on this road has increased exponentially in the last three years. The road improvement will consist of a 15-mile stretch and will cost approximately \$40 million to complete. The funding for this project will come from the developers' fees generated by the Superstition Valley Transportation Project, in the area. This project should be completed by December 2005. This is just one of the projects for the area. Another major project will be a freeway linking the northern part of the county to the middle of the county. This project will be funded by the State's Department of Transportation.

Besides the construction of roads, the county must also do its best to ensure that air quality is being met by upgrading existing dirt roads. The County currently collects a ½ cent road tax from its one percent sales tax. This tax is divided between the three districts and is used to help mitigate dust issues. Typically, a dirt road is graded and "dressed" and then a layer of Asphalt, Rock, Dust Palliative (ARDP) is applied. This produces a paved road for a fraction of the cost. A typical road in this fashion will run approximately \$30,000/mile with about \$1 million worth of paving completed each year.

Courts The County has just recently finished building its new Superior Court Complex. The court was designed for the county to grow into it over the next 5-10 years. In fact, during the construction, two additional courtrooms were left in a "shell-state", meaning the furniture, bench, equipment were not purchased. The expectation was to build-out these rooms in the next five years. However, due to the aforementioned growth, this new budget allows for the remaining courtrooms to be completed. State statutes dictate when a new court division should be



established and as such, the county is required, due to new population estimates to open these divisions. The cost of the build-out is approximately \$800,000.

Public Safety Public Safety has been a key-issue for some time. With the growth and prosperity come problems associated with it – crime. The current adult detention facility was constructed in 1994 and is able to house approximately 472 inmates. Currently, the facility has been housing a daily average of approximately 630 inmates. In fact, the Sheriff’s office has had to turn away misdemeanor bookings due to the over-crowding. To meet with this concern, the Board of Supervisors’ has approved the construction of a \$60 million jail expansion. The County is always trying to be innovative. As County Manager, I have met numerous times over the course of the last two years with Federal government agencies (i.e., Immigration and U.S. Marshal). These discussions have led to the creation of an Intergovernmental Agreement (IGA) with the Federal government to house their prisoners in the county facility. The per diem rate, approximately \$5 million per year, currently being developed, will offset the debt service for the new facility and cover most, if not all, of the annual operating costs. The County will see revenue, from the IGA, in the range of approximately \$15 million per year. Very few other counties in the country have the ability to manage a detention facility so efficiently that the cost burden of building and staffing a new facility does not fall on its citizens.

When completed, the facility will require an additional 200+ Detention Officers and administrative support staff. This large increase in qualified and trained personnel is a large, complicated process. The County’s Human Resources department has already begun the process of meeting with the County Sheriff and Detention Commanders to discuss the strategies for hiring, training and retention of the new employees. The average starting salary for a Detention Officer is approximately \$32,000, not including employee related expenses. This equates to approximately \$6.4 million in new personnel costs. All of which will be covered by the per diem agreements with the various governmental entities. As such, the county will not feel the large effect upon its revenue stream.

Employee Retention/Training The County must do all that it can to attract and retain its employees. Our physical location is between the two largest metropolitan areas of the state. Typically, wages and salaries will be higher in these areas than within Pinal County. However, due to the growth of the county, which means additional tax revenue, the county has been able to offer competitive wages and salaries. For FY05, the county will be spending approximately \$2.7 million in longevity/COLA increases. The County has made an effort to improve its training options for employees. The Human Resources department has brought in trainers to teach classes and employees have had an option to sign-up for off-campus training. This increase in training opportunities has helped retain our valued employees.

Economic Development The County realizes that growth will not always be here and that economic development is key to being ready for the future. For this reason, the Board of Supervisors and the County Management have met and discussed ways for the county to provide



additional assistance to the business sector. This project is in progress and only time will tell if it is successful.

Additional State Costs The State of Arizona, as with many other States, has been in dire financial straits the last two years. As such, the State has passed on to the counties costs that would have been picked up by the State in better years. Pinal County is in the last year of an additional \$705,000 payment to the State. This payment was required of the county to help the State balance its fiscal budget. On top of this, the county also saw an increase in its Arizona Health Care Cost Containment System (AHCCCS) of approximately \$2.2 million for FY05. The County now makes a yearly payment of \$11.5 million to the State for AHCCCS assistance.

Fund Balance Pinal County has a resolution that states it must maintain a minimum unreserved fund balance of five percent. As recently as the late-80's the county was unable to maintain such a rate. However, due to continued conservative fiscal planning the county not only meets the five percent minimum, but also has continually surpassed the goal for the last 15 years. This surplus has allowed the county to renovate areas or purchase desperately needed equipment. It is understood that this balance is to be used for one-time purchases only. Salaries are never considered when using the fund balance.

In conclusion, unlike other counties, cities or the State, Pinal County has been experiencing population growth, which leads to housing and business construction, and our revenues have not been adversely affected by the changes in the economy. This growth has enabled the county to maintain and in some cases increase, its current service levels and allow for cost of living increases for its valued employees.

Pinal County, due to its dedicated employees, is capable of maintaining a strong, stable financial position into the foreseeable future.

As you can see, even with the large increases in population, which in turns means additional work for all employees, I am confident that each and every county department works as efficiently as possible. This budget includes some exciting and innovative projects that will enable to County to meet the ever-growing needs of its citizens. Today, we are better than we were, but not near good as we are going to be.

Sincerely,

A handwritten signature in black ink, appearing to read "Stanley D. Griffis", is written over the typed name.

Stanley D. Griffis, Ph.D.,
County Manager



Fiscal Year 2004 – 2005

Board of Supervisors' Goals

- 1. Continued review of existing operations to ensure County Government is effective and efficient**

The Board of Supervisors and county management are continually searching for better, more efficient methods of delivering services to county residents.

- 2. Effective and Prudent Planning and Growth for Land Development**
- 3. Ensuring competitive employee compensation – Salaries and Benefits**
- 4. Expansion of Adult Detention Facility and construction of a new Juvenile Detention facility**
- 5. Widening and extension of the Ironwood/Gantzel Road**



HOW TO MAKE THE MOST OF THIS DOCUMENT

The budget document serves two distinct purposes. One purpose is to present the Pinal County Board of Supervisors and public with a clear picture of the services that the county provides and of the policy alternatives that are available. The other purpose is to provide county management with a financial and operating plan that conforms to the county's accounting system.

Budget Overview and Summary Schedules - These sections are provided to give the Board of Supervisors and general public an overview or snapshot of the entire county's budget. The summary schedules allow for an additional level of information without having to look at the lowest level of detail.

Budget Message and Budget Summary – These sections provide an overview of the key policy issues and programs.

With a few exceptions, Pinal County's fund structure also corresponds to program categories; e.g., General Services, Public Works, Long Term Care, etc. Each Fund is broken down into organizational groups that are in turn divided into departments and divisions. Each division is subdivided into one or more programs.

Departmental Budget Schedules – This section includes the departmental budget information on services and goals, accomplishments, staffing and an interesting trivia fact about the department or sector.

Capital Budget – The Capital Improvement Budget details the FY2004-05 capital appropriations budget for the county. The General Fund capital plan is for the current fiscal year, while the Public Works sector lists projects for the next five years.

Tax Levies and Rates – This section lists all of the taxing entities within Pinal County. They are categorized by their purpose. It shows current fiscal year and prior fiscal year for comparison.

Glossary – The glossary, located in the appendix, helps translate some of the budget jargon into plain English.



Fiscal Year 2004 – 2005 Budget Calendar

- 9/03 to 1/04 Prepare long-range financial forecast and preliminary short-term revenue projections. Management team sets overall budget preparation policies.
- 2/5/04 Budget Kick-off meeting. Orientation and training to be held at the Long Term Care Building in the conference room. Budget manual with instructions to be placed on the Budget Office web-site. Personnel control report and budget worksheets to be handed out at orientation.
- 3/5/04 Budget requests are entered into computer system and system is turned off. Capital outlay and new position requests are due to the Budget Office at same time.
- 3/8 to 4/2/04 Budget negotiations are held with departments and the tentative budget is prepared.
- 4/27/04 CIP requests presented to the CIP committee. This includes new vehicles, facilities, and equipment.
- 4/29/04 New positions requests are presented to the Personnel Review committee.
- 6/23/04 Public hearing and adoption of the tentative budget by the Board of Supervisors.
- 7/04 to 8/04 Tentative budget advertised in the Florence Blade and Reminder Tribune.
- 8/4/04 Public hearing and adoption of the final budget by the Board of Supervisors.
- 8/11/04 Public hearing and adoption of property tax levies and rates by the Board of Supervisors. ARS §42-304 requires this action to follow final budget adoption by seven days.
- 9/10/04 Final Budget document published and available to the public.

BUDGET AMENDMENTS: Under the County's expenditure limitation, total expenditures cannot exceed the final appropriation - \$246 million in FY 04-05 – once the budget is adopted. The county can amend the total appropriations for an individual fund. However, to guarantee compliance with the expenditure limitation, when one fund's total appropriation is increased,



another fund's appropriation must be reduced by an equal amount. Amendments to fund total appropriations require County Manager and Board of Supervisor approval.

The Board of Supervisors or the County Manager may also approve the transfer of appropriations within funds. This occurs most often in the case of capital improvement projects, where savings in one project are transferred to another project. These amendments, as well as uses of any contingency accounts, require County Manager approval.

The Budget Resolution also allows for department heads to transfer appropriations within their respective departments or divisions. The budget transfers are reviewed by the Budget staff, County Manager or Deputy County Manager. All administrative budget transfers are documented by the Budget Office and tracked in the county's computerized financial system.

BUDGET BASIS: The budgets of general government type funds (for example, the General Fund itself, Public Safety, Public Works) are prepared on a modified accrual basis. Briefly, this means that obligations of the county (for example, outstanding purchase orders) are budgeted as expenditures, but revenues are recognized only when they are measurable and available.

The Enterprise Funds (Long Term Care, Fairgrounds) also recognize expenditures as encumbrances when a commitment is made (e.g., through a purchase order). Revenues, on the other hand, are recognized when they are obligated to the county (for example, fairground fees are recognized when parties use the facilities).

In all cases (Enterprise Funds and General Governmental Funds) when goods and services are not received by year-end, the encumbrances lapse.

The Comprehensive Annual Financial Report (CAFR) shows the status of the county's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the county prepares its budget. Exceptions are as follows:

- a. Compensated absences liabilities that are expected to be liquidated with expendable available financial resources are accrued as earned by employees (GAAP) as opposed to being expended when paid (Budget).
- b. General staff and administrative charges are recognized as direct expenses of the Long Term Care Fund on a GAAP basis as opposed to being accounted for and funded by operating transfers into the General Fund from the Long Term Care Fund on a Budget basis.
- c. Capital outlays within the Enterprise Funds are recorded as assets on a GAAP basis and expended on a Budget basis.
- d. Depreciation expense is recorded on a GAAP basis only.



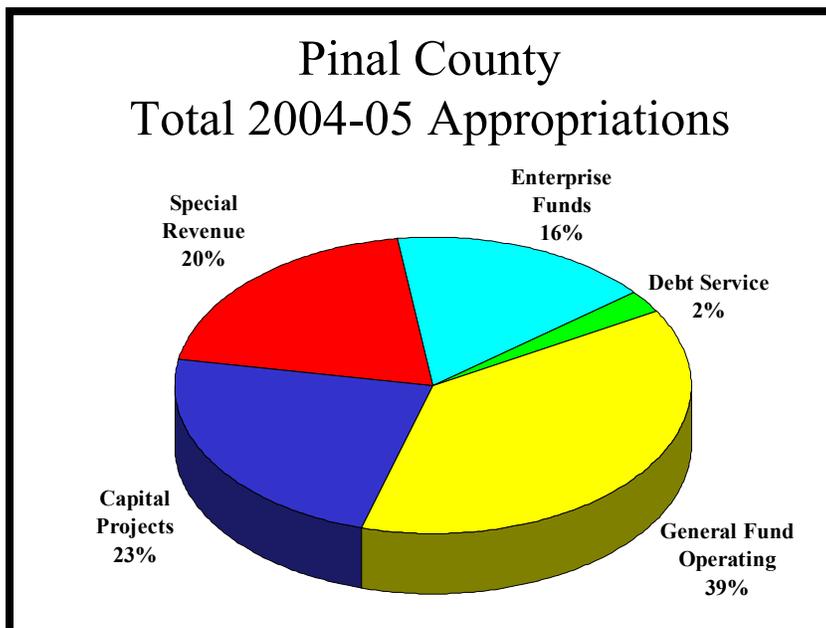
The Comprehensive Annual Financial Report shows fund expenditures and revenues on both a GAAP basis and Budget basis for comparison purposes.

Copies of the Comprehensive Annual Financial Report are available from the Pinal County Finance Department. Please contact the department at 520-866-6255 or go to the Pinal County website, www.co.pinal.az.us.



BUDGET SUMMARY

The annual budget for Pinal County is divided into five major components, which include all appropriations for the County. The **Operating** budget finances the day-to-day provision of County services and totals \$92,854,000. The **Capital Projects** budget funds the construction of County facilities. This year the Capital Projects Budget totals \$57,569,000. The **Special Revenue** budget is funded by grants, fees, permits, etc. and is separate from any General Fund monies. The Special Revenue budget totals \$49,325,000. The **Enterprise Fund** budget consists of departments that operate on a cash flow basis separate from the General Fund. The different cost centers must generate sufficient revenue in order to cover the operating expenses. The Enterprise Fund budget totals \$40,242,000. The **Debt Service** budget is used to repay money borrowed by the County, primarily for capital construction projects, and amounts to \$6,010,000. The total budget, including all five components, is \$246,000,000.



HOW THE ANNUAL BUDGET IS DEVELOPED

The development of the Pinal County budget was an open process designed to reflect the needs and desires of the County's residents. Throughout the year, the Board of Supervisors and county staff obtained input from county residents through neighborhood meetings, citizen boards and commissions, surveys and other contacts with individuals and groups.

During the fall of each year, the budget staff updates the forecasts for revenue and expenses. These forecasts allow for the Budget Office to better estimate the current year as well as possible increases for the next year. Also, in December of each year, each department head or elected



official meets with the Budget Director to discuss the status of their respective areas for the current year and to get an update on what the next year will hold for each department.

During the first week of February, the Budget Director holds the “Budget Kick-off”, which is a meeting designed to update all of the department heads and elected officials as to the current status of the County and what can be expected for the next budget year. Direction on how to develop budgets is given with highlights of particular areas of concern.

In many cases, managers exhibited considerable innovation in developing better methods and practices so they could serve more citizens without increasing their non-salary base budgets. In some cases, managers found it necessary to request supplemental funding to cover inflation and growth or to provide new or expanded services to meet Board of Supervisors goals and objectives. In those cases, they were required to submit detailed justifications of their requests including a description of the request, the service benefit, cost recovery potential, and any innovations they implemented prior to requesting supplemental funding.

After the operating managers submitted their budget requests, meetings were scheduled with the Budget Office to review any changes or additions to their budgets. At this time, the departments presented their budgets and explained in detail why there is a need for additional funding. Additional funding at this meeting is limited to basic operating expenses and limited to items under \$1,000. Should equipment, personnel or other items with a cost of \$1,000 or more be needed they are submitted through the County’s CIP process.

After the Budget Office has balanced the budget it is presented to the County Manager for his approval. Once any changes have been made per the County Manager, the budget is then presented to the Board of Supervisors at a preliminary budget hearing. At this time the Board of Supervisors has the opportunity to hear input from the public or from the other Board members. The proposed budget, as revised by the Board of Supervisors, becomes the preliminary budget, which is published and made available for further public review prior to the final public hearings and adoption in August.

Amending the Budget

Once the Board of Supervisors adopts the annual budget, total expenditures cannot exceed the final appropriation, also referred to as the County’s expenditure limitation, which is \$246 million in FY2004-05. However, with Board’s approval, the County can revise the total appropriations for an individual fund provided that the budget remains in balance. This means that if one fund total appropriation is increased, another fund’s appropriation must be reduced by an equal amount.



The Board of Supervisors may also approve the transfer of appropriations between funds. This occurs most often in the case of grant funding or capital projects, where savings in a project recorded in a specific fund are transferred to another project with a differing fund number.

The Board of Supervisors has given the County Manager the authority to approve transfers of appropriations within the same fund without Board approval. These types of budget transfer requests are reviewed by the relevant operating managers and the Budget Office before being sent to the County Manager for final approval. Line item changes, such as the shift of budgeted funds from the small equipment line item to the postage line item, to support an increase in mailings, do not require County Manager or Board approval. All administrative budget transfers are documented by the Budget Office and tracked in the County's computerized financial system.

Fund Descriptions and Fund Balances

Pinal County uses fund accounting to track revenue and expenditures. Some funds, such as the Highway Users Revenue Fund (HURF), are regulated by state legislation or by the organizations awarding grants to the County. Other Funds were adopted by the Board of Supervisors to track and document revenues that are being used in the manner for which they have been designated. Enterprise funds are expected to be self-supporting through revenue generated from the services provided. Ending fund balances in each of the funds are composed of the ending balance plus the contingency appropriation, which should remain unspent barring any emergencies.

Counties in the State of Arizona obtain large portions of their budgets through grants from the State or Federal governments. Pinal County is no exception. With the exception of the General Fund, the majority of the remaining funds are grants. The grants in the following pages are grouped according to recipient of the grants.

General Fund: The General Fund includes all sources of revenue the County receives that are not designated for a specific purpose. General Fund money may be used by the Board of Supervisors for any legal public purpose. Most county departments receive at least some support from the General Fund. The ending balance in the General Fund is projected to increase by as much as \$2.0 million from the beginning balance with the addition of revenue above the budgeted amounts, most of which will come from building permits.

Sheriff: The Pinal County Sheriff's Office receives numerous grants from the State and Federal government. These consist of drug fighting money, jail enhancement funds, communication improvement funds, and crime prevention and gang intervention funds. Each grant is accounted for in a separate fund and funds must be used as specified in the grant proposal. All grants are audited for completeness and proper use of funds. Some grants are on a reimbursement basis so that fund balances may at times be negative until a payment is received.

County Attorney: The County Attorney receives State and Federal grants as well as funds from drug seizures/prosecutions such as RICO (Racketeer Influenced and Corrupt Organizations Act).



These consist of drug prosecution funds, juvenile services grants, prosecution services grants and Stop Violence Against Women grants. Each grant is accounted for in a separate fund and funds must be used as specified in the grant proposal. All grants are audited for completeness and proper use of funds. Some grants are on a reimbursement basis so that fund balances may at times be negative until a payment is received.

County Attorney IV-D: This program is through the Federal government via State government. The program is designed so that the County Attorney's office enforces child support on parents that have had support judgements placed on them. The Attorney's office uses the funds to hire experienced personnel in the collections area. The grant covers 66 percent of total costs and the General Fund covers the remaining 34 percent. All funds are audited yearly by the States Auditor General's office. The fund should remain close to a zero balance at year-end.

Superior Court: The County's Superior Courts receive grants for the following; Drug enforcement, automation, case processing and law library. Each grant is accounted for in a separate fund and funds must be used as specified in the grant proposal. All grants are audited for completeness and proper use of funds. Some grants are on a reimbursement basis so that fund balances may at times be negative until a payment is received.

Justice Courts: The Justice Courts handle traffic, small claims and misdemeanor charges. Some of the grants they receive are; court enhancement, court cost recovery and alternative resolution. The fund balance should decrease to zero as the grants are expensed.

Recorder Storage: This fund includes document storage, retrieval, conversion and maintenance of all recordings and equipment. It was established per A.R.S. §11.475.01 in 1995 for the purpose of converting the County Recorder's document storage and retrieval system to micrographics (the true legally accepted media to archive recorded documents) or computer automation. Monies in the fund may only be used for purchasing hardware and software, training employees to operate the system, maintaining the system, purchasing equipment maintenance agreements and updating hardware and software for the County Recorder's automation system.

The revenues for this account are generated through a special recording surcharge of \$4.00 for each instrument, paper or notice filed with the County Recorder. The balance of the fund is expected to remain essentially unchanged from the beginning balance.

Special District Funds: A special district is created to help offset the cost of infrastructure improvements for unincorporated areas. An assessment is placed upon a district, which is then used to payoff the debt associated with the project. Special Districts may consist of street improvements, street lighting, sewage treatment, etc. The funds are typically designed to carry no fund balance. The exceptions would be with the sewage treatment districts that will attempt to carry enough fund balance so as to have funds available for possible leaks, repairs, etc. These funds are classified under this one category due to the nature of their existence.



Adult Probation: The Adult Probation department receives a large portion of its funding from the State. Most of the revenue received is either for cost reimbursements or pre-budgeted amounts for Probation Officers. Some of the different funding areas are; Intensive Probation, Community Punishment and State Enhancement. Each grant is accounted for in a separate fund and funds must be used as specified in the grant proposal. All grants are audited for completeness and proper use of funds. Some grants are on a reimbursement basis so that fund balances may, at times, be negative until a payment is received. Typically, these funds will be completely expensed by fiscal year-end.

Juvenile Probation: The Juvenile Probation department receives a large portion of its funding from the State. Most of the revenue received is either for cost reimbursements or pre-budgeted amounts for Probation Officers. Some of the different funding areas are; Probation Support, Intensive Probation, Family Counseling, Standard Probation and Officer-in-School. Each grant is accounted for in a separate fund and funds must be used as specified in the grant proposal. All grants are audited for completeness and proper use of funds. Some grants are on a reimbursement basis so that fund balances may, at times, be negative until a payment is received. Typically, these funds will be completely expensed by fiscal year-end.

Public Defender: The Public Defender receives funding for additional training for its staff from the State of Arizona. The fund usually carries a minimal balance as funding is used as it is received. This is a necessary funding source that allows the defense attorneys to stay educated in the field of law. Funds not used in the current fiscal year will be budgeted for use in the next fiscal year.

Public Works: This area consists of the largest funds outside of the General Fund. The largest is the Highway User Revenue Fund (HURF). This fund is used to account for money received from the State of Arizona. HURF revenues are generated from gasoline and other fuel taxes, driver's license and vehicle registration fees, and other related fees collected by the state and shared with cities and counties based on a complex distribution formula. The HURF revenue is solely responsible for the maintenance, signage and other related activities of roadways. The projected balance in the HURF fund should be increasing as the director of the department is attempting to build a fund balance to cover any emergency situation that may arise. Public Work's goal is to carry a fund balance of approximately \$500,000 to manage any unforeseen problems.

Other funds within Public Works: Road Tax, Special Projects and Flood Management. The Road Tax fund was created through a ½ cent sales tax through an ordinance set by the Board of Supervisors. This ½ cent sales tax is used to maintain the county roads within each of the three Supervisors' districts. The Special Projects fund is usually funded by transfers from the General Fund or other funds to Public Works who will then do specified projects for the County. For example, a proposed lake was funded through this fund with General fund money as well as State grants. The Flood Management fund is used to help either with repairs due to flood damage or construction to help mitigate damage from any possible flooding in the future. These funds are expected to maintain their current balances.



Library Fund: The Pinal County Library system is funded through a portion of the property tax proceeds. The County does not actually operate stand-alone libraries, rather it allocates to the individual cities and towns a portion of its revenue to help maintain and stock the current municipal libraries. Funding for the Libraries is solely through the property tax collections. The fund is expected to carry a balance similar to its beginning year balance.

Animal Control Fund: Animal Control receives a portion of the County's primary property tax. The Animal Control department was split out from the County's General Fund so that better control could be made on expenses. As assessed valuation grows, the budget for the Animal Control division will also grow. Typically, the fund is kept at a zero balance, as revenues will just cover expenses. For FY 2005, the Animal Control Fund is borrowing approximately \$900,000 to fund a necessary expansion of their facility. This expansion is due directly to the population explosion that the County is experiencing. The fund should end the year with a zero balance.

Health Grants: The Health Department derives most of its funding from State and Federal Grants. The General Fund is responsible for only a small portion of its total operations. Most of the revenue received is either for cost reimbursements or pre-budgeted amounts for the numerous health programs. Some of the different funding areas are; Women, Infants and Children, HIV Prevention, Cancer Screening, Tobacco Education, Free Clinics, Immunizations and Teen Pregnancy Prevention, to name but a few. The majority of the grants are located in a single fund. All of the money must be used as specified in the grant proposal. All grants are audited for completeness and proper use of funds. Some grants are on a reimbursement basis so that fund balance may, at times, be negative until a payment is received.

Home Health: This fund is one of the only true Enterprise funds for the County. The purpose of this entity is to provide in-home care the elderly, invalids, etc. Not only is it more cost-effective than a nursing home or hospital, but it has been proven that patients usually do better in more familiar surroundings. In the past, this fund typically required a transfer from the General Fund to assist in meeting operating costs. Rates for Home Health are somewhat restricted by the State and until FY 2002 were not enough to cover expenses. In FY 2003, the State allowed for an increase in rates. Since that time the new rates have allowed the fund to become self-sufficient. The fund balance is projected to be positive for the fourth consecutive year.

Long-Term Care: Prior to 1982, counties were responsible for the indigent sick and either operated hospitals, clinics or nursing homes or contracted for the services. In 1989, the Arizona Long-Term Care System (ALTCS) was formed using federal Medicaid dollars. Pinal County created an Enterprise Fund that is designed to provide care for the indigent. The Long-Term Care (LTC) department must compete with the private sector in contracting with the State for care of the indigent. The department not only surpassed the private industry in costs-savings, but the neighboring Gila County contracted with the Pinal County Long-Term Care to handle their patients, too. The fund tries to balance costs to revenues, but has been able to save enough that LTC was able to build a new administration building using only funds on-hand and is in the



process to expand this facility to meet its growth. The fund is expected to remain at the same level for the current year.

Air Quality: The Air Quality department established a new fund that would collect all of the fees from permits relating to air quality control. The State of Arizona's Department of Environmental Quality office regulates the fee structure as well as to the use of the fees. The fees collected have allowed the department to slowly move from total General Fund support to being almost completely self-sufficient. The fund is slowly building a balance, but as it continues to grow, more General Fund supported areas will be moved into the fund.

Fairgrounds: Pinal County, as with most other counties, has a fairground complex for the County fair and other major events. The County's fairground, in its current location, has been around since the early 1950's. The problem is that the buildings and infrastructure are quite old and in need of constant repair. The fund usually requires a transfer from the General Fund each year to help meet its operating needs. Typically, each year, some part of the fairground requires a large repair or complete replacement of a particular piece of equipment. Last fiscal year, the fairground's kitchen facilities underwent a "rehab". The equipment and labor were covered by grants from the Federal government. As the county continues to grow, this fund should be more self-sustaining due to the different events that will be using the fairground facilities as well as the increase in attendance levels for the County Fair.

Community Development Block Grant (CDBG): This fund is used to track grants from the federal government. The primary use of CDBG funds for Pinal County is for housing redevelopment. The fund should remain at a zero balance as the grant funds are distributed as they are received.

County Computer Projects: This fund was created to hold the funding for different computer projects throughout the county. Currently, there is a computer-upgrade project that is ongoing that encompasses Animal Care & Control, Environmental Health and Horizon Home Care. These different areas are contributing to the project and this fund is the base to which funds are being transferred. Instead of purchasing individual servers for each area, the MIS department has determined that one server, with greater processing power, would better serve the departments, including MIS, than three separate systems. This fund should always be zero at the end of the project(s).

Debt Service: This fund is used to for debt service within the county. Currently, there are debt service payments for; Sheriff Computer System, Lease/Purchase Sheriff vehicles, Energy Conservation, Superior Court Building and the Sheriff Administration Building and Adult Detention facility expansion, as well as some minor office equipment leases. As the debt is retired the cost centers become inactive in this fund. This fund will have more activity as the Sheriff Administration Building, the Superior Court Building and the new expansion to the Adult Detention facility now have debt service payments to make. There should be no material change in the fund balance.



Revenues

Total General Fund revenues available to the county in FY 04-05 from all sources are estimated to be \$97.5 million. This is a 14.8 percent increase from FY 03-04. This increase is due primarily to assessed valuation in the primary property tax (\$4.0 million) and increases in Sales Taxes, Development Services revenue (\$3.1 million, \$5.8 million). Table 1 shows revenue changes expected from FY 03-04 to FY 04-05.

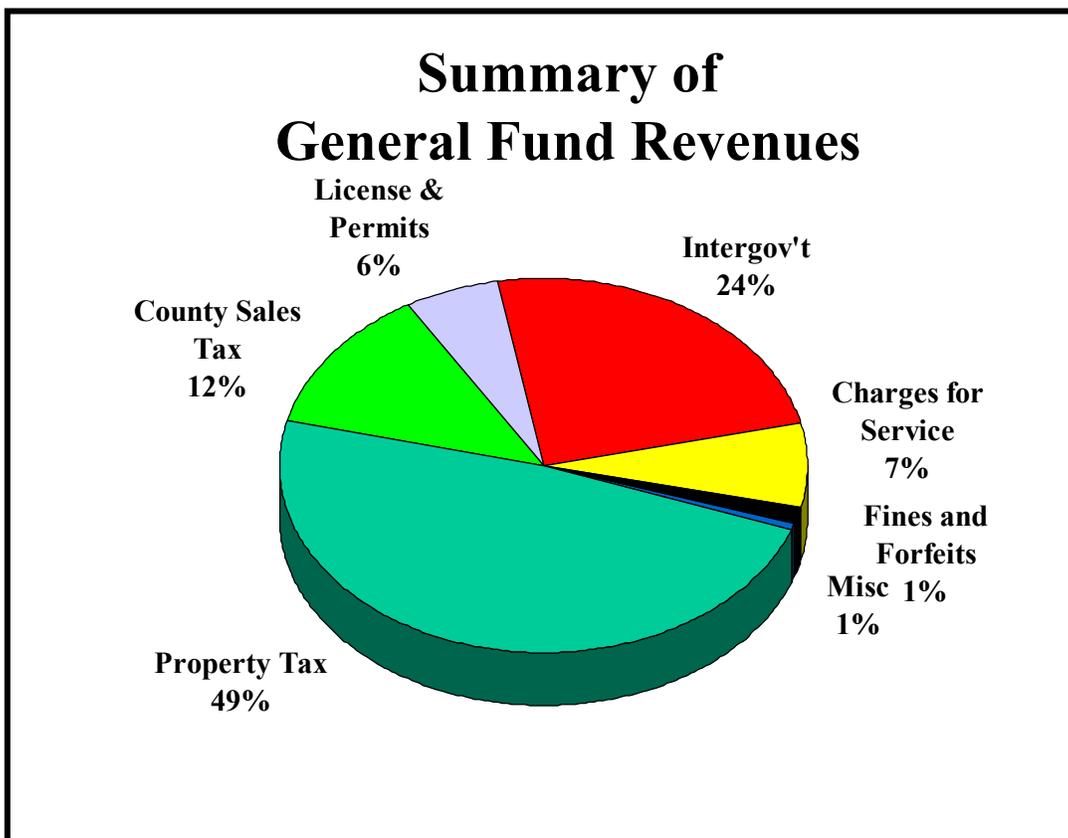
**Table 1
Revenue Summary
(All Dollars in Thousands)**

Fund	03-04 Budget	03-04 Estimate	04-05 Budget	FY04/05 vs FY03/04
General Fund	\$ 84,950	\$ 94,695	\$ 97,535	\$ 12,585
Special Revenue	\$ 43,264	\$ 44,400	\$ 49,755	\$ 6,491
Enterprise Funds	\$ 38,451	\$ 38,450	\$ 40,710	\$ 2,259
Total Operating	\$167,907	\$177,545	\$188,000	\$ 21,335
Capital Projects	\$ 31,112	\$ 31,500	\$ 56,785	\$ 25,673
Debt Service	\$ 1,223	\$ 1,223	\$ 1,215	\$ (8)
Grand Total	\$199,000	\$210,268	\$246,000	\$ 47,000



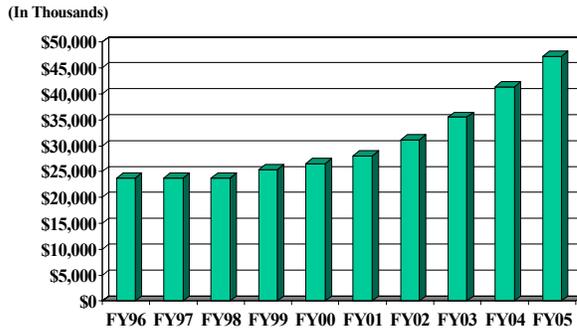
General Fund Revenues

Total resources available in FY 04-05 to support General Fund services include the use of \$3,406,000 of General Fund fund balance (carryover projects and one-time capital purchases), transfers from other funds amounting to \$1.5 million and revenues estimated to total \$97.5 million. Transfers to the General Fund from some of the different Special Revenue funds cover the cost of services and overhead expenses provided by the General Fund departments in support of the Special Revenue operations and are determined by an indirect cost allocation model. General Fund revenue projections are based on historic trend data, expected population increases, projected inflation and performance of the national, state and local economies, and other statistical analysis.





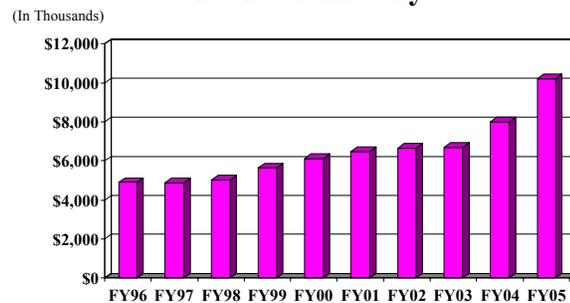
Primary Property Tax 10-Year History

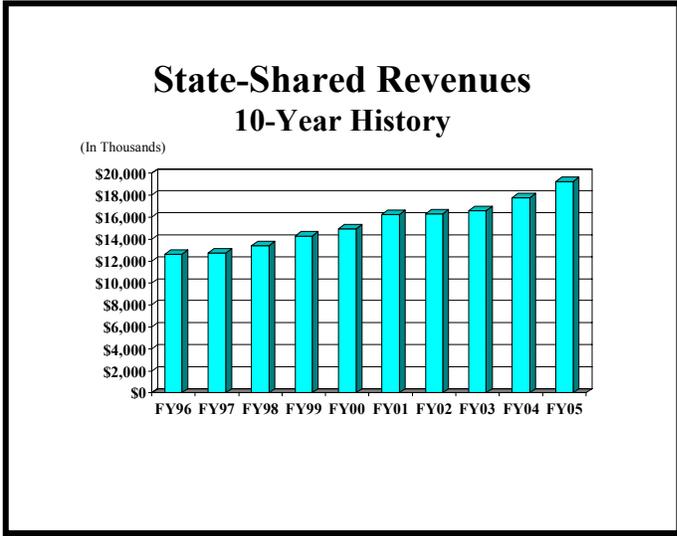


Primary Property Tax: Using Pinal County’s estimates for assessed valuation, a primary property tax rate of \$4.4532 per \$100 of assessed valuation will result in revenue of \$47.3 million. This is an increase of 11.6 percent over the FY 03-04 receipts. This year’s levy is more than \$40 million below the State of Arizona’s legal maximum levy. The Pinal County Board of Supervisors has maintained the same tax rate for the last six years. The large amounts of new construction have helped increase the amount of property tax revenue without increasing the tax rate.

County Sales Tax: Pinal County receives 0.5 percent on all retail sales occurring within Pinal County. The retail sales sector of the local economy is continuing to experience strong growth, this due largely to the tremendous population growth occurring within the county. A number of the planned developments came on line in FY04 as is noticed by the increase in sales tax revenue. Also, new businesses such as Wal-Mart, Home Depot and Lowes have opened new stores in the county. The FY 04-05 budget projects an increase in county sales tax of 27.5% percent versus prior year.

County Sales Tax Revenue 10-Year History

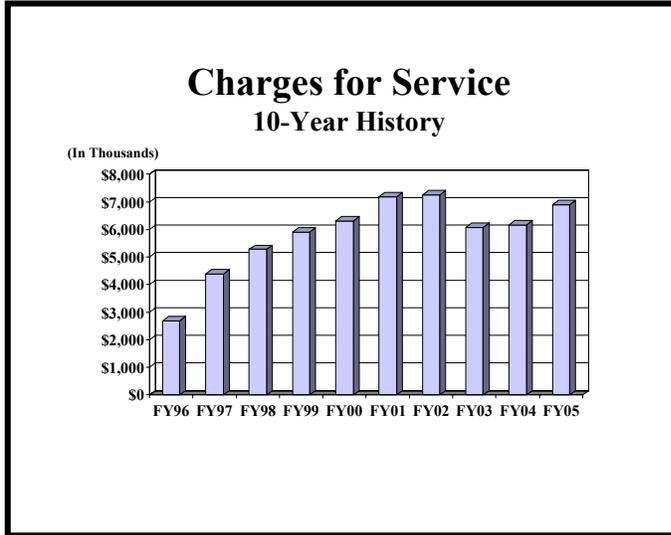




State-Shared Revenues: The State of Arizona shares a portion of its sales and motor vehicle taxes with the counties based on population formulas established by state law. Estimates for these revenues are provided annually by the state. The largest state-shared revenue is the sales tax, which is projected to increase by \$900,000 or 6.7 percent. Motor vehicle taxes are expected to increase by \$275,000 or 7.0 percent.

Licenses and Permits: This category includes liquor licenses, building permits, right-of-way permits, plan review fees, rezoning fees, etc. Development-related fee revenues are typically cyclical in nature and tend to reflect the economic health of the construction sector. The State's current construction cycle continues to surprise experts in its longevity. The county is benefiting by its location between two large metropolitan areas, Phoenix and Tucson. The growth from these two metropolitan-areas is now spilling into Pinal County where land is abundant and less expensive. Revenues are projected to be, at minimum, \$1.5 million more than prior year. Should building trends continue, the County could see excess revenue of over \$2 million.

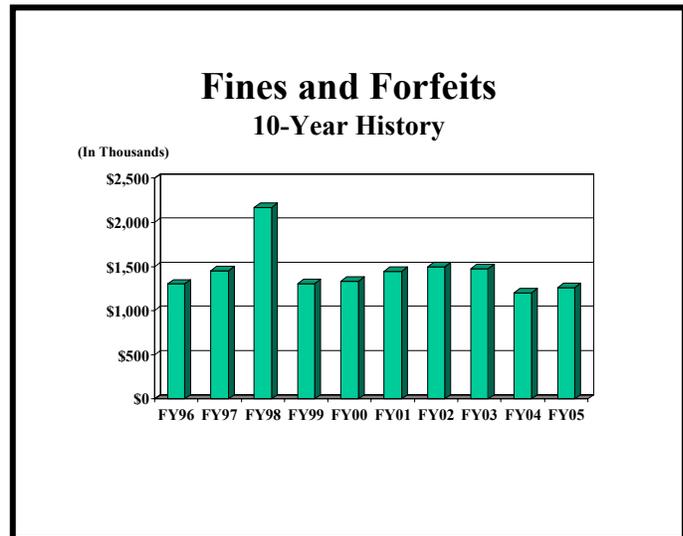




Charges for Service Fees: The County is allowed by law to charge service fees for the Justice Courts, Constable fees, Planning, Assessor, Recorder, Health Inspectors, etc. These fees are to be used to offset the costs of running the various departments. Also included in the charges for service are the fees associated with the county jail. The jail charges the local cities/towns for housing their prisoners as well as the U.S. Marshall service for their prisoners. The Pinal County Sheriff's office also places deputies within schools for added safety. The schools then reimburse the county for the costs of these deputies. The

revenues for this category will experience growth approximately in the 12.0 percent range.

Fines and Forfeits: The County collects fines and forfeits from its eight Justice Courts. These courts are situated throughout the county in locations that are convenient to the citizens. The fines are set by state law and are typically for moving violations, misdemeanors, or other such activities. It also includes Animal Control violation fees and zoning violation fees. Fine revenue is projected to increase by 4.8 percent for FY05.





Other Revenues: All other General Fund Revenues are expected to generate \$564,000 in combined revenues in FY 04-05. This revenue category includes Interest revenue, map sales, recycling revenue, land/building leases and the sale of fixed assets. This category should remain at the same level as prior year or be slightly less due to lower interest rates and fewer private donations.

Special Revenue Funds

County Attorney: These funds are made up of Federal, State or other grants, as well as RICO funds, Bad Check program, etc. These funds were developed to help the County Attorney in areas that the county's General Fund could not afford. For instance, the RICO funding allowed the County Attorney to buy a complete server-based computer system for their office, which then allowed them to run software designed specifically for legal and court-based industries. Support from the Federal government goes towards helping the County Attorney find and attach child support payments to "deadbeat" parents. The funds in these areas are not projected to change significantly in FY04-05.

Adult Probation: The Adult Probation office is funded partly by the General Fund and also by grants from the State of Arizona. These funds are primarily for the wages of the probation officers. The additional State funds are continually shrinking, thus placing a larger burden on the County's General Fund. This will eventually lead to discussions on how to properly fund the department with such limited county funds. The funds for FY04-05 may be less than prior year. Discussions on how to cover the shortfall will take place with County management.

Air Quality: These funds are made up of grants from the State and Federal government or by permit fees. With the growing population and the increasing business sector within the county, the permit fees section has grown considerably. It is the goal of the county's administration that the Air Quality division to become a self-sustaining entity within the next two to three years. The permit fund should continue to see growth in the 27.0 percent range for FY04-05.

Animal Care and Control: The revenue for this division is derived from the primary property tax. It is essentially a part of the primary property tax of the county. The total primary property tax is \$4.4532 per \$100 off assessed value. However, the Animal Care and Control portion is \$0.618 per \$100 of assessed value. The AC&C benefits, as does the General Fund, from the large increases in assessed value. For FY04-05, the AC&C will see an increase in revenue of approximately 14.9 percent. However, due to its facility expansion, the AC&C has borrowed approximately \$900,000 from the County's General Fund. This debt will be repaid over ten-years using its increase in revenue and fund balance.

Assessor's Property Information Storage: This is a relatively new source of revenue for the Assessor's office. As with the County Attorney's office these funds are used to help supplement



the budget from the General Fund. The fees that are charged by the Assessor are used to help update antiquated computer systems, or information systems used by the field assessors. Revenue will be up this year due to the fact that the construction is continuing on a record pace. However, fund balance may decline as the Assessor is using the funds to help with a county-wide GIS project and an electronic imaging project.

Clerk of the Court: As with the County Attorney's office, the revenues in these different funds are used to support the department above what the General Fund is capable. Some of the revenue is from fees collected to process paperwork. This paperwork is then used to enhance the Clerk's ability to file and store documents for all of the court cases. There is also funding for the Child Support program similar to the County Attorney's office. In the case of the Clerk's office, the Clerk will process the paperwork and audit the accounts on an ongoing basis. The fund balance should remain relatively unchanged.

Housing Revenue: The Housing department receives revenue from the Federal Government to help the less fortunate with housing. Pinal County will typically receive approximately \$3.0 million dollars to assist with housing subsidies and other needs pertaining to housing. The revenue for this area should remain stable for FY05.

Justice Court Revenue: There are eight Justice Courts within Pinal County. The Justice Courts hear the lower level cases such as moving violations, misdemeanors, small-claims (under \$5,000), etc. By state statute, the courts are allowed to charge enhancement fees. These fees are used to enhance the court through purchases of computer hardware/software, computer peripherals, office equipment, etc. The use of the funds is restricted and requires the approval of the presiding Superior Court Judge and the Board of Supervisors. The revenue received will continue to increase due to the number of cases the Justice Court Judge sees. With ever increasing population, the court caseload will also increase. The revenue should increase by at least 2.0 percent for FY04-05.

Juvenile Probation Revenue: Similar to Adult Probation, the Juvenile Probation office is funded partly by the General Fund and by grants from the State of Arizona. These funds are primarily for the wages of the probation officers, but are also used for counseling of the minors. The additional State funds are continually shrinking, thus placing a larger burden on the County's General Fund. This will eventually lead to discussions on how to properly fund the department with such limited county funds. The funds for FY04-05 may be less than prior year. Discussions on how to cover the shortfall will take place with County management.

Library Revenue: Revenue for this fund is generated by the secondary property tax rate. Unlike most cities, whose secondary is used for debt service on bonds, the secondary tax rate for the county is for the Library District and Flood Control District. The revenue for the Library district is expected to increase by approximately 30 percent or \$150,000.



Sheriff/Grant Revenue: The revenue for these funds typically comes from Federal and State grants or RICO funds. The forecast for these revenues remains stable. There are no planned increases for these funds.

Public Defender Revenue: The revenue for these funds comes strictly from the state. These two revenue items, State-Aid and Training, are expected to remain relatively stable, approximately 9 percent increase or \$9,000, from FY04. The revenue is used to assist in the running of the department and allow for training for the public defenders.

Public Works Revenue: Revenue comes from different sources, but the HURF revenue is the largest source for Public Works. This line item is expected to increase by \$274,500 or 2.0 percent for FY05. The revenue from HURF, Road Tax, etc is used to maintain the roads and county highways. The Publics Works department is attempting to build a higher fund balance to cover emergencies that may arise within the county.

Expenditures

The FY04-05 Operating Budget

The FY04-05 Operating Budget was balanced without the need for increases in any taxes. The General Fund Operating Budget totals \$92.9 million, which is an increase of \$12.0 million or 14.8 percent over the FY03-04 budget.

Ongoing additions to the budget included increased retirement contributions, continued cost shift from the State to the County, health benefit cost increase, debt service for Adult Detention facility, daily operating expenses such as gasoline and additional staffing and salary/wage increases.

Operating Budget Changes

There a few significant additions to the county's operating budget. The annualized COLA and prior year market adjustment for salaries was over \$3.2 million. The increased contribution for the State Retirement System increased \$2.5 million. Capital expenditures for vehicles increased by \$2.0 million. Additional operating expenses for departments (fuel, postage, etc.) increased by over \$2.0 million.

The Board of Supervisors approved a Cost of Living Adjustment (COLA) of 2.0 percent for all county employees. This resulted in a total increase in salary and wages of approximately \$1.2 million for both the COLA for General Fund employees.



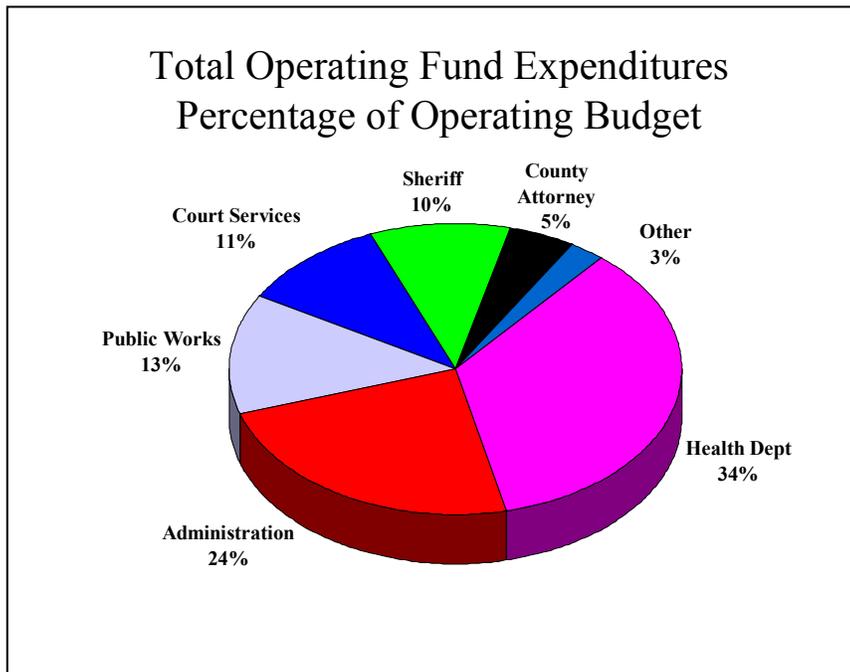
Table 2 contains approved operating expense increases (one-time and ongoing) for departments receiving the largest increases.

Table 2
Selected Budget Increases

Department	Amount	% of Base Op Budget
Facilities/Utilities	431,328	24.2%
Technology Maintenance/Supp	413,344	100%
Court Contractual - Adult	310,436	17.6%
Sheriff	243,250	21.1%
Elections	159,950	30.4%
Mental Health Care	150,000	17.5%
Adult Detention	144,799	13.7%
Court Administration	78,250	21.4%
Medical Examiner	75,000	21.7%
Telecommunications	64,125	7.9%
Recorder/Voter Registration	58,900	54.1%
Facilities/Maintenance	57,000	14.9%
Assessor	56,350	15.7%
Jail Health	54,850	9.0%
Recorder	21,155	22.7%
Building Safety	11,555	11.9%
Facilities/Custodial	10,700	8.5%



Operating Budget Summary



The largest operating group is the **Health Department**, which accounts for 34 percent of the total operating budget. The Health Department provides health care for the needy and the indigent, as well as some of the following programs; Women, Infants and Children (WIC), Housing Assistance, Adult Day Care, Health Inspections, Septic Inspections, Immunizations, and Long Term Care, to name but just a few.

The second largest group is the **Administration group**, which makes up 24 percent of the total operating budget. Services provided by this group include Finance, Risk Management, MIS, Telecommunications, Parks & Recreation, all building services, Facilities Management/Maintenance, Public Defender, Animal Care & Control, to name just a few. All of these divisions fall under the direct leadership of the County Manager and the Board of Supervisors.

The **Public Works** department comprises 13 percent of the total operating budget. The majority of their revenue comes from the Highway User Revenue Fund (HURF). This funding is from taxes collected from sales of fuel and distributed using a complicated formula to the counties, cities and towns. This group manages the road construction, road maintenance, fleet maintenance, recycling program and special projects.



The **Court Services** consists of several different areas and accounts for 11 percent of the total operating budget. The areas within Court Services are: Superior Court, Court Administration, Juvenile Probation, Adult Probation, Clerk of the Court and the Justice Courts.

The **Sheriff's Department** makes up 10 percent of the total operating budget. The Sheriff is responsible for the safety of the citizens in the unincorporated areas of the county as well as maintaining the 9-1-1 call system and the county jail. Areas with the Sheriff's Administration include; Victim Notification, Drug Prevention, Drug Eradication and Gang Task Force.

The **County Attorney's** office, Assessor, Treasurer, School Superintendent and Recorder account for the final 5 percent of the total operating budget.

Staffing and Personnel Issues

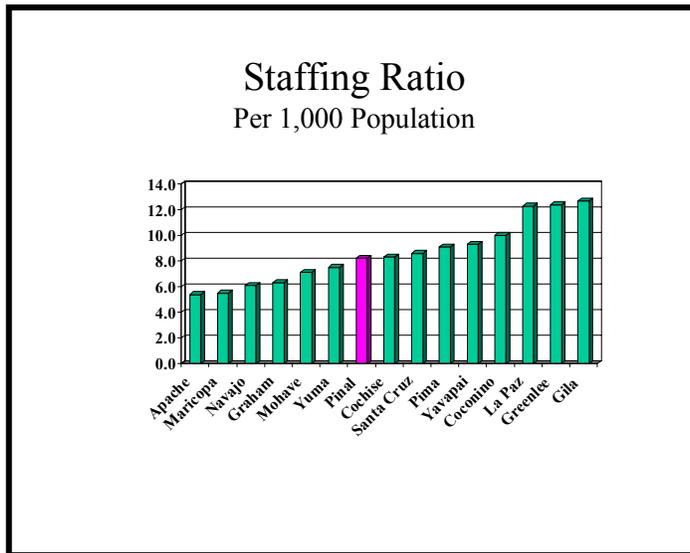
As with any service organization, personnel costs are a significant part of the total operating budget of the county. Table 4 provides comparison of staffing levels in recent years.

Table 4
Staffing Levels by Group

<u>Group</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>
Board of Supervisors	9	9	9	9
Administration	732	706	769	765
Public Works	189	186	184	315
Assessor	47	49	50	57
County Attorney	117	116	133	146
Clerk of the Court	77	78	80	85
County Recorder	25	25	25	25
School Superintendent	9	9	9	9
Sheriff	360	348	363	378
Treasurer	20	20	20	21
Superior Court	59	58	63	80
Justice Courts	66	70	63	61
Adult Probation	56	58	61	57
Juvenile Services	107	106	130	113
Total	1,873	1,838	1,959	2,121



The Board of Supervisors for Pinal County have tried to maintain minimum staffing requirements, while still providing the quality service that the citizens of Pinal County have come to expect. The following graph shows a comparison of staffing to population for the counties within Arizona.



The total authorization of approximately 1,700 FTEs (approximately 2,340 including part-time employees) will serve an estimated population of 215,000 by the end of this fiscal year. This results in a staffing ratio of 7.9 employees per 1,000 population. The ratio is consistent with the county's commitment to hold staffing to a rate corresponding to population growth.

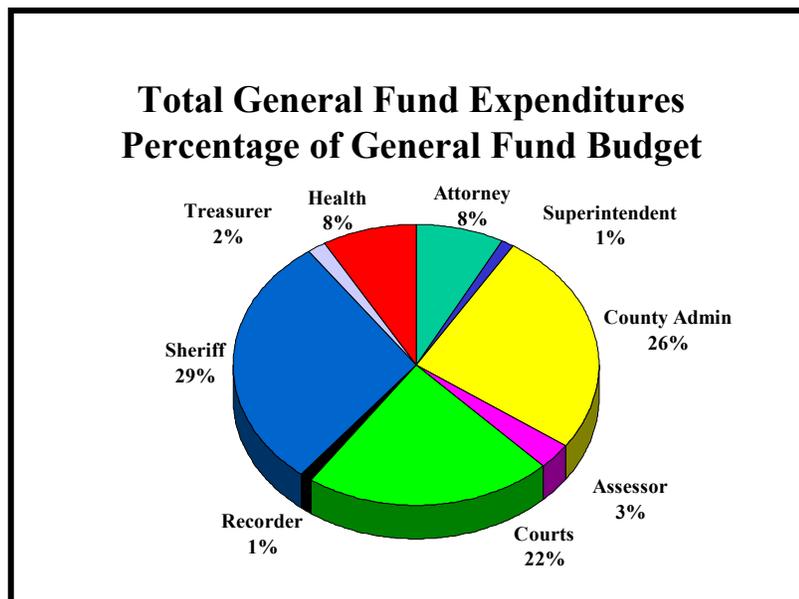
The FY04-05 budget increases the total authorized staffing by 19 full-time equivalent (FTE) positions and converting 16 part-time positions to full-time. These new/upgraded positions were selected by the CIP committee from a list of 48 positions that were submitted by various departments throughout the county.

The budget accommodates a 2.5 percent length-of-service increase (LOS) as well as a 2.0 percent cost-of-living adjustment (COLA).



General Fund Expenditures

The total General Fund Operating Budget for FY04-05 is \$92.8 million. At 29 percent the Pinal County Sheriff Department is the largest component of the General Fund budget, followed by the County Administrative group at 26 percent and the Court's group at 22 percent. The following graph displays the General Fund budgets by group as a percentage of the whole.



General Fund Budget Highlights

Public Safety: The Board of Supervisors continued its commitment to the Sheriff's department is properly equipped to meet the needs of its Deputies.

- Equipment for the Sheriff's office, as approved through the CIP process, included CMI Intoxilizer 8000 for checking blood alcohol levels, accident investigation upgrade equipment for the Patrol Bureau and for the Sheriff administration a new digital copier and bar coding equipment.
- New vehicles. The Sheriff's office will receive 39 new vehicles, both patrol and search and rescue, totaling approximately \$750,000.



County Administration: The Board of Supervisors approved numerous CIP requests that were required to maintain current service levels for the citizens of Pinal County.

- Equipment included; copiers, replacement computers for old machines, miscellaneous tools for facilities, vacuums, network upgrades and telecommunication upgrades.

Health Department: The Health department had additions to its budget due to growth within the county and to increasing costs of doing business.

- Equipment included; personal computers, phone system upgrades and a new vehicle.

Superior Court/Court Services: The Superior Court and related departments (i.e., Clerk of the Court, Juvenile Probation, etc.) were affected by the opening of the new Pinal County Superior Court complex.

- Seven new court security positions to assist in the new court building.
- Office furniture for new court building
- New office equipment and technology upgrades
- Adult Electronic Monitoring devices
- New Vehicles; two new sedans and one sport-utility vehicle for Juvenile Services and two new sedans for Adult probation to replace four vehicles taken out of service due to mileage and safety concerns.

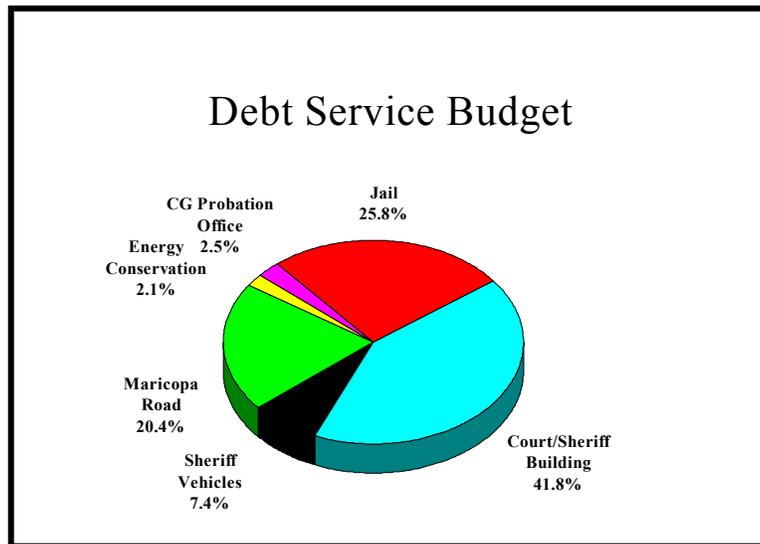
Transfers to Other Funds

The General Fund supports a number of other funds that cannot cover all of their operating costs. A total of \$6.3 million will be transferred to other funds in FY04-05. The largest transfer, \$4.8 million, will be used for debt service of existing items, such as the Sheriff's computer system and vehicles and to the new Superior Court and Sheriff Administration building. Other transfers include \$300,000 for the county's GIS project, \$750,000 as a loan to Animal Control for their shelter. This loan is to be paid back over a 10-year period. The remainder is for miscellaneous grants.



Debt Service Budget Summary

The total Debt Service budget for FY04-05 is \$6.0 million dollars. This maintains the same level as in FY03-04. The Debt Service budget is divided among the projects that the county has incurred over the last 10 plus years as shown in the following graph.



The County maintains a low debt ratio, which has helped increase its bond rating with such companies as Standard & Poor's and Fitch. The County has never issued G.O. Bonds or such and the Board of Supervisors is planning to continue this pattern into the foreseeable future. However, the county is not restricted in its use of Certificate of Participation proceeds and does use this finance mechanism to fund its large projects such as the Superior Court building or the new Adult Detention addition. These funds are typically paid off over a 20-year period with additional revenue being used to pay-down the principal or as is the case with the 1994 series COP's a refinancing was done to lower the cost of borrowing, yet still maintain the original pay-off date. Due to the financially conservative administration and Board of Supervisors, the county has and plans to maintain a low debt ratio.

Conclusion

This budget summary is intended to provide a general overview of the contents of the FY04-05 budget document and to highlight some of the more significant program changes and policy issues addressed in the budget document. The sections that follow the Budget Summary provide



more detailed information about the county's organizational structure, its goals and objectives, and operating budgets for each department.

A glossary of budget document terms is included to help clarify the meanings of terms that appear frequently in the text or words and phrases that may have specialized meaning when applied to the municipal government budgeting practices.

Pinal County also publishes their annual Comprehensive Annual Financial Report, available from the Finance department.

Questions, comments or observations regarding the Pinal County Annual Budget document should be directed in writing to:

Budget Office
P.O. Box 827
Florence, Arizona 85232
Phone: (520) 866-6676
Fax: (520) 866-6006
Email: james.throop@co.pinal.az.us



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