

**MINUTES
OF THE
LA PAZ COUNTY BOARD OF SUPERVISORS
Wednesday, July 14, 2021, 9:00 a.m.
Special Meeting**

Chairman Minor called the July 14, 2021, Special Meeting of the La Paz County Board of Supervisors to order at 9:00 a.m. Elected Officials and Department Heads present were: Chairman Duce Minor, Vice-Chairman Holly Irwin, Supervisor David Plunkett (by zoom), County Administrator Megan Spielman, Human Resources Director Mary Frantz, Assessor Anna Camacho, IT Tech Joey Lucas, Public Works Director Don Braska, Treasurer Leah Castro, Parks Director Joe Picotte, Community Development Director Tonya Hoogerwerf, Recorder Richard Garcia, School Superintendent Dru Waggoner and Clerk of the Board Diane Green.

Discussion and possible action to go into Executive Session pursuant to A.R.S. §38-431.03(A)(3)&(4), for legal advice from the public body's attorney(s) in order to consider its position and instruct its attorney(s) and/or staff regarding the public body's position regarding solar contracts and activities that are the subject of development and how it may relate to the La Paz County budget - Board of Supervisors

VICE-CHAIRMAN IRWIN MOVED to go into Executive Session pursuant to A.R.S. §38- 431.03(A)(3)&(4), for legal advice from the public body's attorney(s) in order to consider its position and instruct its attorney(s) and/or staff regarding the public body's position regarding solar contracts and activities that are the subject of development and how it may relate to the La Paz County budget. Motion seconded by Chairman Minor, passed unanimously, including the vote by Supervisor Plunkett.

***Convene into Executive Session: 9:03 a.m.
Reconvene to Open Meeting: 11:05 a.m.***

Discussion and possible action regarding the FY2021/2022 La Paz County Budget - Board of Supervisors

County Administrator Spielman thanked the Board for the discussion regarding the budget shortfall and the kind of revenues available to address it. She stated that she now looked to input from the Board on the solutions and to also look at the Jail and discuss what revenues would be used to offset its deficit. She asked that Vanessa Burke explain the revenues discussed and how they would be utilized.

Ms. Burke, from the Dun Group, explained briefly concerning the solar project fee revenues collected and of that amount, \$1.2 million could be used to lessen the hit to county citizens and county employees. She explained that the revenues taken in from the solar project(s) are paying for the land the county has purchased and the balance is held in an "enterprise fund", and those funds are unrestricted as to how they could be used.

Discussion ensued noting the use of those funds would not be enough to fill the "hole" in the budget; that a possible furlough could still be utilized.

Vice-Chairman Irwin noted that it should be kept in mind that the use of furloughs could affect grant positions in the County and care should be taken to see how it would affect employees before it takes action to freeze positions or to furlough.

Chairman Minor expressed that he understood the concerns expressed; however, it was important to balance the budget "at the end of the day".

Ms. Burke presented the Jail budget and gave the financial history since 2018 to now, with a deficit of \$1.5 million. She went through the revenues, noting that the excise tax remained steady; however, the general fund would contribute to balance the budget.

A brief discussion ensued regarding the debt service payment on the bond for the jail, currently being paid by excise taxes, and speculation whether it could be continued to support the jail; however, it was expressed that the bond was approved through legislative action therefore the County could not continue it on their own without that authority.

County Administrator Spielman explained that although the "good news" was that the budget deficit was reduced from \$2 million to \$800,000 with the subsidy to fund the jail district of \$1.5 million. She expressed that the only way to balance the budget would be for a significant cut to operations, and that would still include a hiring freeze or furlough. She credited Ms. Barnes for her comment regarding the county labor force saying that the "county continues to bring in labor every day that work very hard to provide meaningful services and we can't afford to pay them, which is illegal." She stated that she wanted to have that discussion with the Board, looking at the shortfall that still needs to be covered. She added that some "big-ticket" suggestions were made as solutions, such as consolidating the justice courts, or restructuring indigent defense services; however, realistically, it was going to be complicated and take time to procedurally execute them, months that would affect any savings realized. There was still much to do in the development of internal controls, policies and procedures, which she felt should come first, or those goals will fall apart.

Brief comments were made regarding American Rescue Plan Act (APRA) federal funds, noting that the County Supervisors Association is looking into whether they could be used for revenue shortfalls.

County Administrator Spielman asked: if a hiring freeze was implemented, attrition factored in, and a 10% reduction in operations implemented, would additional cuts be needed for the jail shortfall?

Ms. Burke confirmed that the figures she presented included the subsidy to the jail district, which was only a short term fix; as spending needed to be addressed.

Supervisor Plunkett asked if the Sheriff Department was fully staffed and asked since the majority of the deficit is from the Jail, how could that be solved?

Deputy Gray answered that the Department was not fully staffed yet.

Chairman Minor stated that "the Jail is its own puzzle".

Discussion ensued at length regarding the Jail District deficit, filling vacant positions, and jail operations, noting that the Sheriff Department is a mandated service.

Chairman Minor stated that there were no other comments by the Board.

He announced there was another special meeting scheduled for 11:00 a.m.; however, it was past that time and suggested a lunch break and to come back at 1:00 p.m. for that special meeting.

Adjournment

Chairman Minor adjourned the meeting at 11:55 a.m.

APPROVED:

Duce Minor, Chairman

ATTEST:

Diane Green, Clerk of the Board