



OFFICE OF THE COCONINO COUNTY BOARD OF SUPERVISORS

SPECIAL SESSION MINUTES (Budget)

Monday, May 1, 2023, 10:00 AM

In-person

3350 Old Munds Highway, Flagstaff (Mountainaire), AZ 86005

Present: Chair Patrice Horstman, Vice Chair Jeronimo Vasquez, Supervisor Judy Begay, Supervisor Matt Ryan were present in person and Supervisor Lena Fowler arrived at 10:18 a.m.

Also Present: County Manager Steve Peru, Human Resources Director Erika Philpot, Deputy County Manager Sue Brown, Finance Director Siri Mullaney, Assistant County Manager Eslir Musta, Deputy County Manager Andy Bertelsen, Budget Analyst Erin Beckett, Budget Analyst Chris Bringard, Clerk of the Board of Supervisors Lindsay Daley.

Call to Order:

Chair Horstman called the meeting to order at 10:04 a.m.

1. County Manager's Office FY24 Budget presentation and discussion - 10:00 – 11:00 a.m.

County Manager Steve Peru spoke about the “parking lot items” that will need to be revisited for budget and then went over the schedule for today’s budget presentations.

Economic Development Manager Chris Pasterz presented the program for economic development under the County Manager’s department. He spoke about the services the program provides and the target population served, the outcomes of those services and the goals and objectives of the economic development program.

Manager Pasterz spoke about grants that they have applied for this year for funding, including grants through the National Association of Counties (NACo). He explained that in order to pursue federal grants to transition away from coal the size and populations needs to be high enough. Upon a question, he stated that he will provide a map of Supervisor districts 1 -5 with census blocks to show populations by districts. In speaking about the accomplishments of the program, Manager Pasterz explained that the Camp Navajo access plan for industry has been completed. In speaking about the goals of the program, Manager Pasterz explained that they will start working on getting a woody biomass certification in July.

Supervisor Ryan thanked Chris and spoke about how the program is evolving, which will make it more eligible for grants.

Supervisor Fowler arrived at the meeting at 10:18 a.m.

County Manager Peru commented that they do have a budget increment for the program for \$50,000.

Supervisor Lena Fowler thanked Chris and showed her appreciation for the work he is doing. She also thanked county management and spoke about economic development and how it is important and ties into workforce housing and how it strengthens communities. Vice Chair Vasquez expressed appreciation for the work and mentioned that economic development has grown in Coconino County. Upon a question, Manager Pasterz explained that the area has a large amount of biomass but low value timber which is difficult to dispose of and the private industry needs assurances on the volume of timber industry. He explained that with biomass certification they will get a credit rating for biomass. Chair Horstman stated that the biomass industry is needed to get forest restoration done.

Deputy County Manager Sue Brown presented information on the sustainability program under the County Manager's department. She spoke about the services provided by the sustainability program, the outcomes of the services and the goals and objectives of the program. She also spoke about the accomplishments of the program.

Chair Horstman stated she would like to get an update on the Brownfield grant application. Supervisor Ryan asked how the best practices document is evolving and stated that they need to tell a story. Deputy Manager Brown stated that they need to put together an annual sustainability report. Supervisor Fowler stated that a report needs to be done on what is seen on the ground- that shows the change in landscape. Deputy Manager Brown stated Sustainability Manager Amanda Acheson would be excited about that and they will bring back a proposal to the Board. Vice Chair Vasquez stated it is important to keep the issue of sustainability considered in the Boards' decision-making process. Deputy Manager Brown stated she understands that the Board needs the policy piece. Supervisor Begay stated she agrees with her colleagues to have strategic planning in this area and that it is important to get people involved.

Criminal Justice Coordinating Council (CJCC) Coordinator Michael Jackiewicz presented information on the CJCC program under the County Manager's department. He spoke about why CJCC exists and the services the program provides. He also spoke about the outcome of the program, goals and objectives and accomplishments.

Chair Horstman stated she appreciates Mr. Jackiewicz's work, and the new committee structure formed to meet goals and objectives as it is more inclusive and thanked him for his leadership. She stated she is interested in looking at grants for diversion programs and that it would be good to provide an update on the listening sessions. Mr. Jackiewicz provided information on the indigenous listening sessions in which people shared their experiences with the justice system and a report will be submitted in July on that information. He also spoke about expanding the program and getting information from community members.

Supervisor Matt Ryan stated he is impressed with the approach to hear from community members and pulling the committee together with more engagement, that there is opportunity to develop the strategic plan and how the listening session information will be integrated into that.

Steve stated that there are no budget increments and spoke about reporting on activities through an annual report since the majority of the general fund is devoted to criminal justice services. He also spoke about having a key performance indicator committee.

Chair Horstman stated that Michael's position is a joint city county position and stated that they need to look at how they can maximize CJCC and get much more of a benefit and collaboration. Supervisor Judy Begay thanked Michael and stated this is important to the County to have CJCC and that she would like to see a "dashboard" to show results from the beginning to the end. Vice Chair Vasquez stated that he looks forward to seeing how they are building relationships with communities and how they change based on what metrics are focused on, and that he appreciates the work.

Supervisor Begay left the meeting at 11:00 a.m.

Supervisor Lena Fowler stated that they have been at this for years now with CJCC trying to figure out how to mold it and was previously concerned with having a consultant because there are different needs that are unique to the county. She thanked Michael for his work and stated it is hard to manage a group like that. Michael stated he understands that it does not need to be cookie cutter.

Chair Horstman called for a break at 11:05 a.m. and then resumed the meeting at 11:12 a.m.

Deputy County Manager Sue Brown explained that they will move forward with item 2 and then go back to complete item 1 at some point in the day.

Present: Chair Patrice Horstman, Vice Chair Jeronimo Vasquez, Supervisor Matt Ryan were present in person and Supervisor Lena Fowler arrived back from break at 11:17 a.m.

Absent/Excused: Supervisor Judy Begay

2. Treasurer's Office FY24 Budget presentation and discussion – 11:00 a.m. – 11:45 a.m.

Treasurer Benatar introduced staff from the Treasurer's Office that were with her. She went over the amounts of the investment portfolio and the county's investment report. She spoke about the organizational chart of the Treasurer's Office with 10 Full-time employees and 7 temporary employees. Upon a question she stated that they currently have one vacancy. She spoke about the back tax division being overwhelmed and how they reclassified a staff person to a back tax position and moved someone internal into that position and now have a front office position open.

Supervisor Fowler returned to the meeting at 11:17 a.m.

Treasurer Benatar spoke about the trends impacting banking, an increase in cost of paper and postage and how printing is over 50% of her operations budget. She spoke about work being done to help with legislation, testifying on legislation and sending staff to training courses. She explained that their needs are trying to keep up with everything and complete trainings. She spoke about the program of administration in the Treasurer's Office and the outcomes, goals, objectives, and accomplishments of the program. Treasurer Benatar spoke about needing to have cash in the summer months and explained that it is a multi-step process in ensuring that.

Supervisor Lena Fowler stated that she is impressed with Treasurer Benatar's thinking about the impacts to the fire districts. Treasurer Benatar explained that they work closely with the taxing districts and meet almost daily with any given district and how they need to submit a budget for the Board of Supervisors to adopt tax rates. She explained that the Treasurer's Office is known for taxing, but banking is the biggest piece of what they do. Chair Horstman stated that she understands that there has been an issue with the Kaibab Estates West Fire District and Junipine Fire District submitting their annual reports.

Treasurer Benatar went over the program of property taxes in the Treasurer's Office and spoke about the service delivery of the program, outcomes, and accomplishments. She spoke about having to do mailings and the cost of that. She also spoke about moving in person services to their mall location and Third Street location, due to parking being an issue downtown. She explained that staff is split between the three office locations, and they rotate staff and how they are looking to start an outreach program to bring services out to other parts of the county with the Recorder and Assessor's offices. Treasurer Benatar explained that the county does have one of the highest tax collection rates in the state and that is because they try to make it easy and accessible. Upon a question, Treasurer Benatar explained that 20-25% of property owners pay their taxes online. Chair Horstman stated that seemed low and Treasurer Benatar responded that is a 200% increase from 2017 to now. Treasurer Benatar explained that approximately 20-25% pay in person and the majority is then sent by mail. She explained that staff are always behind in processing even with having staff assistance. Treasurer Benatar further spoke about the goals, objectives and accomplishments of the property tax program, as well as a court case that may impact the property tax program.

Treasurer Benatar went over their request for increments, which included the amount needed to have temporary workers and \$10,000 for their operating budget. County Manager Peru stated that both items are being recommended for funding by the Manager's Office and upon a question stated it is a reoccurring expense. Upon a question, Treasurer Benatar spoke about telecommuting of staff into their office and explained that everyone is set up to go remote if needed but there is always foot traffic, and that they can do everything remote except for taking cash and getting the mail. She spoke about the locations of their offices and the hours, inserts in mailings encouraging people to pay taxes online, and allowing payments through Venmo and PayPal.

Upon a question from Supervisor Fowler, Treasurer Benatar explained that they just started going out to communities, such as Forest Lakes. Chair Horstman explained that the county may be creating a Tribal Center in Tuba City to provide services and how the Treasurer's Office can be a part of that. Upon a question from Vice Chair Vasquez, Treasurer Benatar spoke about the expenditure limit and monies impacted from the Treasurer's Office as well as the special taxing districts and that those are capped. She spoke about how in the past there was an expenditure limit issue with Grand Canyon School District, where they had to lower their tax and she recommended speaking to Assessor Ruiz as he is knowledgeable with the tax caps. Chair Horstman thanked Treasurer Benatar and Treasurer Benatar thanked her staff.

Chair Horstman called for a break at 12:00 p.m. for lunch. Chair Horstman resumed the meeting at 1:01 p.m.

All Supervisors were present coming back from the break, including Supervisor Judy Begay.

3. Superintendent of Schools Office FY24 Budget presentation and discussion - 1:00 – 1:45 p.m.

Superintendent of Schools Cheryl Mango-Paget presented and spoke about the program map for their department as well as the organizational chart of the department and explained which positions are funded by ARPA and grants. She spoke about how they are working on getting an accreditation for Ponderosa School. She then spoke about the program of fiscal/elections and programmatic services under the Superintendent of Schools and explained that their office is seen as an extension of the school district rather than a separate entity. She spoke about how they have been able to leverage ARPA dollars, and how they are in the schools every single day providing direct services and how they are working with administrative offices on strategic planning. She also spoke about the outcomes of service, goals and objectives of the fiscal/elections and programmatic services program, as well as the accomplishments of the program. She also spoke about making it accessible to apply for the school district governing boards, putting together a crisis intervention team, which they have utilized five times. She went over the performance measures of the program.

Superintendent Mango-Paget spoke about the program for the Coconino County Accommodation School and provided information on the service delivery of the program, outcomes to those services, goals, and objectives of the program as well as accomplishments. She also spoke about the trends, challenges, and needs of the program. She stated they are looking at how to change current systems so children who have been through traumatic experiences don't define themselves from that.

Chief Deputy School Superintendent Mindy Mohler went over the department's increment requests and how for fiscal year 2025 and 2026 they are requesting \$280,000 from the general fund. She also spoke about a bridge fund and how that would work. She explained that 92% of their program is funded from grants and how they are requesting a bridge fund to continue programs and have consistency when funding is low. Superintendent Mango-Paget stated that they are looking for consistent programming that can keep positions going if grants go away. Chair Horstman asked about the ARPA funds running out and if this would be a way to keep the funding for full-time positions. Superintendent Mango-Paget then went over the positions funded by ARPA. Upon a question from Supervisor Ryan, County Manager Peru stated that the Manager's Office is recommending the increment request in addition to the positions that are ARPA related. Superintendent Mango-Paget stated they have been successful in leveraging grants to get more funding for most of their operations; however, the SRS funds aren't always guaranteed, and that some positions should be funded by the county general fund. Supervisor Ryan stated that he understands that the bridge fund creates a sense of certainty and that the Board has not had an annual update from the Superintendent of Schools Office, but that he agrees with the recommendation. Vice Chair Vasquez stated he supports the recommendation. Supervisor Judy Begay stated that she has a concern regarding the ARPA positions and how many asks the Board is going to get to continue such positions, especially while having expenditure limit issues. She stated that it will require discussion to consider all the departments that have ARPA positions. Supervisor Fowler stated she has to think about this and that she would like to see a bigger picture of how all this comes together. She spoke about how a couple of years ago they had to streamline Health and Human Services and it is important to determine what are the mandates and what are not. She stated she understands the programs are needed but questions whether they can afford it.

Supervisor Judy Begay stated she is concerned that the county has a report that is outstanding since 2018. County Manager Peru stated that there are no outstanding reports and that the expenditure limits were submitted to Auditor General's Office, and it is up to the Auditor General's Office to audit those

reports. He also spoke about the need to talk about starting the transition process of ARPA funds/positions with departments.

Chair Horstman complimented Superintendent Mango-Paget on integrating their office with the schools and stated that the state will not do enough and that the state should be paying for this. Lastly, Superintendent Mango-Paget mentioned that there will be teacherage grants coming before the Board on May 23 for teacher housing.

4. Secure Rural Schools Act (SRS) FY24 Budget presentation and discussion – 1:45 – 2:30 p.m.

This presentation began at 1:51 p.m. Finance Director Siri Mullaney spoke about the background of the Secure Rural Schools Act (SRS). She went over comparisons for these funds and explained that there is a decrease in allocation and explained the Title I allocations for FY2024.

Superintendent Mango-Paget provided information on the SRS Title I School allocation, which included the accommodation school district, secondary literacy program, early childhood environmental education, K-5 literacy endorsement and professional development and showed the balance available for school distributions.

Supervisor Matt Ryan spoke about there being an opportunity in Title I for the Superintendent of Schools. Vice Chair Vasquez stated he agrees and moving forward they need to look at efforts in partnership, as small rural school districts don't have resources or services and he is grateful that Superintendent Mango-Paget is working hard to get those services.

Finance Director Mullaney also spoke about the SRS Title II funds and how it is a competitive process. She also went over the SRS Title III funds and how spending of those funds is limited. She stated they will be doing a public notice for Title III funds.

Supervisor Ryan stated that he appreciates the way this is working.

Chair Horstman called for a break at 2:06 p.m. and then resumed the meeting at 2:12 p.m.

The Chair agreed with staff to return to item 1 to continue the presentation and discussion of that item at 2:12 p.m.

1. County Manager's Office FY24 Budget presentation and discussion - 10:00 – 11:00 a.m.

Assistant County Manager/Elections Director Eslir Musta went over the program of elections under the County Manager's Office budget. He spoke about the outcome of services provided and about the training needed for staff on processes and making sure processes hold up. He stated that they have a request to create an election specialist position, which would allow for cross training. He explained that they have been hiring two full-time temporary employees during the election and would rather have one permanent full-time employee to help improve existing processes.

Upon a question, Assistant Manager Musta explained where the elections warehouse is. Deputy County Manager Brown explained that for the warehouse, they need to have streaming for the public and have security. Upon a question, Assistant Manager Musta explained where the location of the new

elections warehouse is that they are considering and that they are working with facilities on this and that the new space would allow space for what the Recorder's Office will need to store.

Supervisor Judy Begay thanked Assistant Manager Musta. Supervisor Ryan stated that they see how important elections are and glad staff is looking ahead and appreciates Assistant Manager Musta stepping in and fulfilling the role. Deputy County Manager Brown stated that space in the administration building would open up as elections staff would move into the new elections warehouse. Vice Chair Vasquez stated he appreciates the work.

Assistant Manager Musta spoke about the ballot recount process being one of the highlights of the election process and that the county did not have discrepancies.

Supervisor Fowler stated the election process is a team effort. Supervisor Matt Ryan stated that with the Recorder's Office request for storage space that he wanted to make sure that wasn't in addition to the space they would get with the new election warehouse. Deputy Manager Brown stated that it is the Manager's understanding that the Recorder's Office was only in need of one space.

The discussion on this item ended at 2:38 p.m.

5. Public Fiduciary Office FY24 Budget presentation and discussion – 2:45 – 3:30 p.m.

Public Fiduciary Rashida Suminski spoke about the programs in their department, including administration, case administration, and indigent decedent service program. Fiduciary Suminski went over the organizational chart for their department. She spoke about their administration program and the service delivery, outcomes of service, goals, objectives, and accomplishments. She also spoke about their case administration program. She showed statistics of the age of their clients and how they are seeing young women, some who are pregnant, that are severely psychotic. Upon a question, Fiduciary Suminski explained that they have clients who are alive, and they have deceased wards also.

Supervisor Fowler spoke about how they hear about financial and physical abuse of clients in other places. Fiduciary Suminski spoke about people getting picked up and taken to group homes in Phoenix, and that the target has been intoxicated Native American people. Fiduciary Suminski explained that they do unannounced client visits to nursing homes and ensure clients are being treated well. She also spoke about when they have to sell client's items that go toward their estate. Supervisor Fowler asked how clients are referred to them and Fiduciary Suminski answered that they are referred through Flagstaff Medical Center, medical providers, the guidance center, as well as the court, and that their office does not self-refer. Vice Chair Vasquez thanked her for working on behalf of the most vulnerable.

Fiduciary Suminski spoke about the outcomes of service for their case administration program and the public fiduciary program, as well as their performance measures. She also provided a financial overview of their services and explained that they are at 80% of their budget and thinks they will come in right on the budget.

Supervisor Judy Begay requested information on the race of their clients and Fiduciary Suminski stated that she can get that to her. Supervisor Matt Ryan stated that he appreciates hearing about their staffing and her due diligence to the transparency, and the care put into taking care of a vulnerable population.

Chair Horstman also thanked Fiduciary Suminski and asked if they have someone licensed on the Navajo Nation and Fiduciary Suminski answered no that it is jurisdictional.

6. County Manager's Office FY24 Budget presentation and discussion continued 3:30 – 4:00 p.m.

Executive Director of the Arizona@Work Coconino Workforce Development Board (WIOA) Billy Francis spoke about the local workforce development board program under the County Manager's Office budget. Director Francis provided information on the program's service delivery and goals. He spoke about efforts to make residents aware of their services. He also spoke about the accomplishments of the program and the challenges. He explained that they will always have staffing needs and will continue to challenge the state for the needed full-time employees. Director Francis explained that they do not have a workforce specialist that can go out to the businesses and assist them.

Director Francis spoke about the youth summer work program and answered questions regarding that program. He also spoke about how they served approximately 50 youth, 80 adults and 2-3 dislocated workers and have assisted in getting people into training programs with the Community College, trucking, and cosmetology. Director Francis also explained the definition of youth and youth in school age groups. Upon questions from the Supervisors, Director Francis spoke about how they connect people to their services, and how they are building workforce out so it can be impactful.

Vice Chair Vasquez stated that it would be good to have a graphic of how customers are being placed and their ages and businesses. Supervisor Lena Fowler expressed her appreciation for the youth program and the need to develop people who have had issues by getting them into jobs.

County Manager Peru spoke about how Director Francis has secured funding from the Arizona Department of Economic Security and how it is a different program than it used to be. Upon a question from Supervisor Fowler, Director Francis explained the qualifications for the youth work program.

Director Francis concluded his presentation at 3:37 p.m.

7. FY24 Budget Discussion – 4:00 – 4:30 p.m.

County Manager Peru went over the list of "parking lot" items, the items that the Board may need to come back to for discussion or consideration. Supervisor Judy Begay asked if there will be a salary scale attached to compensation package and County Manager Peru answered the county does not have a step system but instead a range for positions. Human Resources Director Erika Philpot explained that they also consider internal equity of other people in the positions to compare to and that not having steps allows for flexibility and that there are pros and cons to both structures. Upon another questions from Supervisor Begay, County Manager Peru explained that there are several sets of ARPA funding. Supervisor Ryan asked that with the elections warehouse pending, will that be determined by negotiations and Manager Peru answered that it is because of financing capital and looking at financing revenue for that.

Supervisor Ryan asked if the accommodation school district SRS funds are based on the forest within the school's district and Superintendent Mango-Paget answered yes. Supervisor Ryan stated that Charter schools were excluded but then got a different opinion and then charter schools were brought into the formula and that he thinks maybe the accommodation school should also be included in the formula with all the other schools.

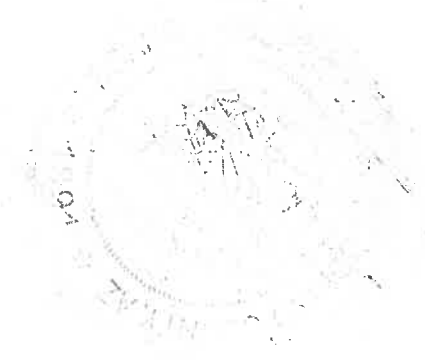
Chair Horstman stated there isn't anything listed under the increment breakdown for the Public Fiduciary's Office and Deputy County Manager Sue Brown stated it is because that office did not request increments.

County Manager Peru briefly went over the schedule for tomorrow.

Chair Horstman adjourned the meeting at 3:51 p.m.

COCONINO COUNTY BOARD OF SUPERVISORS


(SEAL)





Patrice Horstman, Chair

ATTEST:



Lindsay Daley, Clerk of the Board of Supervisors

