

**OFFICIAL PROCEEDINGS OF THE APACHE COUNTY
BOARD OF SUPERVISORS MEETING
November 3, 2015
St. Johns, Arizona**

Present were: Chairman Joe Shirley and Supervisor Barry Weller. Also present, County Manager/Clerk of the Board Delwin Wengert and Chief Deputy County Attorney Joseph Young. Vice Chairman Tom M. White, Jr. participated via the telephone.

Chairman Shirley called to order the Board of Supervisors meeting at 8:34 a.m. of Supervisors chambers, County Annex Building, 75 West Cleveland Street, St. Johns, Arizona and welcomed all in attendance.

Barry Williams led the Pledge of Allegiance.

Ed Burgoyne gave the invocation.

Chairman Shirley called for the Library District items.

Judith Pepple, Library Director, requested approval for Fiscal Year 2015-2016 to make available to the Apache County Historical Society and Museum, Lions Clubs active in Apache County, and the Vernon Food Pantry (a community food bank) discarded library materials and gift materials which are out the scope for our collections. Mr. Weller moved approval, seconded by Mr. White. Vote was unanimous.

Judith Pepple, Library Director, requested approval to close District libraries on Friday, November 27, 2015 and Saturday, November 28, 2015, and for the Alpine, Greer, Round Valley, and St. Johns libraries to close at 2:00 p.m. on Christmas Eve; and to close district libraries on Saturday, December 26, 2015 and on Saturday, January 2, 2016, due to low demand for library services on these holiday weekends. Mr. White moved approval, seconded by Mr. Weller. Vote was unanimous.

Mr. White moved to adjourn, seconded by Mr. Weller. Vote was unanimous.

Chairman Shirley called for the Public Health Services District items.

Chris Sexton, Health Director requested approval of the Data Use Agreement between the Apache County Public Health Services District and Arizona Department of Health Services (ADHS) Agreement #AGR2016-028. BioSense 2.0 is utilized for receiving and managing public health and monitoring information. BioSense 2.0 provides ADHS with the ability to contribute and access data that supports existing and potential expansion of its public health and monitoring systems. Mr. Sexton stated this was at no cost to the County. Mr. Weller moved approval, seconded by Mr. White. Mr. Weller stated he email Deputy Attorney Young with some concerns he had with the agreement having no termination and that he would like the Board to see this issue come back on a regular basis in case it was changed. Mr. Sexton and Mr. Weller held a discussion regarding the agreement and outlined the cancelation and change process for the agreement. Mr. Weller stated he had concerns with the surveillance related to the program and not as much visibility as he would like to see in the agreement. Mr. Sexton provide an overview of the how and what data that would be monitored to reduce the spread of communicable diseases. Motion passed 2-1 with Mr. Weller voting nay.

Mr. Sexton, Health Director, requested approval of ADHS 12-007883 Intergovernmental Agreement Amendment #8 for the Emergency Preparedness Program. Amendment #8 replaces the Price Sheet and Attachment A, Budget Period Four, County Requirements and Deliverables Document. The Public Health Emergency Preparedness (PHEP) award requires a 10% "soft" match from all grant participants and the grant was budgeted for in FY16. Ms. Sexton stated the Soft match comes from salaries of the Clinical Services Division Manager and the Assistant Director who has involvement in overseeing PHEP. Mr. White moved approval. Seconded by Mr. Weller. Vote was unanimous.

Chris Sexton, Health Director, requested approval to convert one full-time Health Educator I position (40 hours) into two part-time Health Educator I positions (19 hours), for the Health Start program. Mr. Weller moved approval, seconded by Mr. White. Vote was unanimous.

Chris Sexton, Health Director, requested approval of the Memorandum of Understanding (MOU) between Navajo County Public Health Services District and Apache County Public Health Service District, to identify the roles and responsibilities of each party as they relate to the position of a full-time WIC program Registered Dietitian for the Navajo County WIC Program. Mr. Sexton stated position will be shared by both Navajo and Apache County WIC program. Mr. White moved approval, seconded by Mr. Weller. Vote was unanimous.

Mr. Weller moved to adjourn the Public Health Services District meeting, seconded by Mr. White. Vote was unanimous.

Chairman Shirley called for the regular agenda items.

Matt Weber, Superintendent of the NAVIT Joint Technical Education District and President of the Navapache Administrators Association, on behalf of Navajo & Apache County School Superintendents, provided an overview on school districts serving as a major part of regional economy and the need for advocacy for both academic and career technical education. School Superintendent Barry Williams and School District Superintendent Ed Burgoyane urged the Board to support their urging of the legislature to fund technical education. No action was needed or taken.

Malena Bazarro, Grants Manager: presented the item for a public hearing to gather public input regarding the use of FY2016 Community Development Block Grant (CDBG) Grant Funds to Apache County. Chairman Shirley opened the floor for input. Ms. Bazarro stated Isabel Rollins from NACOG was present if the Board had any technical questions. Ms. Bazarro stated the grant is rotational and it is Apache County's turn and looking at receiving about \$216,000 for projects meeting the needs of low/moderate income, public infrastructure, community facilities, housing, public services and economic development. Ms. Bazarro stated a request was submitted by the Alpine Alliance for Street lighting project on Highway 191 & 180 in Alpine that would install 20 light fixtures and has already secured \$2,000 in match funding as well as ADOT right-of-way permit where the lights would be installed, and also a support letter from Navapache Electric stated there would not be any additional cost for the lighting. Cathy Cross, the secretary for the Alpine Alliance and chairperson for the street lighting project, provided an overview of the project.

Ms. Bazarro stated the second request was from Concho Waste Water Improvement District to install a new high capacity lift station, and the District consists of 685 properties and the current lift station can not support expansion needs and is past its reasonable life span and will cost about \$45,525. Jenny Wicks, secretary for the District provided an overview of the project. Mr. Weller stated this is a new district and has the ability to raise the funding through the District to support this activity so if this was approved, it would reduce the tax burden, but this project does

stand differently than the Alpine project since this project has a method of collecting money from the citizens, but is a reasonable request.

Ms. Bazarro stated the next request is from Concho Community Action Network (CAN), a community development project to purchase a community center. Linda Jones, a member of the CAN Board of Directors, provided an overview of the Concho area and the need for a community center. Ms. Jones stated she is seeking funds to own a building to again provide a community and resource center in Concho for the 2683 residents and would cost between \$100,000-\$150,000. Mr. Weller asked what the timeline is for CAN to put a plan in place. Ms. Bazarro stated a second public hearing would be held so at that time she would have to receive a concrete budget, the property location, square footage of the building, hookup fees, etc. Ms. Bazarro stated the only grey area she sees with their project is she is aware they ran on grant money with their previous community center and then lost the services when the grant ended so she would hate to invest a large amount of money and then not have the funding source to continue after the investment was made so she would like to see a plan for the sustainability of the center. Ms. Bazarro stated the second public hearing would be held in mid December because the applications are due in April.

Ms. Bazarro stated the next project was submitted by the Public Health District for the Southfork cabin site for the abatement of asbestos issue on that property but there is still a demolition and debris removal cost of about \$62,000 that they have not figured out how to fund so it was brought up that CDBG money could be used. Ms. Bazarro stated the only problems she sees with the project is the lack of public that would be served and she isn't sure Southfork would qualify for the low/moderate income.

Ms. Bazarro stated the last submission is the St. Johns Rodeo Grounds, and in the last CDBG round Apache County used their CDBG money at the Apache County Fairgrounds and was a positive project and has attracted new vendors and summer events. Ms. Bazarro stated there is concern with the grandstand structure and the ADA compliance at the rodeo grounds so that would be a continuation of the last project that was done, Kay Hauser, a St. Johns council member and a member of the Fair Board stated she supports this project. Annie Anderson, representing the Apache County Fair Commission, stated she supported the proposed improvement at the rodeo grounds. Ms. Bazarro stated the cost of the project would be about \$155,000.

Ms. Bazarro asked if there was any one present with any other project because if the project is not brought forward at this hearing, it cannot be considered at the next hearing.

Tracy Candelaria, a resident of Concho, stated that she did not believe any CDBG funding has been spent in Concho and the community center is a worthwhile project. Mrs. Candelaria stated there is other funding that is available; they have a house that they are trying to sell and are other grants out there they would be applying for.

Lenora Fulton, County Recorder, stated there is a need for ballot drop boxes for early voting throughout the northern part of the County; there are drop boxes in the southern part of the county but needs to also serve the northern part of the County in Ft. Defiance, Chinle, Ganado and Teec Nos Pos and the cost would be about \$5,000 for each drop box.

Angela Romero, Election Director, stated she would like to see CDBG funds used to make the doors and walkways handicap accessible and also with handicap markings, bathroom repairs and general building repairs for senior centers and chapter houses in the county. Mr. Weller asked if the funds could be used on the Navajo Nation. Isabel Rollins, NACOG representative stated she assists with

the CDBG grant application process and reservation projects are funded by Indian Community Block Grant funds are those are allocated specifically to the different reservations, so these CDBG funds generally cannot be used on the reservations. Ms. Rollins stated if you have a project that serves both on and off and reservation lands, then you would need to share the cost proportionally.

Ms. Bazarro stated she will work on a ranking of the projects to bring back before the Board at the next public hearing.

George Walsh, a resident of Vernon stated he wanted it on the record that it seems odd that this year we actually had people come in before the decision was made and would hope to get it on the record that it seems awful odd to him that we have never done this before; the decision was already made whenever we have had the public hearing in the past.

Mr. Weller moved to close the CDBG public hearing, seconded by Mr. White. Vote was unanimous.

Chairman Shirley called for the rest of the regular agenda items.

Mr. Wengert presented the Consent Agenda Items A-D and recommended approval. Mr. Weller stated he would like to pull item D from the Consent Agenda and moved to approve **A-C**. Motion died for lack of a second. Mr. White moved to approve Consent Items A-D seconded by Mr. Weller. Mr. Weller stated Item D is a request from a Navajo Nation Area on Aging Organization which has its own capability to raise funding to support the purchase of a refrigerator for the senior center on the Navajo Nation. Mr. Weller stated as supervisors, they have budgets to supply aid to other entities within our own limited budgets and he tries to balance it within his senior centers in his district but this is pulling outside of aid to other entities and coming from the general fund portion and if we look at the 20 or 30 senior centers across the county and buy things like this we are looking at a significant impact to the budget and the taxpayers so he will not be supporting this item. Mr. White stated this has been done in the past and he is using his budget and there is aid to other entities in all districts. Mr. White stated right now the Navajo Nation does not have the funds to cover the cost of a refrigerator and they are in need. Mr. Weller responded that he does not doubt the need that exists and asked if this was being taken out of aid to other entities in Mr. White's budget. Mr. White stated yes, he has it budgeted and will come from the District II budget. **Manager/Clerk of the Board: A.** Request approval of demands as distributed to the Apache County Board of Supervisors between October 20, 2015 to November 3, 2015. Demands are payments made or to be made, by the County. Payee Amount APACHE COUNTY HSA 2,094.17 APACHE COUNTY MEDICAL 141,854.88 APACHE COUNTY TAX WITHHOLDING 126,558.02 AZ STATE RETIREMENT SYSTEM 87,893.15 COLONIAL LIFE AND ACCIDENT INS 1,477.09 CORRECTIONS OFFICER RET PLAN 5,797.98 CORRECTIONS OFFICER RETIREMENT PLAN 520 6,138.22 NATIONWIDE 1,605.00 PUBLIC SAFETY PERSONNEL 401 10,971.63 PUBLIC SAFETY SHERIFF RET 39,925.14 SECURITY BENEFIT GROUP 1,141.00 SUPPORT PAYMENT CLEARINGHOUSE 2,272.27 ADHS AZ HEALTH CARE COST 22,400.00 BANK OF THE WEST – 6432 1,094.01 BILLS DISCOUNT AUTO PARTS (NAPA) 1,105.75 BRADCO 24,301.82 BUNTON, KELLY L 6,105.00 DELL COMPUTER CORPORATION 3,056.43 ELECTIONS SYSTEMS AND SOFTWARE 14,140.98 FERRELLGAS 2,050.69 FLEET PRIDE 1,411.43 FRONTIER 4,468.39 GMCO CORPORATION 31,538.24 GOODYEAR AUTO SERVICE 1,058.59 HATCH CONSTRUCTION 151,173.19 HILLYARD INC 2,473.42 J & B SALES 1,280.17 LAUNDRY & CLEANERS EQUIPMENT CO 5,294.79 LAW OFFICE OF DIRK LEGATE PLLC 8,500.00 LOWES COMPANIES INC 1,303.25 MATCHETTE, JOHN W 7,785.41 NAVAJO NATION 1,200.00 NAVAJO TIMES PUBLISHING COMPANY INC 1,205.10 NAVOPACHE ELECTRIC COOPERATIVE 7,651.76 NORTHERN SAFETY COMPANY INC 1,446.17 PIMA COUNTY MEDICAL 2,300.00 PIMENTEL CONTRACT CLEANING 3,350.00 PITNEY BOWES RESERVE ACCOUNT 5,000.00 QUILL CORP 2,825.81

RAIN FOR RENT 38,226.28 REIDHEAD, BRANDY 2,855.00 SECURUS TECHNOLOGIES INC 1,347.30 SPRINGVILLE-EAGAR CHAMBER OF COMMERCE 4,125.00 WELLS FARGO BANK 1914 2,662.44 YOUNGS FUTURE TIRE 1,190.17 AMAZON COM INC 3,129.89 ARCHER MANUFACTURING 1,140.00 AVAYA COMMUNICATIONS 1,381.19 BEVINGTON, SHANE E 1,213.88 BLUE HILLS ENVIRONMENTAL 35,300.08 BRIMHALL SAND & ROCK 30,822.08 COCONINO COUNTY 1,800.00 DESERT MOUNTAIN CORPORATION 16,935.67 EAGAR, BRANNON 1,213.88 FOREST COUNTRY ANESTHESIA PC 1,575.00 HATCH MOTOR COMPANY SNOWFLAKE 3,945.36 HOUSTON, KAREN SUE 1,302.87 INGRAM LIBRARY SERVICES 5,098.09 NAVAJO TRIBAL UTILITY AUTHORITY 1,052.33 NAVOPACHE ELECTRIC COOPERATIVE 9,076.00 NORTHERN SAFETY COMPANY INC 2,417.72 PARKS, BEVERLY 1,229.88 PLATT DDS, RANDOLPH 1,922.00 QUILL CORP 5,938.24 SECURUS TECHNOLOGIES INC 1,271.12 SKY BLUE HVAC LLC 11,324.00 SPRINGVILLE AUTOMOTIVE SERVICE 1,107.71 THOMSON REUTERS WEST 1,699.68 TOWN AND COUNTY SCALE CO 2,870.64 TOWN OF EAGAR 7,599.54 UNIVERSAL FLEET CARD 1,765.17 VERITAS RESEARCH CONSULTING 1,080.00 VERIZON WIRELESS 2,049.46 WILLIAMS PRO-CLEAN 1,939.77 Specific details of the demands may be requested through the County public record request process.

B. Request approval of minutes dated October 20, 2015. **C.** Request approval of a Fireworks Permit Application for the Concho Fire Department on November 11, 2015 in honor of Veteran's Day. The display will be detonated at Cinder Mountain in Concho, Arizona. **D. District II:** Request approval to purchase a refrigerator for the Cottonwood Senior Center, at a not to exceed amount of \$2,000, utilizing District II general funds. Chairman Shirley called for the Vote. Vote was unanimous.

Mr. Wengert, on behalf of District I, requested approval to convert the currently vacant Civil Engineering Aide II (Range 29) to a Public Works Foreman I (Range 36) and fill the vacancy. Mr. Weller moved approval, seconded by Mr. White. Mr. Weller asked if this position as going to be filled. Mr. Wengert stated when a position is created and vacant, it can be filled at minimum up to 10% above the beginning of the range with his and Human Resources approval, so it does not mean it will come back to the Board to be filled if the person is hired at the beginning or 10% above the beginning range. Vote was unanimous.

Ferrin Crosby, County Engineer, requested approval of salary increases for the following individuals: Tammy Davis, 9 years of service, current salary \$31,455.79 – mid range \$36,706, proposed increase of \$2,500. Tamie Herrick 17 years of service, current salary \$33,368.56 – mid range \$35,811.00, proposed increase \$2,442.44. Increases will come from the HURF budget. Mr. White moved to approve the request, seconded by Mr. Weller. Mr. Weller asked Mr. Shirley and Mr. White if there were some new sources of revenues that they are aware of that he has not been informed of; as we move into these raises at today's meeting and the last meeting, we are looking at several on the agenda today. Mr. Shirley referred the question to Mr. Wengert. Mr. Wengert responded there has not been any bump in the budget; the raises coming from the departments are from them looking at their own budgets and analyzing individual needs. Mr. Wengert stated the general fund is tighter than the HURF and these increases are coming from the HURF. Mr. Weller stated as we go through the budget process, budgets are inflated for the sake of potential grants that may come that would boost revenue sources and sometimes departments have the belief that they have more money than they actually do and as we spend more and commit to these long term salary increases, it ends up impacting the taxes. Mr. Weller stated that the fact that there is money in the budget is not supportive of making long term decisions that impact the taxpayers. Mr. Weller stated these raises as well as the raises at the last meeting could impact the taxpayer by 3% and will decrease the money that is put on the roads. Mr. Weller stated the grants, PILT and HURF money is constrained and are fighting for dollars to get on the roads. Mr. Weller stated every employee in the County received a 6-7% increase over the last two years which impacted taxpayers by nearly \$800,000 and we need to remember that. Mr. Weller stated that these types of modifications in the middle of the year do not respect the other 300 County employees that we need to take care of as well as the taxpayers. Mr. Weller stated before we cast a final vote on these raises, he wanted to

remind the other Supervisors that some of the justification presented at the last Board meeting has become suspect for accuracy, which concerns him. Mr. Wengert stated that HURF is not tax funds, they are generated by gasoline sales so a good portion of the raises have not come from property taxes. Mr. Wengert stated giving raises is never easy; it not easy on the department head or the elected official because they have to consider their entire departments and make a hard choice on those few dollars can be spent. M. Wengert stated there are about 400 employees in the County; one of the largest employers in the County and it is difficult to address every single employee as would be done in a salary study, and the County hasn't had a salary study conducted since 2004 because of a lack of funds and the only other time an employee is considered is with a cost of living increase. Mr. Wengert stated as the departments come forward, be assured they are considering every employee in their department and making that difficult decision as to how to spend that money to try and help people get to the midpoint of their range. Mr. Wengert stated the County tries as much as possible to help employees get to the midpoint of their range which is considered 100% of a person's possible salary and after a certain number of years hope to get them there. Mr. Weller stated he is glad he isn't under any illusion that funding for the government processes in this nation grows on trees and there are not any dollars that come into this county that are not tax dollars; HURF comes from taxes, every grant comes from taxes, and the taxpayers in this county pay the money that come into this county and every penny that comes to the county is tax dollars so he hopes nobody is under the illusion that just because you don't pay your primary taxes, gas taxes and any other taxes, you are going to be impacted by these decisions and it is concerning to him that we are impacting our taxpayers with these long term decisions. Mr. Weller stated these are difficult decisions and he would love to have the money to provide good wages for all the employees in the County but he would like to work together with the Native American Supervisors to improve the income from the Navajo Nation so we can equate the tax dollars that come so we can boost these dollars and help everybody bring what we would like to do but until they work together to improve the revenues and working together at the state level to increase the inequities that exist and the jurisdictional problems in this county, we are going to continue to have problems. Mr. Weller stated he would rather work with Mr. White and Mr. Shirley to improve the revenues than to be continually impacting the taxpayers of the County. Chairman Shirley stated he appreciates the recognition by Mr. Weller that the Navajo people also pay taxes because to say the Navajo people don't pay taxes so Apache County shouldn't deliver services on Navajo Land is wrong. Mr. Shirley stated the Navajo Nation gives the State of Arizona tens of millions of dollars and none of it comes back to Navajoland. Mr. Shirley stated if the State could give back some of the millions to Navajoland and Apache County, it would go a long way towards getting more qualified and better salaried staff to address the needs, both on Navajoland and throughout Apache County. Mr. Shirley stated the Navajo people pay taxes and he agrees we need to go to the state and lobby heavily to see if we can get more of the revenues that the state takes from the local governments. Ms. Weller stated there are taxes paid by Navajo Nations individuals, he is addressing the impact on the County so we can graphically stand together at the state level to show their responsibilities because the funding that comes into the county is less than $\frac{1}{4}$ and it is due to the population and jurisdictional land of the Navajo Nation and $\frac{3}{4}$ comes in due to the tax base and the individuals that exist here in the county government itself, and that disparity needs to be corrected and we need to fight to get that money. Mr. Weller stated if we could equate that, we would look like Coconino or another county; we would have a potential 60 million dollars in our budget just from that equation so we need to fight for the HURF funding and appropriate treatment at the state level to stand up to the federal government issues that exist. Mr. White stated that in listening to this conversation it is getting off point debating whether the Native Americans pay taxes. Mr. White stated he resents the fact that Mr. Weller refers to the (Supervisors) as the two other Native Americans and though he is proud to be one, Mr. Weller does not have to refer to them as such and Mr. Weller continues to say it over and over. Mr. White stated when he refers to Mr. Weller, he refers to him as the other supervisor and would appreciate it if Mr. Weller did that for them as well. Motion passed 2-1 with Mr. Weller voting nay.

Ryan Patterson, Finance Director, requested approval of salary increases for the following Individuals: Virginia Hoyt, 10 years of service, current salary \$46,468 – mid range \$53,162, proposed increase of \$2,500. Rita Vaughan, 14 years of service, current salary \$35,522 – mid range \$40,517, proposed increase \$2,500. Mr. White moved approval, seconded by Mr. Shirley. Motion passed 2-1 with Mr. Weller voting nay.

Ryan Patterson, Finance Director, on behalf of the Grants Department, requested approval of salary increase for Malena Bazaruto, 8 years of service, current salary \$28,480 – mid range \$31,652, proposed increase of \$2,500. Mr. White stated Ms. Bazaruto has done a lot for the County to obtain funding and moved approval, seconded by Mr. Shirley. Motion passed 2-1 with Mr. Weller voting nay.

Milton Ollerton, Community Development Director, requested approval of a salary increase for Shanna Pearce, 3 years of service, current salary \$23,974.29 mid range \$27,293 proposed increase of \$2,500 for an annual salary of \$26,474 and the increase is budgeted. Mr. Ollerton stated his budget has never been over in the past 15 years. Mr. White moved approval, seconded Mr. Shirley. Motion passed 2-1 with Mr. Weller voting nay.

Treasurer Marleita Begay requested approval to sell the Lehman Brothers security that is currently in bankruptcy, and the estimated amount the Bond will produce at sale is \$210,000 which fluctuates on a daily basis, however an accurate amount will be produced to the County before the sale is confirmed. After a discussion with the Board on the current sale rates, Treasurer Begay recommended to continue to work with Wells Fargo Bank for another 6 months and then sell the bonds. Mr. Weller moved to continue the item and wait 6 months before selling, seconded by Mr. White. Vote was unanimous.

Mr. Wengert presented the request for approval of a resolution urging the Arizona Legislature to adopt County priorities. Mr. Weller moved approval seconded by Mr. White. Mr. Weller stated there are several issues in the resolution that he thinks need support and knows he stands against the majority of the big government minded county supervisors but there are three issues on the resolution that he cannot support; he opposes flexibility language and considers it an abuse to taxpayers because it allows bureaucrats to move funding wherever they wish to move it. Mr. Weller state he is opposed to the removal of the 1% constitutional property tax cap and lastly, he opposes the increase revenue sources for HURF which the resolution calls for so until ADOT can be lobbied to trim their bloated budget and get some of that money back that we have had taken from us he does not want to take a position of weakness which this resolution does. Mr. Weller stated if the other two supervisors would be willing to modify those three issues, he would be supportive but if not, he cannot support the motion as it stands. Mr. Wengert stated this document was prepared with the assistance the County Supervisors Association, and the different bullets will be the lobbying document that will be used by all the supervisors in the state, within CSA so this will be the platform they will be using and smaller counties like ours have had to use the flexibility language and with the loss of funding so tapping into the flexibility to keep the county whole. Mr. Weller stated he disagrees with those issues and does not stand that the County needed to use the flexibility language and does not like the statement that all supervisors will support all the issues at the legislative level; he will certainly not support the items that spoke about and will be speaking against the other supervisors as he lobbies the legislature. Mr. Weller stated he is not bound by the decision of the majority, he has his opinion and he will support only the issues associated with this resolution that he chooses. Mr. Shirley responded that it makes him wonder why we even have a Board. Motion passed 2-1 with Mr. Weller voting nay.

RESOLUTION 2015-15
A RESOLUTION OF THE BOARD OF SUPERVISORS OF APACHE COUNTY REGARDING 2016
LEGISLATIVE PRIORITIES

WHEREAS, actions by state government since 2009 have impacted Apache County by more than \$6.1 million, and

WHEREAS, these actions have resulted in over \$3.6 million in diverted road maintenance funds, \$1.7 million in lost revenue, and \$766,565 in program shifts, including increasing the county share of justices of the peace salaries and requiring counties to fund various state agencies, and

WHEREAS, these cost shifts caused significant financial distress for Apache County, which is already reeling from the negative financial impacts of the economic downturn and slow recovery, and

WHEREAS, the current structure of the Public Safety Personnel Retirement System (PSPRS) is unsustainable and is placing growing pressure on Apache County taxpayers, and

WHEREAS, the shifting of state agency costs to counties is both an inappropriate use of county taxpayer dollars and an ineffective governance model, forcing county taxpayers to subsidize state run agencies with no county managerial oversight, and

WHEREAS, Apache County has neither the financial capacity to pay for additional state costs, nor the statutory ability to control the cost of state administered programs the county is required to fund, and

WHEREAS, Apache County also faces significant risk from the uncertain funding status of federal programs, including the Payment in Lieu of Taxes and Secure Rural Schools programs, and

WHEREAS, Apache County's financial condition continues to be suppressed by a third straight year of declining Net Assessed Value and,

WHEREAS, it is critical to Apache County that the state works to eliminate these cost shifts and revenue reductions in the FY 2017 budget, with the goal of reestablishing a sustainable financial model for the county.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Apache County that the Arizona State Legislature is hereby implored to:

- Engage with stakeholders to create a viable, long-term funding and benefit structure in PSPRS that addresses the needs of public safety professionals while protecting the interests of taxpayers; and
- Eliminate mandated county payments to state agencies, including the Arizona Department of Juvenile Corrections, the Arizona Department of Revenue, and the Arizona State Hospital; and Engage with counties and other stakeholders to find a mutually beneficial solution that protects both the state and local governments from uncapped liabilities associated with the 1 Percent Constitutional Property Tax Cap while allowing for budget flexibility to respond to constituent needs; and
- Eliminate the local government HURF transfers in the state budget, identify and enact revenue enhancements for the existing HURF distribution system, and pursue policies that improve efficient utilization of transportation resources; and
- Eliminate, fully fund, or require the political parties to pay for the costs associated with the Presidential Preference Election; and
- Restore, in statute, the county share of lottery funds to provide a stable source of revenue for county operations; and
- Continue to include authority for counties to access restricted funds through flexibility language to allow counties the ability to most efficiently manage taxpayer funds;

Thereby providing Apache County and all Arizona counties with the financial stability necessary to continue providing mandated state services to local residents.

APPROVED AND ADOPTED this 3rd day of November, 2015.

/s/ Joe Shirley, Jr.
Chairman of the Board

/s/ Delwin Wengert
Clerk of the Board

Chairman Shirley opened the floor for call to the public.

George Walsh, a resident of Vernon requested a meeting with Mr. Weller, the Health District Director and the Community Development Director, Milton Ollerton to discuss the current Apache County Medical Marijuana Ordinance as it is, to require an addition permit, it is a violation of the patients and care givers HIPAA and civil rights and federal and state. Mr. Walsh stated that since the County Attorney's Office does not have an understanding the HIPAA rights, maybe the Health Director could explain it to them after a meeting. Mr. Walsh asked why the Ordinance has not come before the Board of Supervisors when it was recommended by the Planning and Zoning Commission on April 2nd. Mr. Weller responded since he was mentioned he has the opportunity to speak, and stated he supports a meeting with those as requested by Mr. Walsh as the soonest possible date and already has a request into the County Attorney's Office to explain why he have had this delay in an item that was set forth by the commission and not reached the Board of Supervisors.

Art Modica, a resident of Concho thanked County Engineer Ferrin Crosby for his help with resolving an issue with ADOT on County Road and thanked Chief Deputy Treasurer David Romeo on a tax issue.

Mr. Weller stated Mr. Shirley made a comment earlier that he wonders why we have a Board and he wanted to respond. Mr. Weller stated he looks at our nation as being under a constitutional republic, not a full democracy and was developed to support the minority and the minority gets a voice even when the majority votes and that is why we have a republic so the minority can continue to have a voice and be respected for their opinions as we go forth because sometimes the majority makes mistakes and sometimes they don't think about who they are impacting with those decisions and therefore he wants to make sure that he represent the constituents that have elected him and sometimes they are a minority and therefore he still continues to represent them.

Mr. Weller moved to adjourn, seconded by Mr. White. Vote was unanimous.

Approved this 17th of November, 2015.

/s/ Joe Shirley, Jr.
Chairman of the Board

/s/ Delwin Wengert
Clerk of the Board