

County Funding

	FY 2017 ACTUAL	FY 2018 ESTIMATE	FY 2019 BASELINE
FUND SOURCES			
General Fund	14,000,500	15,650,700	6,000,500
SUBTOTAL - Appropriated Funds	14,000,500	15,650,700	6,000,500
TOTAL - ALL SOURCES	14,000,500	15,650,700	6,000,500

AGENCY DESCRIPTION — The Arizona Department of Administration (ADOA) distributes these monies to counties for maintenance of county services.

Assistance to Counties

The Baseline includes \$6,000,500 from the General Fund in FY 2019 for assistance to counties. FY 2019 adjustments are as follows:

Remove One-Time Offset

The Baseline includes a decrease of \$(8,000,000) from the General Fund in FY 2019 for the elimination of one-time funding distributed to counties to offset contributions for the cost of the Department of Juvenile Corrections (DJC). The FY 2018 General Appropriation Act designated this FY 2018 funding as one-time.

The FY 2016 Criminal Justice Budget Reconciliation Bill (BRB) (Laws 2015, Chapter 17) created the DJC Local Cost Sharing Fund with annual deposits from each county for their proportional cost share of the operational costs of DJC. The FY 2018 Criminal Justice BRB required that each county pay their proportional share of \$11,260,000 according to their population in the 2010 Decennial Census. *(Please see the Department of Juvenile Corrections section for details regarding these county cost sharing requirements.)*

Remove One-Time County Assistance

The Baseline includes a decrease of \$(1,650,150) from the General Fund in FY 2019 for the elimination of a one-time increase for assistance to Pinal, Yavapai, and Mohave Counties. The FY 2018 General Appropriation Act designated this FY 2018 funding as one-time.

The FY 2018 General Appropriation Act appropriated these monies to the Arizona Department of Administration (ADOA) to be allocated equally among counties with a population of more than 200,000 and less than 900,000 according to the 2010 Decennial Census. Each county received \$550,050.

Table 1

Distribution and County Population

County	\$6.0 M Distribution	2010 Decennial Census Population
Maricopa	\$ -	3,817,117
Pima	-	980,263
Pinal	-	375,770
Yavapai	-	211,033
Mohave	-	200,186
Yuma	550,050	195,751
Coconino	550,050	134,421
Cochise	550,050	131,346
Navajo	550,050	107,449
Apache	550,050	71,518
Gila	550,050	53,597
Santa Cruz	550,050	47,420
Graham	1,050,050	37,220
La Paz	550,050	20,489
Greenlee	550,050	8,437
Total	\$6,000,500	6,392,017

The Baseline includes an ongoing distribution of \$6,000,500 to ADOA and would be allocated equally among all counties with a population of less than 200,000 according to the 2010 Decennial Census *(see Table 1)*. This includes all counties except Mohave, Yavapai, Pinal, Pima, and Maricopa. Each county receives \$550,050. An additional \$500,000 is allocated to Graham County on an ongoing basis.

These appropriations are in a separate section of the General Appropriation Act apart from the main ADOA appropriation.

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STATUTORY CHANGES

The Baseline would, as session law, continue to allow counties with a population of less than 250,000 according to the 2010 Decennial Census to use any source of county revenue to meet a county fiscal obligation for FY 2019, up to \$1,250,000 of county revenue for each county. Require counties using this authority to report to the Director of the Joint Legislative Budget Committee (JLBC) on the intended amount and sources of funds by October 1, 2018. (Please see Other Issues for prior use of this provision.)

Other Issues

County Flexible Revenue Report

The FY 2018 Revenue BRB (Laws 2017, Chapter 312) allowed counties with a population of less than 250,000 according to the 2010 Decennial Census to use any source of county revenue, up to \$1,250,000, for purposes other than the purpose of the revenue source to meet a county obligation for FY 2018. Counties using the authority under Chapter 312 were required to report to the Director of the JLBC on the intended amount and sources of funds by October 1, 2017.

Of the 12 eligible counties, 4 reported using the flexibility:

- Apache County: \$1.25 million from the Jail District and Sheriff's Department to the General Fund for law enforcement;
- Coconino County: \$1.25 million from the Jail District to the General Fund for law enforcement, retention incentives, and to pay down Public Safety Retirement System (PSPRS) debt;
- Mohave County: \$500,000 from the Landfill Closure Fund to the General Fund for general expenditures.
- Yuma County: \$51,000 from the Library District, County Attorney Other Grants Fund, and the Spousal Maintenance Fund to the General Fund, County Attorney Fund, and Clerk of the Superior Court Fund for general expenditures at the County Attorney's Office and for the cleaning and maintenance of the South County facility.

The following 8 eligible counties are not utilizing this provision: Cochise, Gila, Graham, Greenlee, La Paz, Navajo, Santa Cruz, and Yavapai Counties.

Table 2 shows the utilization of the county flexibility language since FY 2013.

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	Total
Apache	\$ 900,000	\$ 500,000	\$ 500,000	\$ 400,000	\$ 1,200,000	\$ 1,250,000	\$ 4,750,000
Cochise			36,700	23,000			59,700
Coconino				10,634,800	493,700	1,250,000	12,378,500
Gila							-
Graham							-
Greenlee							-
La Paz			5,012,500	992,500	596,500		6,601,500
Maricopa							-
Mohave	6,980,300					500,000	7,480,300
Navajo	864,700	580,300	1,430,300	1,200,000	1,200,000		5,275,300
Pima							-
Pinal	8,940,800			1,000,000			9,940,800
Santa Cruz	550,000						550,000
Yavapai							-
Yuma	14,700	56,000	29,700	10,200	51,000	27,100	188,700
Total	\$18,250,500	\$ 1,136,300	\$ 7,009,200	\$14,260,500	\$ 3,541,200	\$ 3,027,100	\$47,224,800

*As reported by county governments to JLBC. Reporting to JLBC began in FY 2009.