



PLANNING & ZONING COMMITTEE

January, 2009

YAVAPAI COUNTY BOARD OF SUPERVISORS
Met January 20, 2009

There were two items of interest to us this month, both scheduled for the "study" session.

- The re-introduction of a referendum on a County Jail Tax, just 2 months after it was defeated by Voters. Voters didn't vote correctly according to BOS.
- The re-allocation of the county's $\frac{1}{2}$ cent sales tax and status of the recent \$50 million Building loan.

The Camp Verde Bugle did a good job of reporting the facts on both of these issues, although we disagree with their cynical statements that crime must go up and services must go down before the voters are finally ready to accept a new tax. But here, reprinted by permission, two recent articles from the CV Bugle. Notes appear in Blue.

Editorial: Wait longer to put jail tax back on ballot

Thursday, January 22, 2009

Once bitten, twice shy. That should be the mindset of the Yavapai County Board of Supervisors as they contemplate re-introducing the jail tax increase to voters.

More than 56 percent of county voters said "No" to the proposal back in November. Despite the obvious impact that has had on the Sheriff's Office, there is no indication on this side of the mountain that a sizeable number of voters (have) changed their minds.

Some people in the Verde Valley have come to a new understanding since they voted on the issue, but there are not nearly enough of them on the Road to Damascus to warrant a special election that would cost more than \$100,000.

This is a circumstance that must fester for a while longer. The Prescott area needs to experience no jail for a year or so. The Verde Valley has to see negative consequences and not just hear predictions of them. [Your P&Z disagrees with this.](#)

Last year, the supervisors spent \$130,000 for an opinion survey that indicated a large majority felt taxpayers should support a jail district but a prophetic number of them were not convinced the jail district was being run efficiently. An election is the ultimate opinion poll.

Clearly, for whatever reason, the supervisors and the Sheriff's Office did not persuade voters that they have been fiscally responsible enough to deserve a quarter-cent sales tax (sic).

Rushing to a September election with the same question and losing again would be a colossal waste of jail district money - money it can ill afford. Give voters a year or so to live with their decision, and then they can decide if they can keep on living with it. [Your P&Z disagrees with this, as well.](#)

Meanwhile, Sheriff Waugh will have even more time to prove his case and beg the police chiefs in the Prescott area to actually help with the campaign effort. But now is too early to be bitten by the voter again. [Voters don't bite, they decide. Here are some comments made at the 1/20 meeting.](#) Carol Springer: "We have no choice", "If it doesn't pass in September we'll put it on the ballot again"; Chip Davis: "The timing isn't right".

While demanding 7½% cost reductions from all County departments - through attrition, change, and innovative thinking, the Supervisors can't seem to grasp any another method to fund these jails. Although Jailhouse Work Programs have proven to be positive and rehabilitating incentives for inmates, Tom Thurman says "We can't force them to work."

Compromise balances county budget

By Steve Ayers, Staff Reporter

Thursday, January 22, 2009

\$50M loan to be returned

The County's budget stalemate has come to an end.

Two months ago, the county announced it was facing a \$19 million budget shortfall over the next 18 months. Since then, each of the supervisors has weighed in on how best to fix it.

But there has been little consensus.

Technically speaking, the lack of consensus remains. However, two of the three have agreed to a compromise plan.

On Tuesday, Chairman Tom Thurman and District 3 Supervisor Chip Davis agreed the best way to fix the shortfall was by staying out of debt, cutting department budgets 7.5 percent and reallocating half of a 1-percent sales tax <sic> to the general fund. [Developmental Services must cut 25%. Reallocation of ½ ¢ tax: 50% to General Fund, 30% to Capital Improvements \(Prescott\), 20% to regional roads.](#)

Supervisor Carol Springer voted no to the plan, which was proposed by Thurman. Tuesday's decision, along with a decision two weeks ago to close the Prescott Jail, will close the budget gap but will not guarantee against future layoffs.

The plan also calls for returning a \$50 million loan for the construction of several new county buildings. Returning the Compass Bank loan will cost the county \$500,000. Keeping the loan would have cost the county \$26,500 a month in interest payments, according to Thurman. [Returning it will incur 500k Pre Payment Penalty. 18 month's worth of note service, per Supervisor Tom Thurman.](#)

"I can't morally support taking on that kind of a payment when we are asking everyone else to cut their expenditures," Thurman argued.

Instead of borrowing the money to build new facilities, Thurman's plan calls for using 30 percent of the 1-percent sales tax <sic> ½ ¢ sales tax and \$27 million the county has saved for building projects to pay for the new buildings.

"I believe we can build everything we need without the \$50 million loan," he said.

Springer, who characterized Thurman's plan as "attacking the problem with a meat cleaver," had advocated keeping the money ([rainy day fund?](#)) in savings and borrowing the \$50 million.

"We will have nothing left in reserve ([rainy day fund?](#)) by the end of the 2009-10 fiscal year if we do this," Springer said. "It's not a fiscally sound plan."

In agreeing with Thurman, Davis said he felt the plan addressed everyone's concerns and allowed the county the ability to adjust to any future setbacks.

"The plan has all the components to let everyone know the sky is not falling. I see a reasonable proposal that is sound and will weather the storm," Davis said.