

**BOARD OF SUPERVISORS  
NAVAJO COUNTY, ARIZONA**

**February 3, 2003**

Supervisors' Chambers, Holbrook, Arizona - Time: 9:00 a.m.

**PRESENT:** Pete Shumway, Chairman; J.R. DeSpain, Vice-Chairman; Percy Deal, Member; Jesse Thompson, Member; Jerry Brownlow, Member; Mel Bowers, Jr., County Attorney; Eddie Koury, County Manager; and Judy Jones, Clerk of the Board.

Mr. DeSpain led the Pledge of Allegiance and offered the Invocation.

**CALL TO THE PUBLIC:** There were no comments offered.

**CONSENT AGENDA:** Mr. Brownlow made a motion to authorize the Chairman to sign the items in the Consent Folder; motion seconded by Mr. Thompson; vote unanimously carried. The following items were included in the Consent Agenda: 1) Voucher List for Payment; 2) Back Tax Quit Claim Deeds: APN #105-53-428; 429; 430; 431; 201-08-045; 048; 3) Constable Report: (December) Holbrook #1; Snowflake #3; Show Low #5; 4) Justice Court Report: (December) Pinetop/Lakeside #6; Show Low #5; Snowflake #3; 5) Navajo County Juvenile Justice Report: (December); 6) Development Services: **Resolution #07-03** approving a Zone Change request by Kevin and Leslie Stone to change from RU-20 to RU-5 in the White Mountain Lake area; **Resolution #08-03** approving a Zone Change request by Robert and Deborah Lowery to change from R1-10 to C-R in the Lakeside area. (Mr. DeSpain declared a possible conflict with the Holbrook Constable item and did not vote)

**CLERK OF THE BOARD:** Judy Jones, Clerk: Accept or reject proposal from Stephens Properties to purchase 53 parcels in the Sun Valley area: Ms. Jones advised that Mike Stephens, of Stephens Properties, LP, submitted three proposals to purchase the 53 parcels for a flat \$300 per parcel. Mr. Stephens has purchased approximately 600 parcels from the Back Tax Land list already, and has indicated he intends to do some development in the area. The actual tax due on each of the parcels averages \$51 (\$2703). This means that the balance of the purchase price (\$13,197), which includes costs for publication, deed preparation, processing and administrative, would go into the General Fund. Ms. Jones recommended that the Board accept the proposal. Deputy County Lance Payette voiced some concerns he has with the Sun Valley properties. He noted that many of these properties have been showing up on Ebay and other internet auction sites, some with misrepresentations. Legal descriptions have been incorrectly listed on the deeds, and there have been illegal subdivision. He said his other concern is that if people are purchasing these properties from us, and then selling them on auction sites (and making large profits), why shouldn't the county just sell them on the auction sites. It would be a public auction, with the properties being sold to the highest bidder. This way, we could ensure that the legal descriptions are correct, and that there are no misrepresentations to the buyer. It was noted that there is a per-item fee for listing on the sites, along with a percentage of the sale price. Mr. DeSpain said he would like a short continuance of this matter to allow him time to speak with Mr. Stephens. There being no objection, **Mr. DeSpain made a motion** to continue this matter until further notice; motion seconded by Mr. Thompson; vote unanimous approving the motion.

**NAVAJO COUNTY PUBLIC HEALTH SERVICES DISTRICT:** Jerry Brownlow, Supervisor: **Board of Directors' Session:** 1) Request board approval to publish Notice of Intent to adopt the Public Health Services District Licensing Fees Ordinance and set date for Public Hearing for March 10, 2003 at 10:00 a.m: **Mr. Brownlow made a motion** to enter into a Board of Directors' Session; motion seconded by Mr. DeSpain; vote unanimous approving the motion. **Mr. Brownlow made a motion** to approve and publish the Notice of Intent to adopt the Public Health Services District Licensing Fees Ordinance and set the date for Public

Hearing for March 10, 2003 at 10:00 a.m.; motion seconded by Mr. Thompson; vote unanimous approving the motion.

2) Request for financial audit of Environmental Health Program: Dr. Warner advised the Board that he has done an internal audit regarding the problems with the Environmental Health Program. He said that when the matter of fees was first brought to the Board in 1998, several types of establishments were not discussed or listed in the back-up material because they were not to be charged the fees. These included schools, hospitals, civic organizations, non-profit organizations, city entities/establishments and churches. The spreadsheet which was presented by Mr. Barnes to the Board last week included approximately 96 such establishments and therefore may have been part of Mr. Barnes' "guesstimate" of \$75,000. Also included in that spreadsheet were temporary food establishments, which are very difficult to track and should be kept in a separate database. Many of these temporary establishments come around once a year, or only once, period. Having them included in the fixed and permanent database only complicates the accurate accounting of the permanent establishments.

Dr. Warner advised that he has had two staff members reviewing the payments received by the Finance Department, and it has been determined that all monies which were received have been turned in. This was done by reviewing copies of the deposit back-ups provided by Finance and going over all permit fee logs. The Administrative Assistant began keeping a log of each permit fee received when the previous director was still here. The logs contained the date the payment was received, the establishment name, the city the establishment is in, the establishment type and the payment amount. Each log was numbered and has been kept in a folder that included a copy of the log, a copy of the check or money order, original permit application and a copy of the permit issued. After reviewing the information received from Finance, staff went through each permit log and corresponding folder, and each permit was then authenticated and verified along with the appropriate payment. Dr. Warner said the current computerized database included those entities which were never designated to be charged, along with temporary food establishments, and this gives a skewed view of what is actually being questioned. All temporary food establishments have been removed from the spreadsheet given to the Board today, although this still does not give an accurate picture. The health inspectors still have not had a chance to review the spreadsheet and advise as to which establishments they know are closed, have been sold or destroyed in the fires this summer. Dr. Warner advised that this spreadsheet reflects approximately \$46,705 in fees that may be delinquent or unpaid. (This figure is for the previous four (4) years) He suggested that we send out bills, institute the ordinance and develop a tickler system so that this situation does not happen again. Mr. Brownlow asked whether we should try and collect the back fees. Mr. DeSpain said he would like to see the figures for each year, and then decide whether to try and collect the older fees. County Attorney Mel Bower noted that these are monies which should have been paid. The Board has a fiduciary duty to collect those fees. Mr. Deal agreed that we should make every effort to collect the past due amounts. Deputy County Attorney Lance Payette again stressed that the fact we don't have an ordinance in place yet does not affect the collection of back fees. We do not have to have an ordinance to charge a fee.

Mr. Brownlow noted that the Board discussed the possibility of an outside audit at its last meeting. Dr. Warner has indicated, in writing, that he has no objection to such an audit. Mr. Brownlow said he would like to have an outside audit, to make absolutely sure that this problem was due to bookkeeping errors and not something else. He acknowledged there will be a cost involved, but he has had an offer from another county to come in and take a look at the situation. Mr. Thompson asked what kind of audit we're talking about and what is the best way to proceed and still keep the costs down. Mr. Koury said he believes that the Health District and the Finance Department have done what needs to be done, but if Yavapai County wants to come in he has no objection, but we shouldn't have to spend money if we have the information already. Mr. Brownlow said we need to review the policies and procedures and make sure this does not happen again.

In response to a request from Mr. DeSpain, Accounting Supervisor Joan Mickle explained what her department did. Logs were set up and every penny that comes in is logged. When the department brings in the

money, they bring the logs also. If the payments don't come in on time, staff calls the department and asks where the payment is. This procedure has been in place for some time. The Health District has gotten behind, but her staff continues to call and check. She said she believes what Dr. Warner has presented is a true picture of the status of what is owed. She said that although the department has been remiss in getting the information to Finance, her staff will not let it go more than a month without calling to check. She said that an enforcement policy needs to be set up internally within the Health District. An auditor would require policies and procedures to be in place, but they probably would not tell us more than what Dr. Warner has presented. She said we can ask our auditors to check on the policies and procedures when they do the regular FY audit, but she would suggest Dr. Warner set them up now.

Gary Barnes said the we shouldn't "let the fox guard the henhouse" and he believes an internal audit only lets the people already involved do the report. He said that the database should have been locked so that manipulation of the information could not take place. He said he does not want to eliminate the temporary food establishments from the database because they often pay cash for their permit. This presents an opportunity for manipulation or theft. He added that the temporary food booths are a good revenue source for the county. He also noted that when a restaurant is going to open, they have the inspectors come and advise them as to what is needed. This is called plan review, and there is a permit required but it is not included in the database. Dr. Warner responded that there is a section for plan review. He added that he has suggested a separate database for the temporary food booths, not to eliminate them altogether.

Mr. Shumway said that if anyone suspects criminal activity has taken place, then we need an investigation. If not, then we need to have proper policies and procedures in place. Mr. Bowers said that if a forensic audit has been done and there is evidence of possible criminal activity, then law enforcement can get involved. However, they will not get involved just to see if a crime may have been committed. He suggests that we have someone come and look at the situation and, if something comes to light, then we can proceed with an investigation. Ms. Mickle said the inspectors need to have the same logging procedure; the establishment owner would sign off when the payment is made, and the entire log would be turned in. Mr. Koury said when the process was first set up, it was the sanitarian's responsibility to set up the procedures. In the past, we did not hassle persons selling in food booths. He said we shouldn't now either, if we don't have enough help to inspect the permanent establishments. He said an auditor would do the same thing that Dr. Warner is going to do; he will re-bill and then we will know if someone has already paid. **Mr. Brownlow made a motion** to authorize Yavapai County to send a person to review the situation; to work with Mr. Koury, Mr. Shreeve, Ms. Mickle and Dr. Warner; and to report back to this Board when completed; motion seconded by Mr. DeSpain; vote unanimous approving the motion. **Mr. Thompson made a motion** to return to regular session; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

**SUPERIOR COURT: Judge Tom Wing, Presiding Juvenile Judge: Re-organization of the Juvenile Probation Department and adding Juvenile Services Director:** Judge Wing explained that prior to 1992, there were separate adult probation and juvenile court services departments. In 1992, the Presiding Judge combined the departments into one department, under the direction of a Chief Probation Officer. Judge Wing advised that this action is not consistent with statute (Title 8, Section 203(E)), which provides for two separate departments. The Judge advised the Board that the department is being returned to two separate entities, and they are advertising for a Juvenile Court Services Director to head the juvenile department. Funding for this new position will come from the current budget. He stressed that the re-organization will create a more efficient department overall. He added that there is no request for additional space or supplies; this is just a

new designation and will likely be hired from within the department. The current Administrative Services Coordinator position will be eliminated and the remaining positions realigned. Presiding Superior Court Judge Dale Nielson said this change will allow for juvenile funding to be used only for juvenile staff, etc. As it is now, juvenile funds pay salaries for personnel working for both departments. He added that he does not anticipate this costing any additional money; in fact, it may save some. Mr. Koury said if the Judges feel this move is appropriate, and it does not cost the county any money, then it needs to be done. Mr. Shumway said he felt this matter should not be addressed now, but at budget time. Mr. Deal agreed, stating that the Board refrain from re-classifying or creating new positions at this time. Mr. DeSpain said the Judge has made his decision to reorganize the department and that is his responsibility. The Board's responsibility is to comply with the statute and set the salary. We do however, want some assurance that the reorganization will be done within budget. Mr. Bowers noted that there is a current Probation Services Director who oversees both probation departments. He asked what will happen to that position. Judge Wing said there will be a Juvenile Court Services Director and an Adult Probation Director. There will no longer be a Probation Services Director. Judge Wing again stressed that he believes this change will result in a more efficient, money saving department. **Mr. DeSpain made a motion** to set the salary of the new Juvenile Court Services Director at a range 26, with the understanding that the current Administrative Services Coordinator position will be eliminated, and that the department will stay within the current FY2002/2003 budget; motion seconded by Mr. Shumway; vote unanimous approving the motion.

**ADMINISTRATION:** Eddie Koury, County Manager, Don Smith, Personnel Supervisor, Clint Shreeve, Deputy County Manager, Lynda Koury, Project Coordinator: 1) Forest fee distribution for FY 2003/2004: Mr. Koury advised that the total forest fees for FY 2003/2004 are \$609,813.51. Of that amount, \$25,000 will go to roads; \$150,000 to the School Superintendent's office for school related programs; and the remaining \$434,813.51 will be distributed to the school districts as follows: Winslow-\$27,942.03; Joseph City-\$5101.17; Holbrook-\$20,750.10; Pinon-\$16,333.84; Snowflake-\$48,023.74; Heber-\$110,303.78; Show Low-\$100,670.78; Whiteriver-\$28,356.12; Cedar-\$5688.74; Kayenta-\$27,453.11; Blue Ridge-\$44,190.10. **No action necessary; informational only.**

2) Review and update of Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its effects on the county: Mr. Smith explained that HIPAA was enacted August 21, 1996 (Kennedy-Kassebaum Bill). This is federally mandated, but unfunded, and there are civil as well as criminal penalties for non-compliance. Title I of the Act provides for continuity of health care coverage, limits pre-existing conditions and exclusions, and prohibits discrimination based on health status. Title II provides for administrative simplification: standardization of forms, and ID's for the electronic transmission of certain health information; security of electronic health data (by 4/14/04) and privacy of health care information (by 4/14/03).

In simple terms, HIPAA is the privacy of individual identifiable health information. It defines what the patient's rights are concerning their health information and what is protected, and it outlines measures which must be put in place to ensure those rights. One of the main provisions of HIPAA involves giving patients notice of what their rights are and what are considered uses of health information. There will be a new authorization for releasing health information. Other provisions include obtaining business associate agreements, establishing a privacy official and training staff on the regulations.

HIPAA applies to Navajo County because we have health care components, such as the Health District, Public

Fiduciary and the courts, which conduct electronic transmission of health care transaction information. The county will designate itself a "hybrid entity" because it will allow us to separate the health care components. Readiness planning includes four phases. Phase I is initiation: we must become familiar with the regulations, analyze and coordinate the impact with other laws (ADA, FMLA, Workman's Comp, etc), take inventory of computer systems and determine priorities. Phase II, assessment, includes inventory of all security and privacy policies and procedures related to HIPAA, conducting staff training, and formulating an implementation budget. Phase III, implementation, means rolling out new processes and systems enhancements, deploying new physical and technical safeguards of medical data and resident information, and revising/implementing security and privacy policies. The last phase, monitoring/audit, is creating report mechanisms, document procedures, complaint procedures, and implementing ongoing changes. Documentation requirements include Notice of Privacy Practices (8-14 pages); valid, signed authorizations; verification of identity procedures; documentation of disclosures and training certifications; system security safeguards; complaint handling and resolution; whistle blower protection; employee sanctions and mitigation procedures in the event of unauthorized or unlawful disclosure.

What Navajo County is doing to come into compliance: ACIP is holding meetings as CSA for all member Counties; ACIP has hired a consultant to help us understand and comply; break Navajo County into subgroups, including Public Health, Public Fiduciary, Human Resources/Payroll, and Others as needed (jail/detention/courts, etc) Mr. Smith advised the Board that we will not be in compliance by the deadline of April 14, 2003, due in part to the fact that the final "privacy" rules were not even published until December, 2002. It is unlikely that many of the employers or providers throughout the county will be in compliance by the deadline, either. HIPAA is looking for "best effort", which we can do. The estimated cost of implementation of this "unfunded mandate" is \$100,000 to \$150,000. Mr. DeSpain asked to have an item on the agenda for a Board resolution to NACo regarding this and other "unfunded mandates". **No action taken; informational only.**

3) Explanation of Governmental Accounting Standards Board Statement 34, its Impact on the County Financial Statements and Plan of Implementation: Ms. Koury explained that GASB 34 is a revision of the current financial model, which has been in place since 1979. GASB 34 was adopted in June, 1999 for all state and local governments. The minimum requirements for GASB 34 include: Basic Financial Statements and Required Supplementary Information. There are two new elements to the Required Supplementary Information (RSI). They are management's Discussion and Analysis and Budget Reporting. Other changes include: depreciation for governmental activities; longer and more complicated notes to meet disclosure requirements; recording infrastructure as capital assets and expensing them through depreciation or meeting and documenting maintenance standards; and compiling a list of all capital assets \$5000 or greater. County finances will not look better or worse, only different, as a result of these changes. It will have little effect at the fund level; at the Government-wide level, equity will increase by including infrastructure, and long-term debt and other liabilities will decrease equity. Implementation of GASB 34 will result in increased costs, both initially and ongoing for staff resources, audit fees, software costs, consulting fees, etc. Additional reports will need to be prepared, results will have to be audited and infrastructure data will have to be developed and maintained. Support will be needed from all county departments. We must implement GASB 34 because it is the new industry standard for financial reporting. **No action taken; informational only.**

4) Adopt the Modified Approach or Depreciation Method for Infrastructure: Mr. Shreeve explained there are two methods for reporting infrastructure: Traditional, which is straight line over useful life; and Modified

Approach, which is no depreciation and maintenance standards are met. Mr. Shreeve said he recommends the depreciation (traditional) because we can get it done. We do not have the resources to implement the Modified Approach. He noted that the Public Works Department is very critical to the process of implementing GASB 34 because they are compiling the assets which comprise the infrastructure. He believes we will be able to meet our 3/14/03 deadline. **Mr. DeSpain made a motion** to adopt the Depreciation method for infrastructure as recommended; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

**EMERGENCY SERVICES:** Paul Jaster, Director: 1) Approval of 2002 Grant Agreement #2002-TE-CX-0142 with Division of Emergency Management for US Department of Justice Domestic Preparedness Grant for emergency equipment purchase and conducting emergency exercises: Mr. Jaster explained that this grant will provide \$106,544.58 for equipment, and \$25,000 for training exercises. **Mr. Shumway made a motion** to approve the 2002 Grant Agreement, #2002-TE-CX-0412, with the Division of Emergency Management for US Department of Justice Domestic Preparedness Grant for emergency equipment purchase and conducting emergency exercises; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

2) Notice of Award of Department of Justice Grants for Emergency Planning; Citizen Corps/Community Emergency Response Team: Mr. Jaster advised we have received this grant, in the amount of \$65,815, to be used for local citizen emergency response teams. The funds will be used for training and personal protection equipment. **No action necessary; informational only.**

3) Possible use of a portion of the funds for planning purposes to address the Eastern Arizona Counties Declaration: Mr. Jaster explained that at a meeting with other county directors, a discussion was held regarding the use of a portion of the planning award (see previous item) for the ECO declaration re bark beetle mitigation. He would like to have the Board's approval to contribute a portion of our award for that purpose. Mr. Deal asked that Administration and Emergency Services continue to seek other available funding to address the drought issue. Mr. Shumway asked that Mr. Jaster present an update in a few weeks. **Mr. Shumway made a motion** to authorize the use of a portion of the funds for planning purposes to address the Eastern Arizona Counties Declaration regarding bark beetle mitigation; and to direct Administration and Emergency Services to seek available funding to address drought relief as requested; motion seconded by Mr. DeSpain; vote unanimous approving the motion. (In other updates, Mr. Jaster explained that a large portion of the \$1.5 million hazard mitigation grant for which we applied was for a thinning project on private lands. This request was rejected due to lack of environmental review. We did however, receive \$60,000 for the reverse 911 system; \$37,500 for local mitigation planning; and \$26,175 for wildfire public education and awareness. Mr. Jaster said we can resubmit the application for the thinning project and they will do the environmental review for us. He advised that we already have the \$20,000 match required for the reverse 911 system. When everything is ready, he will place this item back on the agenda)

**WORKFORCE INVESTMENT BOARD (WIB):** Gail Sadler, Director: Appointment of Rondi Moore to the Workforce Investment Board, as a required representative of Youth/Adult programs for re-certification: Ms. Sadler explained they were advised by the State that there were no voting members of the WIB representing Youth and Adult Programs. She would like to nominate Rondi Moore, who is a senior staff member and very knowledgeable as to both programs. If appointed, she would serve a term to expire on 7/1/06. **Mr. DeSpain made a motion** to appoint Rondi Moore to the Workforce Investment Board as a required representative of youth/Adult programs for re-certification; motion seconded by Mr. Brownlow; vote

unanimous approving the motion. (Mr. Deal absent for the vote)

**PERSONNEL COMMISSION:** Manny Hernandez, Chairman: Approval to amend Personnel Policy to add a representative from the Heber/Overgaard area and a representative from the non-classified employees to the Personnel Commission: Mr. Hernandez explained that the Commission felt there was a need for a representative from Heber/Overgaard. He advised that a request was also made to the Commission to allow for a representative from the non-classified employees. Mr. DeSpain noted this will bring the total number of commissioners from 9 to 11. Personnel Supervisor Don Smith advised that the non-classified member will not be allowed to vote on policy changes since non-classified employees are not covered by the Personnel Policy. **Mr. DeSpain made a motion** to approve the amendment of the Personnel Policy to add a representative from the Heber/Overgaard area and a representative from the non-classified employees to the Personnel Commission; motion seconded by Mr. Thompson; vote unanimous approving the motion.

**ASSESSOR'S OFFICE:** Frank Turley, Assessor: Adoption of the Navajo County Assessor's Secured Property Assessment Roll for the 2003 Tax Year, Per ARS §42-15153: Mr. Turley presented the Secured Property Assessment Roll for the 2003 Tax Year for adoption and certification. **Mr. DeSpain made a motion** to adopt the Navajo County Assessor's Secured Property Assessment Roll for the 2003 Tax Year, Per ARS §42-15153; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

**WHITECONE CHAPTER:** Lee Jack, Council Delegate: Funding assistance from District II Road Funds for motor grader repairs: (Mr. Jack was unavailable; Mr. Henry Attakai and Ms. Clara Williams appeared on his behalf) Mr. Attakai advised that the motor grader has been out of service since September, 2002 because of engine overheating. The cost to replace the engine will be \$20,098. They are requesting funding assistance in the amount of \$7500 from the County, and the Chapter will provide the balance of \$12,598. Ms. Williams noted that having the motor grader up and running will not only benefit the Chapter, but also the school districts (Cedar and Holbrook School Districts, Grant School and Navajo Nation Head Start), Senior Centers and local people who must travel these roads on a daily basis. **Mr. Thompson made a motion** to approve funding assistance in the amount of \$7500, from District II Road Funds for motor grader repairs as presented; motion seconded by Mr. Deal; vote unanimous approving the motion. (Payment will go directly to the vendor)

**PUBLIC WORKS:** Bill Cox, Director: 1) Approval to purchase a Hyster Double Drum Roller, an unbudgeted item: Mr. Cox explained that this equipment is no longer manufactured, but it is used extensively on construction and maintenance projects. The use of this roller is very efficient and actually frees up an operator and another motorized roller when it is used. Staff has located two of these rollers,

one for \$9000 and one for \$4700. He is requesting approval to purchase the \$4700 roller from his contingency funds. Mr. Deal made a motion to approve the purchase of a Hyster Double Drum Roller, an unbudgeted item, as presented; motion seconded by Mr. DeSpain; vote unanimous approving the motion.

2) Intergovernmental Agreement (IGA) with Arizona Department of Transportation (ADOT) for maintenance of pedestrian pathways in the Heber-Overgaard area: Mr. Cox advised that the Public Works Department has been working with ADOT for the last two years in having an additional pedestrian walkway from the Chevron Station to Bison Ranch (approximately 3 miles). ADOT would construct the walkway and the County would then be responsible for its maintenance. Mr. Cox said he believes this will be a significant improvement for the citizens of Heber/Overgaard and he recommends we enter into the IGA, which will be ongoing. Mr. Shumway made a motion to approve Intergovernmental Agreement (IGA) with the Arizona Department of Transportation for maintenance of pedestrian pathways in the Heber/Overgaard area; motion seconded by Mr. DeSpain; vote unanimous approving the motion.

**SUPERIOR COURT:** Judge Gloria Kindig: Second Annual Judiciary Report to the Board of Supervisor: Judge Kindig advised that she has served two years as Presiding Judge, and will present this Second Annual Judiciary Report to the Board. She noted that Judge Dale Nielson has been appointed to serve as Presiding Judge for the next two years.

Judge Kindig noted that the State budget crisis is expected to have an adverse effect on the Superior Court and the Probation Department, but during the last round of cuts, Navajo County suffered a cut of only \$18,000. However, we did receive a much needed additional Intensive Supervision Team. Judge Kindig advised that for the first six months of the budget year, the Court has expended only 44% of its budget. The Court began the year with 4080 pending cases (excluding juveniles). A total of 2329 new cases (plus 331 new juvenile cases) were filed, resulting in 6740 cases to be heard in 2002. A total of 2625 cases (excluding juvenile) were resolved, leaving 3784 cases pending at the end of 2002. This is a decrease of 7% in carry-over cases. Judge Kindig praised the Clerk's office for their hard work and diligence, for without them, it would have been impossible to address the huge case load.

Additional highlights for 2002 included: the opening of the Juvenile Restoration Center; an additional Intensive Probation Supervision Team to Navajo County; the relocation of the Court Collections Department to Holbrook, with an increased focus on collecting Superior Court judgments; purchase of new laptop computers for the collections staff to allow for mobility as well as better access to data; conversion of the Law Library to an electronic library with provision of Westlaw services to both attorneys and the public; the conversion of the extra library space to much-needed office space; replacement of the main courthouse entryway doors with doors equipped with panic bars; and replacement of security cameras and monitors in the



courtrooms and Judge's chambers.

The Judge advised that the Court is taking steps to further reduce costs. For example, the Court is in the process of changing the way it contracts with private attorneys for court appointed counsel on Petitions for Post Conviction Relief and Appeals. The rate of compensation will be a flat rate per case instead of an hourly rate. This will give the Court greater control over expenditures. Interpreters will now be paid at a flat rate per day, instead of an hourly rate as they are now. The Probation Department will continue to offer its Budget Class for those probationers who fall 60 days or more behind in their court-ordered payments. Mr. Koury noted that Judge Kindig has been very conscious of costs during her tenure as Presiding Superior Court Judge, and he wants to thank her for that. **No action taken; informational only.**

**HUMANE SOCIETY OF THE WHITE MOUNTAINS:** Richard Watkins, Board Member: **Review of Navajo County expense comparison information:** Executive Director Debra Miller began by explaining that the White Mountain Humane Society not only serves Navajo County, but also a large portion of Apache County and a portion of Gila County. She said they have been struggling for years to keep their doors open. They have received financial assistance from the Arizona Humane Society, but that will end as of February 28, 2003. She said they have provided animal control for Navajo County, but they are losing money with each call they go on. (Estimated that they lose \$7.25 on each call) She noted that they also pick up animals in Apache and Gila County, but there is no arrangement for reimbursement with those counties at this time. Commander Ebert of the Navajo County Sheriff's Department noted that the current contract with the Humane Society expired in 1999, but it has never been renewed. He said the Sheriff wants to address some concerns before a new contract is entered into. Ms. Miller explained that the average length of stay for the animals (after the initial 72 hours) depends on the animal's age, health status, temperament and how much space is available. As far as mandatory neutering, they have operated on a voucher system in the past, which was not always successful. Now there is a state mandate that animals be neutered before they are adopted. Ms. Miller said she is requesting an increase in the funding provided by the County (\$40,000 for FY 2002/2003, ½ of which has been spent so far this year) so that they can at least break even. Mr. DeSpain requested this matter be continued to allow the Board to discuss the issues with the Sheriff. **No action taken at this time.**

**COUNTY ATTORNEY:** Melvin Bowers, County Attorney: **1) Approval for 20 additional hours per week for a permanent, part-time Victim Advocate position until March 31, 2003:** Mr. Bowers advised that there are additional grant funds available because the position was vacant for approximately two months, and the other position which is paid from this grant was vacant for 10 weeks. If we do not use these funds, they will revert back to the State. Therefore, he is requesting approval to allow a permanent, part-time employee to work an additional 20 hours per week until March 31, 2003, or until the grant funds are depleted. **Mr. Deal made a motion** to approve 20 additional hours/week for a permanent, part-time Victim Advocate position until March 31, 2003, or until the funds are depleted, as presented; motion seconded by Mr. DeSpain; vote unanimous approving the motion. (Mr. Thompson absent for the vote)

**2) Approval to fill full-time Legal Secretary I position with a temporary employee while permanent employee is on Family Medical Leave:** Mr. Bowers advised that the temporary employee would be hired to fill the position until the permanent employee comes back to work. He noted this is a grant position and therefore would not impact the General Fund. **Mr. DeSpain made a motion** to approve filling a full-time Legal Secretary I position with a temporary employee while the permanent employee is on Family Medical Leave; motion seconded by Mr. Brownlow; vote unanimous approving the motion.

**PAYROLL ACTIONS:** Gilbert Gonzales, Human Resource Director, presented a list of payroll actions. **Mr. Deal made a motion** to approve the payroll actions as submitted; motion seconded by Mr. Thompson; vote unanimous approving the motion.

**BOARD BUSINESS:** Mr. Gonzales advised that the chipper program will end as of March 31. We will try to extend the seeding and mulching program for as long as we have funding. Mr. Koury provided an update as to the State's budget. He said there will be a \$50 million cost shift to the counties: (FY 2003 modifications)-cities and counties will have to pay 100% of the cost for restoration to competency; counties will have to assume the costs of pretrial detention for the sexually violent persons at the Arizona Community Treatment and Prevention Center; counties will have to reimburse the State \$9.7 million in adult and juvenile probation costs; \$59 million in State agency lump sum reductions-unspecified impact to counties, but will include funding such as Arizona Department of Health grants. Fund Transfers-\$20 million transfer from the HELP Fund, which funds low cost loans for road construction; \$20 million transfer from the Heritage Fund-a percentage of this is available to the counties; \$12 million transfer from the HURF to the DPS (19% of HURF goes to counties). In FY 2004: the State subsidy for Arizona Long Term Care System (ALTCS) will require counties to pay 100% of the growth; \$9.2 million in unspecified fund shifts to counties and other funds; all felony offenders sentenced to less than one year incarceration shall serve their term at county jails rather than DOC; elimination of State subsidy of Justice of the Peace salaries-\$2.8 million impact. Mr. Koury said the Governor's proposal would have impacted us for \$274,000; the Legislative proposal is \$2 million. The actual amount will be somewhere in between. Mr. Thompson said we need to educate the Legislators regarding our concerns, and emphasize how the existing mandates are affecting our county. Mr. Deal said the social issues don't go away, and now there is even less revenue to help. He also said he anticipates the drought situation will be worse. The future is not bright, but we will make it somehow. Mr. DeSpain voiced some concern about the new building for Public Works and Development Services. He said the departments are permit-based and it is too far for the public to get to easily. Mr. Koury said the utilities are in, etc and it is too late to change our minds. Mr. Bowers reported there was a homicide committed this weekend. Mr. Jones reminded the Board of the NACo conference. We need to know who is going to attend as soon as possible.

There being no further business to come before the Board of Supervisors, the meeting was adjourned until Monday, February 10, 2003 upon a **motion made by Mr. DeSpain**; motion seconded by Mr. Brownlow; vote unanimously carried. The meeting adjourned at 2:30 p.m.

**APPROVED:**

\_\_\_\_\_  
**Pete Shumway, Chairman**

**DATE:** \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
**Judy Jones, Clerk of the Board**

**The following Navajo County demands were audited, approved and ordered paid by the Board:**  
Comm1stBank\$1986.33;AWHardy\$3500;AZDPS\$4994.23;AzTreas\$25898;Bradco\$1584.34;CHoliday\$27

36.50;Carquest\$1944.45;Carquest\$2094.84;CarrierCorp\$220947.01;CtyWinsl\$3928.71;ClaySpringsLib\$2032.42;ClrkCrt\$2649.72;CocoCntMedExmnr\$1340;CompassGrp\$36492.04;CntrctsBldgSply\$2934.82;Cybertrails\$1549;DFrame\$1490;EaglePntSftwr\$2250;Ecolab\$1967.99;FrontierComm\$5788.23;HolbCathChar\$7391.79;HolbExtCare\$3444;HumSocWhtMtn\$1240;IngramLibSrv\$1336.93;KansasStbank\$1628.03;Kinderprint\$1061.42;Napa\$2066.83;Napa\$1231.21;NCRF\$2011.16;NCRF\$13618.14;Psych&Cnslt\$1150;R&REnt\$3717;SHeckathorne\$3315;StandardElect\$5920.75;VikinfOfcProd\$2700.78;VillWalpi\$7477.51;KachinaOfcBldg\$1785.47;AzPsychSrv\$18150;ADES\$11740.55;JWhipple\$3800;ADOR\$2560.39;APS\$1403.55;AACO\$10278;CWagner\$2690;HolbUtil\$1081.70;CtyShowLow\$12210.31;CltnCnty\$2600;CSA\$23539.54;DiamondPharm\$6506.32;FleetSol\$7595;HatchCnstrctn\$21920.55;HughesCalihan\$6816.90;KPalmer\$1302;M&MProfCln\$9622.71;MMKelly\$2250;NCRF\$2283.86;NCSU\$4100;NAU\$25172;OwensEnrgy\$7509.28;PetrImTrdrs\$7053.81;SimplyBlinds\$1387.59;Sprint\$3908.89;StirlingFence\$18520.99;TwnSnowflake\$6100;TransourceComp\$1517.73;Westgroup\$4163.23;WhtMtnCathChar\$16594.99;WinslSalvArmy\$4557.16;Xerox\$1048.66;CarolinaBioSply\$1148.73;Cropking\$4171.20;Itworks\$1794.99;PineconeCnstrctn\$8933;NPC\$9738