



MEMORANDUM

Date: April 14, 2015

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator *CHH*

Re: **Collection of Debt from the State of Arizona Related to Prisoner Costs and Prosecution and Defense of Inmates under the Control and Supervision of the Arizona Department of Corrections within Pima County**

Attached is an April 10, 2015 demand letter addressed to the Arizona Attorney General. The letter requests payment of nearly \$700,000 in past due bills owed by the State of Arizona. We anticipate the total annual billing for these services to the State will exceed \$1 million for this fiscal year. The State has been unresponsive regarding payment until just recently. After repeated requests for payment of bills that were over a year in arrears, we just today received \$352,277.96.

I have asked the County Attorney to also recover interest at the statutory rate for these past due debts.

At a time when the State is transferring unprecedented costs to Pima County, they are also slow to respond to their own legal and statutory responsibilities to reimburse the County for costs. It is unfortunate we must threaten litigation to have the State pay their financial obligations to the taxpayers of Pima County.

CHH/anc

Attachment

c: The Honorable Barbara LaWall, Pima County Attorney
The Honorable Clarence Dupnik, Pima County Sheriff
Lorna Rhoades, Deputy County Attorney
Tom Burke Deputy County Administrator for Administration
Robert Johnson, Budget Manager, Finance and Risk Management



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**Barbara LaWall
PIMA COUNTY
ATTORNEY**

April 10, 2015

VIA CERTIFIED MAIL

Arizona Attorney General
Mark Brnovich
1275 W. Washington Street
Phoenix, AZ 85007

COPY

Interim Director Kathy Peckardt
Arizona Department of Administration
100 N. 15th Avenue
Phoenix, AZ 85007

Re: Reimbursement for Prisoner Housing Costs under A.R.S. § 31-227

Dear Mr. Brnovich and Ms. Peckardt:

We are writing on behalf of Pima County regarding unpaid claims submitted to the Arizona Department of Administration pursuant to A.R.S. § 31-227 for costs incurred by the Pima County Sheriff's Department ("PCSD") in housing state prisoners.

Section 31-227 requires the State to pay the County's costs for confining and keeping a State prisoner while the County prosecutes the prisoner for crimes committed while the prisoner was under the jurisdiction of the Arizona Department of Corrections ("ADOC").

As required by § 31-227, the claims for prisoner housing costs incurred by PCSD from May 2014 through February 2015 were certified by the prosecuting court and submitted to the Governor for approval. We understand that these claims have been approved and sent to the Department of Administration for processing and payment. Representatives of PCSD have communicated diligently with ADOC regarding the status of the claims. To date, however, Pima County has not received payment. The total principal amount of the unpaid claims is \$656,190.97. The amount of each monthly claim, plus interest at the rate of 10% as authorized by A.R.S. § 44-1201(A) and A.R.S. § 12-823, is set forth in the following table:

Month	Housing Costs Claim	Interest from Date Submitted to April 1	Total
May 2014	\$840.90	\$56.06	\$896.96
June 2014	\$28,170.15	\$1,643.26	\$29,813.41
July 2014	\$16,145.28	\$941.81	\$17,087.09
August 2014	\$106,844.58	\$5,342.23	\$112,186.81
September 2014	\$103,857.02	\$4,327.38	\$108,184.40
October 2014	\$115,571.40	\$3,852.38	\$119,423.78
November 2014	\$96,859.84	\$2,421.50	\$99,281.34
December 2014	\$72,015.92	\$1,200.27	\$73,216.19
January 2015	\$64,389.78	\$536.58	\$64,926.36
February 2015	\$51,496.10	\$0.00	\$51,496.10
Totals	\$656,190.97	\$20,321.45	\$676,512.42

We are aware that ADOC has received a large number of claims under § 31-227 from various counties this year. We are also aware that ADOC representatives plan to meet with our client representatives to discuss process changes that will reduce the number of State inmates housed in county jails in the future. We understand ADOC's financial concerns and the administrative challenges it faces, but Pima County also faces financial and administrative challenges. PCSD timely submitted the above claims in compliance with § 31-227, and is entitled to reimbursement. The delay in payment interferes with Pima County's ability to provide valuable services to its residents. In the event that this matter cannot be resolved by May 1, 2015, Pima County is prepared to pursue all avenues legally available to it to recover these funds.

Please do not hesitate to contact us if you have any questions. We look forward to your prompt payment.

Sincerely,



Lorna M. Rhoades
Deputy Pima County Attorney

cc. C.H. Huckelberry, Pima County Administrator
Pima County Sheriff's Office, Chief Bryon Gwaltney
Charles L. Ryan, Arizona Department of Corrections