



MEMORANDUM

Date: March 16, 2015

To: The Honorable Chair and Members
Pima County Board of Supervisors
Presiding Judge, Superior Court
Elected Officials
Appointing Authorities

From: C.H. Huckelberry
County Administrator 

Re: **Budget Control Measures for the Remainder of Fiscal Year 2014/15**

The Governor and State Legislature will transfer approximately \$23 million in State expenses to Pima County. This transfer will occur for Fiscal Year (FY) 2015/16 and will be effective July 1, 2015.

This is an unprecedented State cost transfer, and Pima County is substantially more affected than any other County in Arizona. We bear nearly twice the burden of this State transfer than the nearest comparable county, Maricopa; the largest and most populous county in Arizona. We cannot absorb these State cost shifts without a significant impact on our budget and services.

To begin absorbing these cost shifts, I have directed the following actions:

1. Effective today, a hiring freeze is in place for all departments and agencies. Such will remain in effect until further notice.
2. Effective today, all travel and training-related activities and expenses are to be suspended.
3. Effective today, all capital equipment purchases for all funds are suspended. In addition, maintenance contracts that use General Funds appropriated in last year's budget are suspended.
4. Effective today, the purchase of supplies and materials should be curtailed except for essential items necessary for health, safety and welfare or to reduce County liability.
5. The FY 2015/16 budgets for all County departments and agencies should contain a two-percent reduction in expenses. Since the budgets for FY 2015/16 have been prepared, Budget staff will request each department or agency to submit a decrement package to supplement your budget submittal. This package should describe the proposed reductions, as well as include detailed service impacts.

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6. Effective immediately, we are suspending the Information Technology Department initiative of leasing new computers until completion of the Recommended Budget and determination that there are sufficient funds available.

It is unfortunate the State has chosen to balance its budget on the backs of County taxpayers. I appreciate all the hard work and effort of County employees to deliver services in a cost effective manner. We must now redouble our efforts, and I fully expect service reductions when submitting the FY 2015/16 budget for the review and approval of the Board of Supervisors.

CHH/anc