FY 2013 Revenue Update

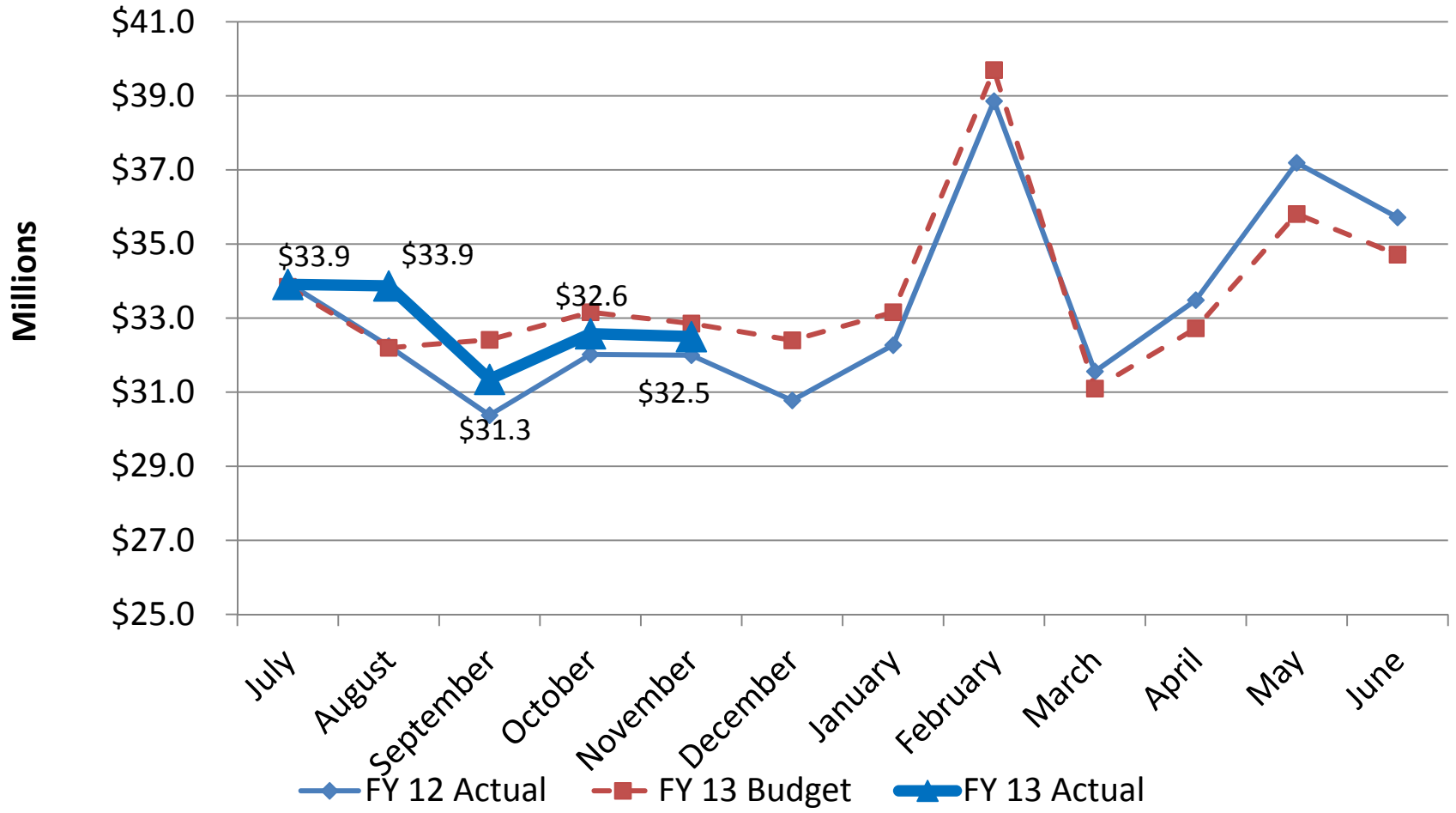
Maricopa County
Office of Management and Budget
November 26, 2012

FY 2014 Base Budget Targets

Base Budget Targets to be adjusted for:

- Annualized impact of FY 2013 mid-year budget adjustments.
- Annualized impact of other items approved by the Board of Supervisors as disclosed at time of Board approval
- Items required by State Law (AHCCCS, ALTCS)
- Other technical adjustments

Sales Tax: Monthly Actual vs. Budget



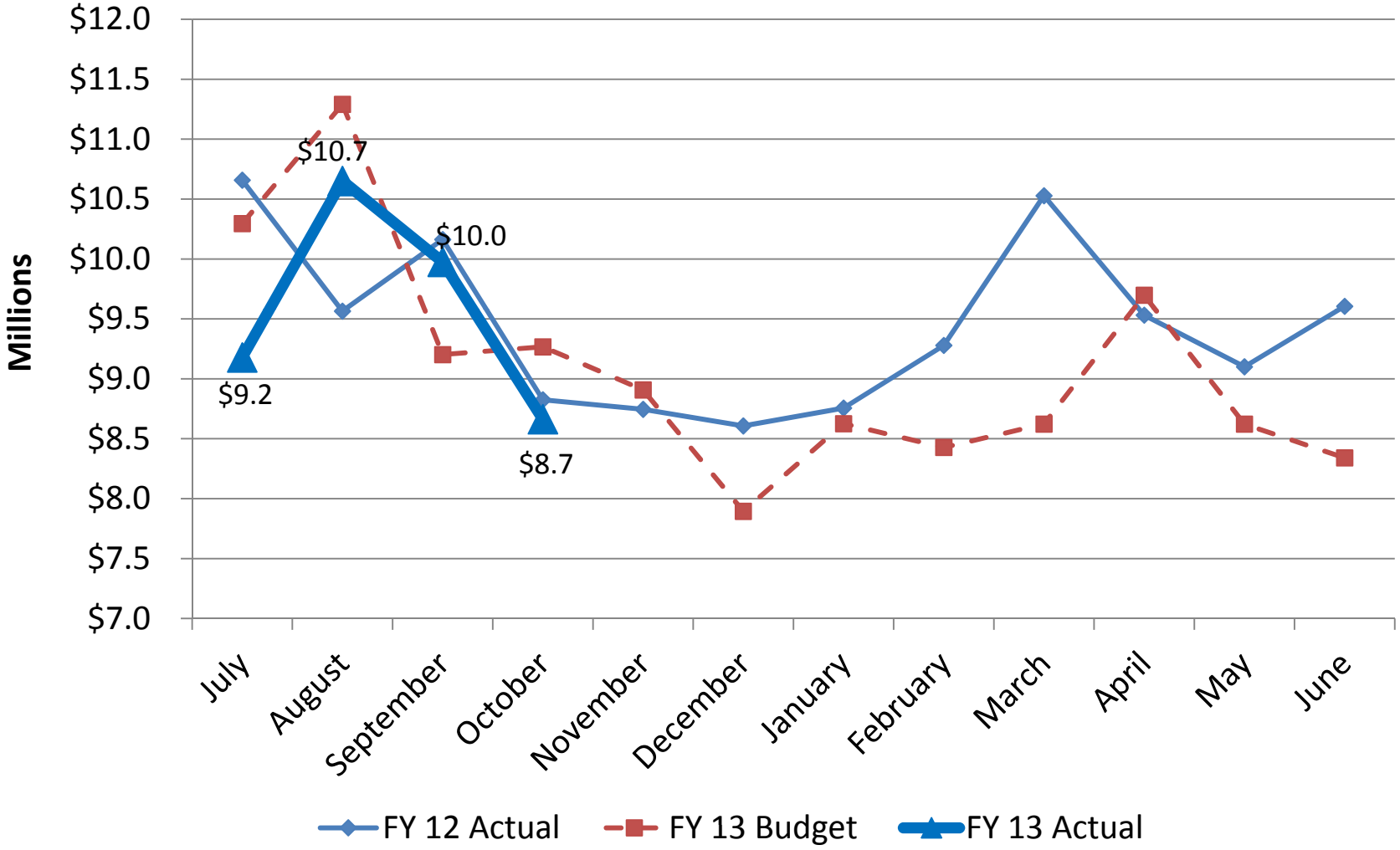
Sales Tax

	FY 2012 Actual	FY 2013 Actual	Variance	%	FY 2013 Budget	FY 2013 Actual	Variance	%
July	33,948,556	33,908,704	-39,852	-0.1%	33,843,911	33,908,704	64,793	0.2%
August	32,243,603	33,869,208	1,625,605	5.0%	32,198,505	33,869,208	1,670,703	5.2%
September	30,379,731	31,346,769	967,038	3.2%	32,414,441	31,346,769	-1,067,672	-3.3%
October	32,018,585	32,577,524	558,939	1.7%	33,158,342	32,577,524	-580,818	-1.8%
November*	31,998,769	32,499,667	500,898	1.6%	32,853,488	32,499,667	-353,821	-1.1%
YTD	**160,589,244**	**164,201,872**	**3,612,628**	**2.2%**	**164,468,687**	**164,201,872**	**-266,815**	**-0.2%**

*Change to NAV effective with November receipts from 62.7780 to 61.0972

FY 2013 Budget assumption was 2% on FY 2012 forecasted base of $396,155,134 (FY 2012 Actual is $400,453,544)

VLT: Monthly Actual vs. Budget

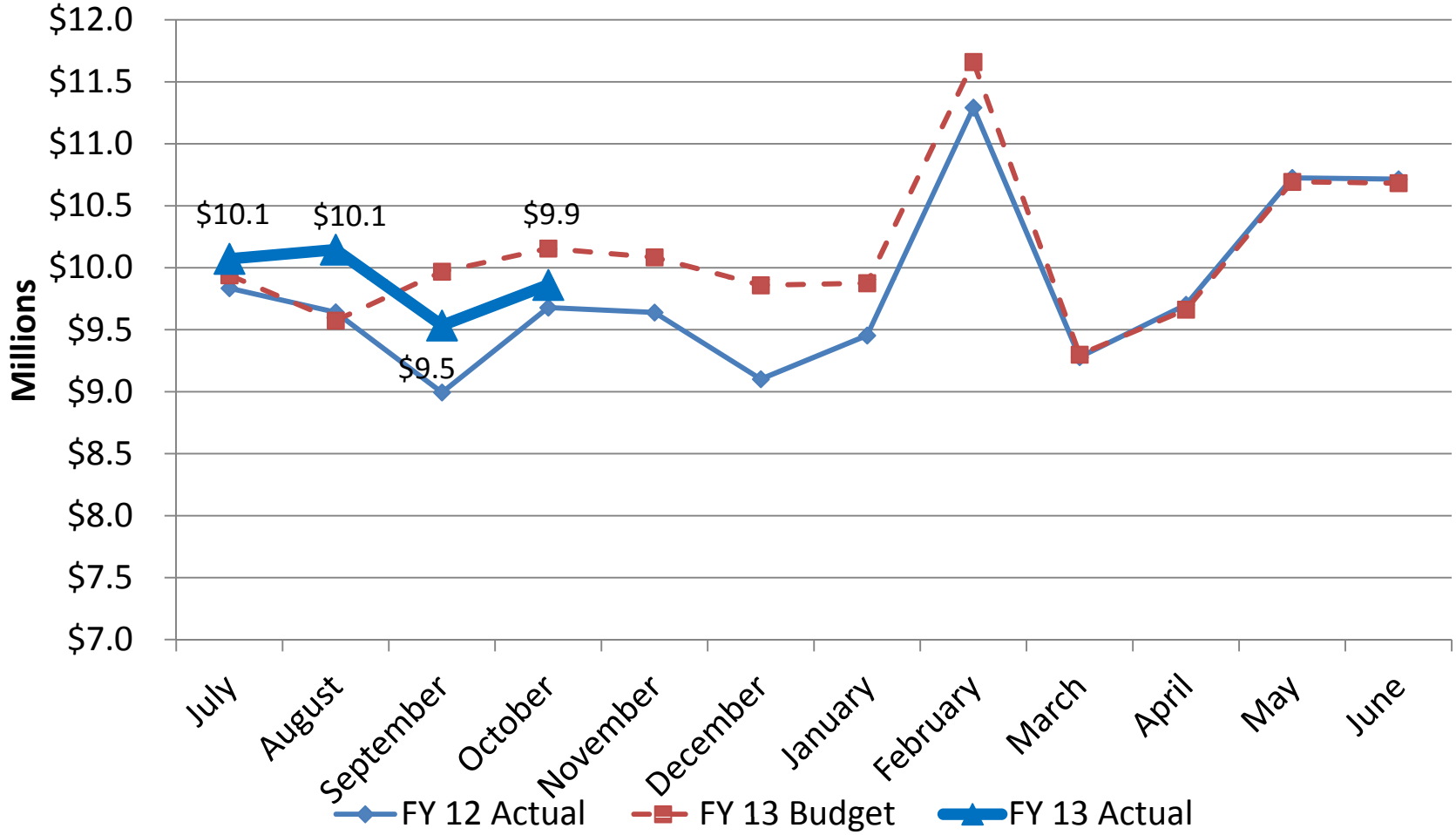


Vehicle License Tax

	FY 2012 Actual	FY 2013 Actual	Variance	%	FY 2013 Budget	FY 2013 Actual	Variance	%
July	10,657,859	9,178,055	-1,479,804	-13.9%	10,295,537	9,178,055	-1,117,482	-10.9%
August	9,564,967	10,650,702	1,085,735	11.4%	11,290,947	10,650,702	-640,245	-5.7%
September	10,162,702	9,975,598	-187,104	-1.8%	9,202,258	9,975,598	773,340	8.4%
October	8,825,221	8,663,266	-161,955	-1.8%	9,267,099	8,663,266	-603,833	-6.5%
YTD	**39,210,749**	**38,467,621**	**-743,128**	**-1.9%**	**40,055,841**	**38,467,621**	**-1,588,220**	**-4.0%**

FY 2013 Budget assumption was 0% on FY 2012 forecasted base of $109,153,522 (FY 2012 Actual is $113,269,091)

Jail Tax: Monthly Actual vs. Budget

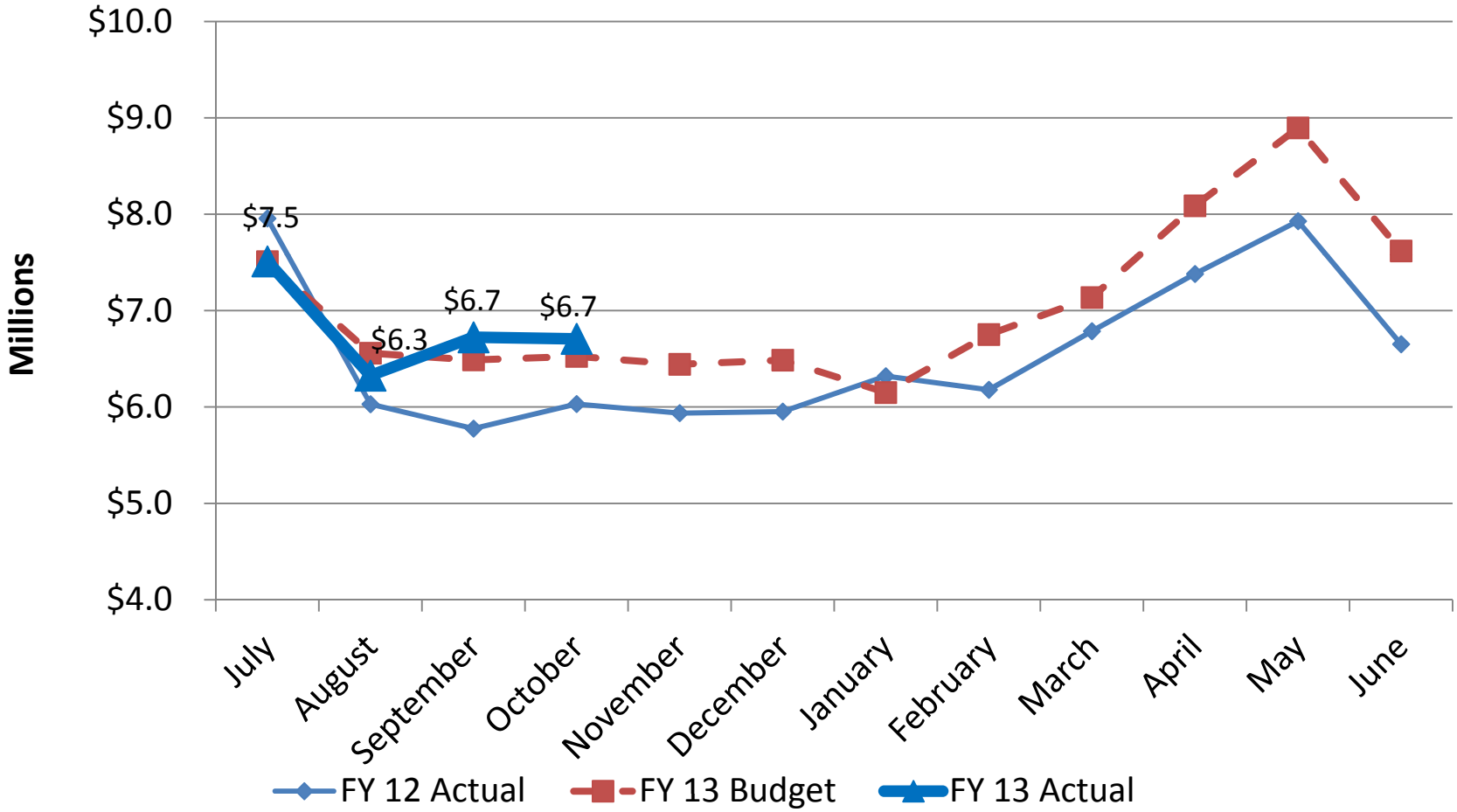


Jail Tax

	FY 2012 Actual	FY 2013 Actual	Variance	%	FY 2013 Budget	FY 2013 Actual	Variance	%
July	9,834,977	10,072,381	237,404	2.4%	9,939,786	10,072,381	132,595	1.3%
August	9,640,616	10,146,114	505,498	5.2%	9,573,578	10,146,114	572,536	6.0%
September	8,994,042	9,534,230	540,188	6.0%	9,968,211	9,534,230	-433,981	-4.4%
October	9,678,142	9,861,867	183,725	1.9%	10,155,548	9,861,867	-293,681	-2.9%
YTD	**38,147,777**	**39,614,592**	**1,466,815**	**3.8%**	**39,637,123**	**39,614,592**	**-22,531**	**-0.1%**

FY 2013 Budget assumption was 3.8% on FY 2012 forecasted base of $117,005,968 (FY 2012 Actual is $118,052,954)

HURF: Monthly Actual vs. Budget



HURF

	FY 2012 Actual	FY 2013 Actual	Variance	%	FY 2013 Budget	FY 2013 Actual	Variance	%
July	7,957,375	7,510,910	-446,465	-5.6%	7,508,453	7,510,910	2,457	0.0%
August	6,029,202	6,325,788	296,586	4.9%	6,558,362	6,325,788	-232,574	-3.5%
September	5,775,512	6,723,379	947,867	16.4%	6,488,896	6,723,379	234,483	3.6%
October	6,030,997	6,707,320	676,323	11.2%	6,524,961	6,707,320	182,359	2.8%
YTD	**25,793,086**	**27,267,397**	**1,474,311**	**5.7%**	**27,080,672**	**27,267,397**	**186,725**	**0.7%**

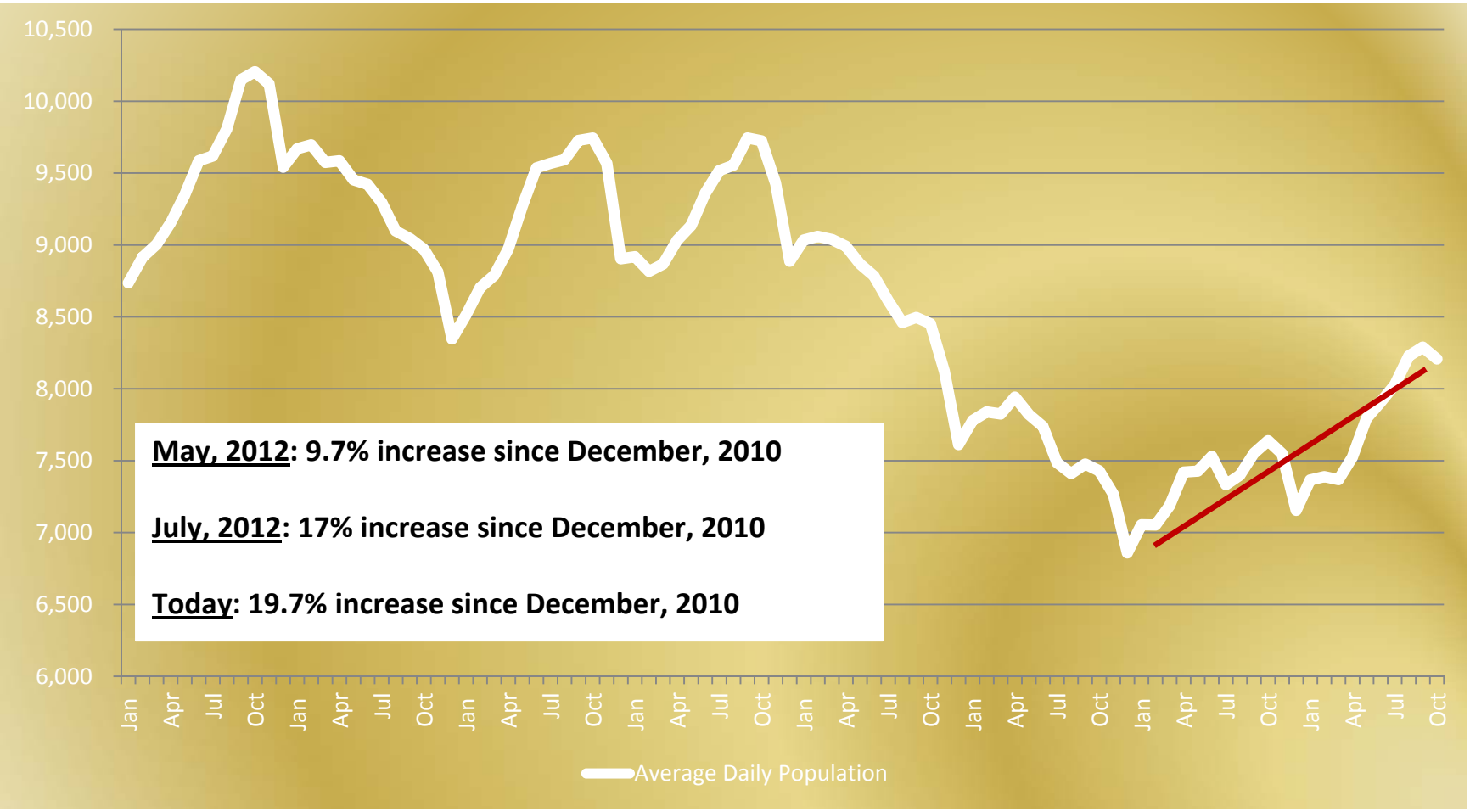
FY 2013 Budget assumption was 10% on FY 2012 forecasted base of $76,929,654 -state no longer diverting to MVD. (FY 2012 Actual is $78,928,602)

Pessimistic Forecast Accuracy

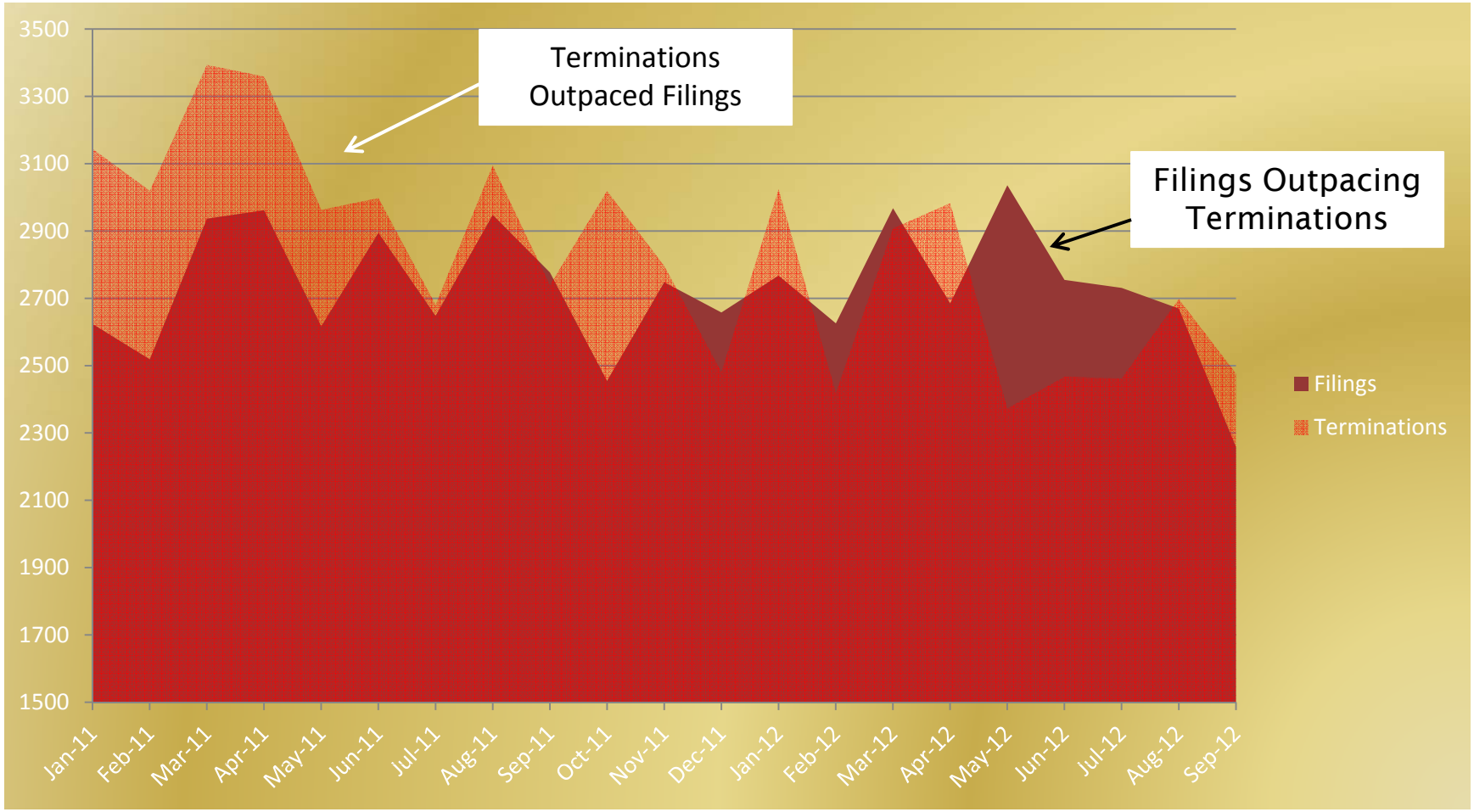
	January Prior	April Prior	July Of	October Of	January Of	April Of	Budget	OMB Forecast
Sales								
2007	1.23%	-2.37%	-1.90%	-1.48%	-0.53%	-0.53%		
2008	-7.92%	-7.92%	-7.61%	-3.18%	-2.14%	-1.61%	*-7.92%*	*-1.61%*
2009	-19.21%	-16.23%	-14.81%	-7.15%	-5.19%	-0.35%	*-16.23%*	*0.74%*
2010	-8.88%	-3.87%	-0.59%	-1.34%	2.97%	1.04%	*-0.59%*	*1.04%*
2011	4.12%	2.20%	4.04%	4.04%	4.04%	3.02%	*4.08%*	*4.09%*
2012	4.86%	4.59%	1.26%	3.74%	-0.09%	0.36%	*7.67%*	*1.07%*
VLT								
2007	0.82%	-0.34%	-2.39%	-2.87%	0.21%	0.21%		
2008	-2.82%	-2.82%	-4.85%	-3.04%	-3.04%	-0.98%	*-2.82%*	*-0.98%*
2009	-15.03%	-9.38%	-9.06%	0.54%	3.83%	2.16%	*-9.38%*	*2.16%*
2010	-0.02%	-1.76%	-3.18%	0.33%	0.33%	2.50%	*-1.76%*	*2.50%*
2011	-6.07%	0.28%	-2.28%	-2.28%	-2.28%	1.28%	*0.28%*	*0.34%*
2012	-5.66%	1.98%	1.13%	2.67%	3.68%	1.75%	*1.98%*	*3.68%*
Jail								
2007	3.73%	1.14%	0.21%	-1.00%	-0.05%	-0.05%		
2008	-8.41%	-8.41%	-8.10%	-4.14%	-3.09%	-2.04%	*-8.41%*	*-2.04%*
2009	-21.91%	-18.25%	-16.70%	-7.97%	-5.16%	-0.36%	*-18.25%*	*0.62%*
2010	-9.94%	-4.93%	-1.95%	-2.59%	2.94%	2.69%	*-2.01%*	*2.69%*
2011	4.79%	4.70%	4.81%	4.81%	4.81%	3.15%	*7.32%*	*3.39%*
2012	7.06%	5.90%	1.97%	4.74%	0.89%	5.65%	*7.17%*	*0.89%*

Red indicates forecasts missed by Pollack and Co.

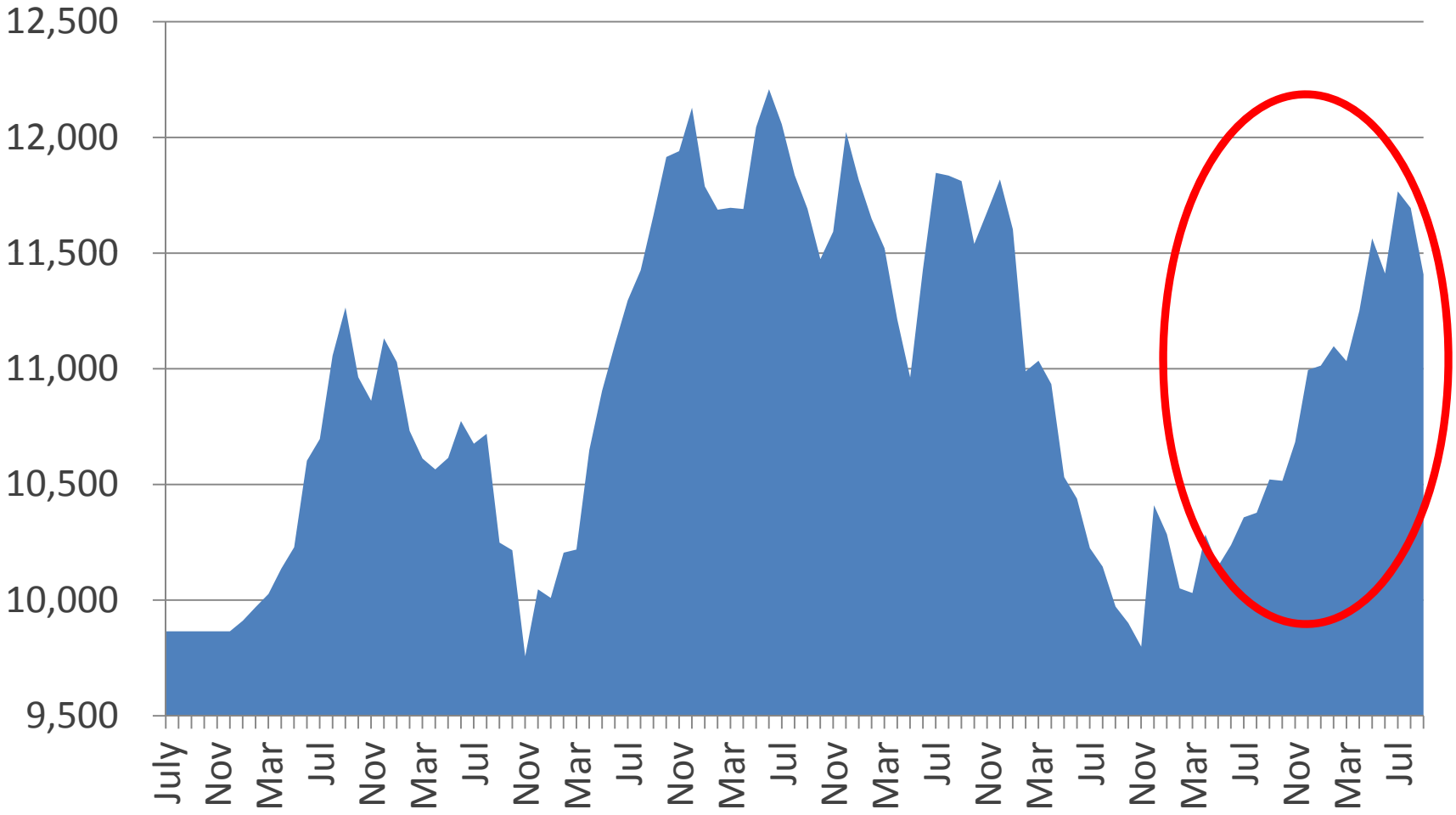
Maricopa County Adult Jail Population (2005-2012)



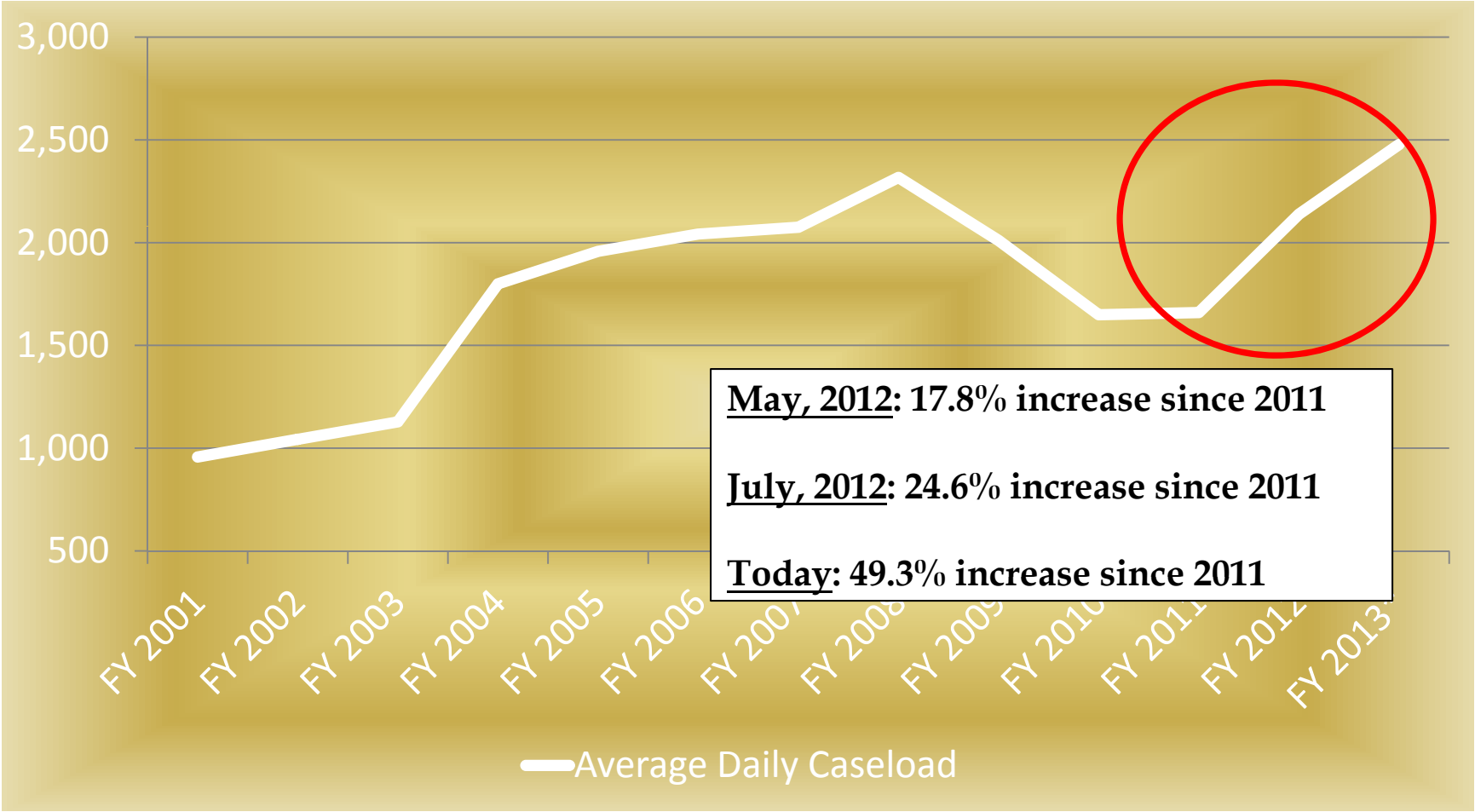
Superior Court
Monthly Case Data



Superior Court Active Pending Case Inventory (2005-Current)



Adult Probation
Pre-Trial Supervision



General Fund Operating Budget Reductions

Fiscal Year	Operating Budget	Year-over-Year Change	Change from 2007
2007	1,203,772,576		
2008	1,176,981,072	(26,791,504)	(26,791,504)
2009	1,166,652,302	(10,328,770)	(37,120,274)
2010	1,090,162,676	(76,489,626)	(113,609,900)
2011	1,075,580,244	(14,582,432)	(128,192,332)
2012	1,058,467,146	(17,113,098)	(145,305,430)
2013	1,034,486,471	(23,980,675)	(169,286,105)

Summary of Known Operating Impacts

	General Fund	Detention Fund
Property Tax (flat levy)*	-	-
Sales Tax – Pessimistic Growth	13,334,582	-
VLT – Pessimistic Growth	2,293,064	-
Pre-AHCCCS Operating Cost	2,000,000	-
Jail Tax – Pessimistic Growth	-	4,858,088
MOE	-3,442,922	3,442,922
Risk Management	-8,300,000	-7,100,000
Health Benefits	-3,383,203	-1,691,601
Retirement	-4,250,333	-3,362,671
AHCCCS/ALTCS/Arnold/SVP	-8,198,695	-
Total Known Impacts	**-$9,947,507**	**-$3,853,262**

**Estimated impact of a flat property tax rate is -$36,199,411*

Additional Considerations

Other Issues	General Fund	Detention Fund
Compensation at 3%	-12,793,683	-5,482,332
Commissioner Pay	-1,100,000	-
Additional ICJIS Staff (3)	-	-309,988
Sheriff Staffing Studies	Not Yet Determined	Not Yet Determined
Market Studies	Not Yet Determined	Not Yet Determined
Criminal Justice Volumes	Not Yet Determined	Not Yet Determined
County-wide IT	Not Yet Determined	Not Yet Determined
Data Center Operating Costs	Not Yet Determined	

FY 2014 Property Tax Levy Estimates

		Variance to 2013 Primary Levy
FY 2013 Primary Levy	*$425,111,491*	
Maximum Levy	$578,807,250	$153,695,759
TNT Levy	$432,167,811	$7,058,320
Flat Levy	$425,111,491	$0
Flat Rate Levy	$388,912,080	-$36,199,411

Based on Pollack October 2012 Pessimistic Primary Net Assessed Value Forecast

Summary

- Criminal Justice volumes are on the rise.
- Compensation pressures may need to be addressed in order to provide mandated services in some areas.
- State-shared Sales tax and VLT as well as Jail tax are not growing.
- State and Federal funding impacts are not yet known.
- Funding alternatives are being researched.

Office of Management and Budget