



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: May 18, 2021

Title: Fiscal Year 2021-2022 Proposed budget for Improvement Districts

Introduction/Background:

Pursuant to A.R.S. §48-955 and §48-960, the Board of Supervisors formed twenty-one (21) improvement districts for the purpose of purchasing energy for lighting of the public streets and parks, and one street improvement district, and sits as the Board of Directors.

Pursuant to A.R.S. §48-952, the obligations of the districts shall be provided for by the levy and collection of taxes on property in the districts.

Prior to levying a tax for improvement districts, A.R.S. §48-954 requires that the Board of Directors make annual statements and estimates, publish notice thereof, hold public hearings and adopt the budgets at the time and in the manner provided for County statements and estimates, pursuant to A.R.S. §42-17101 et seq.

Discussion:

Pursuant to A.R.S. §48-955 and §48-960, the County improvement district budgets for fiscal year 2021/2022 have been prepared to reflect the estimated cost of maintaining Hayhook Ranch Road, and purchasing electricity for the street lighting improvement districts,(SLID).

In March 2021, after period 8 closing, Budget staff compiled the previous year actual expenses and tax collections, and the current year-to-date monthly expenses and cash balances for estimating the Fiscal Year 2021/22 District levies and expenditure budgets. Expenditures are projected as the maximum actual Fiscal Year 2020/21 monthly expense times twelve months.

SLID expenditure budgets include an increase to accommodate potential changes in electricity rates. Transportation staff provided an estimate for Fiscal Year 2021/22 road maintenance expenditures for Hayhook Ranch Road.

In order to best serve the residents of each District, the levy and cash balance should not be excessive or insufficient. SLID levies are estimated as the expenditure budget, with an adjustment to maintain an appropriate cash balance of four to six months of expenditures. Staff estimates the Hayhook Ranch District levy and cash balance as to accommodate occasional major road projects.

The tax rate for each District is determined by dividing the proposed levy by the total property valuation for that District. The tax rates for each District are published in the Fiscal Year 2021/22 Recommended Book, Summary of Tax Levy and Tax Rate Information Schedule.

Board of Supervisor Review and Adoption of Improvement Districts Budgets and Levies

May 18, 2021 Tentative Budget Adoption (Sets Budget Ceiling)

June 22, 2021 Public Hearing, Final Budget Adoption (Approving Resolutions stating district expenditures and revenues)

August 16, 2021 Tax Levy Adoption (Date set by state statute)

Conclusion:

The Fiscal Year 2021/22 tentative levy budgets for each District, which total \$272,718, are attached.

Recommendation:

Staff recommends that the Board of Directors of the Hayhook Ranch Improvement District and the various Pima County Street Lighting Improvement Districts receive the statements and estimates for the property tax levy; review and adopt the tentative budgets for Fiscal Year 2021/22; and set the public hearing on the budgets for June 22, 2021, at or after 9:00 a.m.

Fiscal Impact:**Board of Supervisor District:**

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Department: Finance and Risk Management

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Department Director Signature/Date:

Michelle Gray 4/30/21

Deputy County Administrator Signature/Date:

Drew 4/30/21

County Administrator Signature/Date:

C. R. Delaney 5/3/21

TENTATIVE FISCAL YEAR 2021-2022 BUDGETS FOR IMPROVEMENT DISTRICTS

FY2021-22 PROPERTY TAX LEVY

OTHER IMPROVEMENT DISTRICTS

HAYHOOK RANCH IMPROVEMENT DISTRICT	\$	40,000
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STREET LIGHTING IMPROVEMENT DISTRICTS

CARDINAL ESTATES	\$	12,030
CARRIAGE HILLS NO.1		6,947
CARRIAGE HILLS NO.3		1,192
DESERT STEPPES		4,171
HERMOSA HILLS ESTATES		3,572
LAKESIDE NO. 1		5,560
LITTLETOWN		15,286
LONGVIEW ESTATES NO.1		7,544
LONGVIEW ESTATES NO.2		8,733
MANANA GRANDE B		5,955
MANANA GRANDE C		9,727
MIDVALE PARK		12,359
MORTIMORE ADDITION		26,832
OAK TREE NO. 1		20,739
OAK TREE NO. 2		16,286
OAK TREE NO. 3		28,453
ORANGE GROVE VALLEY		6,148
PEACH VALLEY		3,250
PEPPERTREE		9,055
ROLLING HILLS		15,637
SALIDA DEL SOL		13,242

TOTAL IMPROVEMENT DISTRICTS	\$	272,718
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