



PIMA COUNTY

# PIMA COUNTY

## FY 2025-26 Recommended Budget Presentation



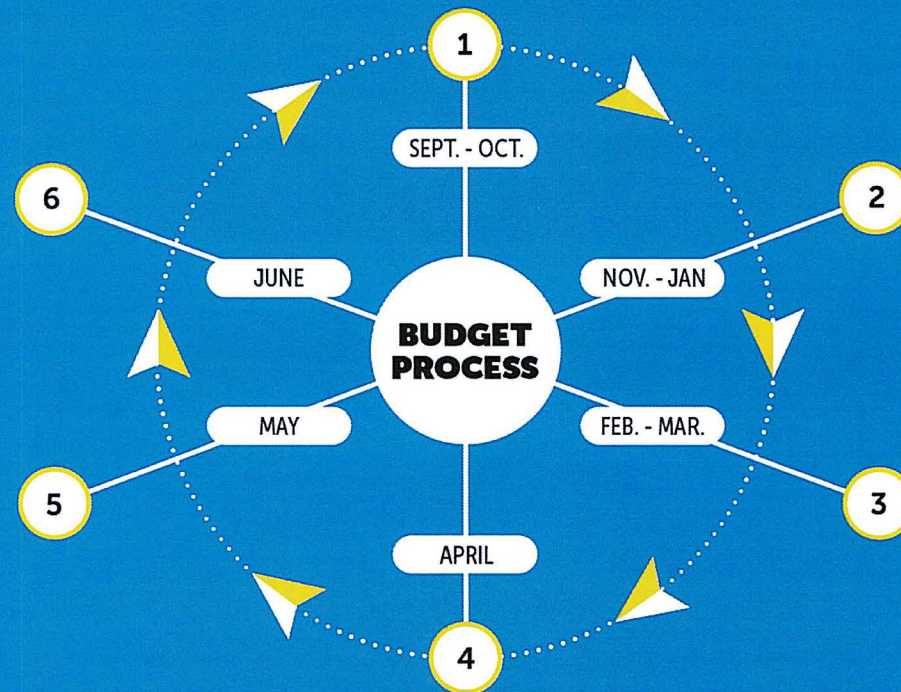
# Writing and Adopting the County Budget

**Arizona Fiscal Year:  
July 1 to June 30**

Preliminary Forecasts and Budget Guidelines

BOS Adopted  
Budget Hearing

Board of Supervisors  
Tentative Budget  
Hearing, setting the tax  
rate and expenditure  
ceiling. The BOS can still  
make funding changes  
but can't exceed the  
approved tax rate



Departmental  
Budget Requests

County  
Administration  
working sessions to  
review Department  
Requested Budget  
and Capital Projects  
Request

County Administrator submits Recommended  
Budget to the Board of Supervisors



# Where does the money come from?

*County revenue comes from:*

## **Primary Property Taxes**

- *Funds most County services*

## **Secondary Property Taxes**

- Special Taxing Districts
  - *Library*
  - *Flood Control*
- Bonds (borrowed funds) and other debt

## **Enterprise funds**

- Wastewater fees
- Development Services fees and licenses

## **Other Funds**

- State shared revenues, mostly for roads
- Grants
- Fees for service



## Proposed and Required Property Tax Rate Changes

Recommended **\$0.03560** per **\$100 of net assessed value** to the primary property tax rate to maintain critical County operations, programs, and services.

### Required (*BOS Policies D22.12 & D22.13*)

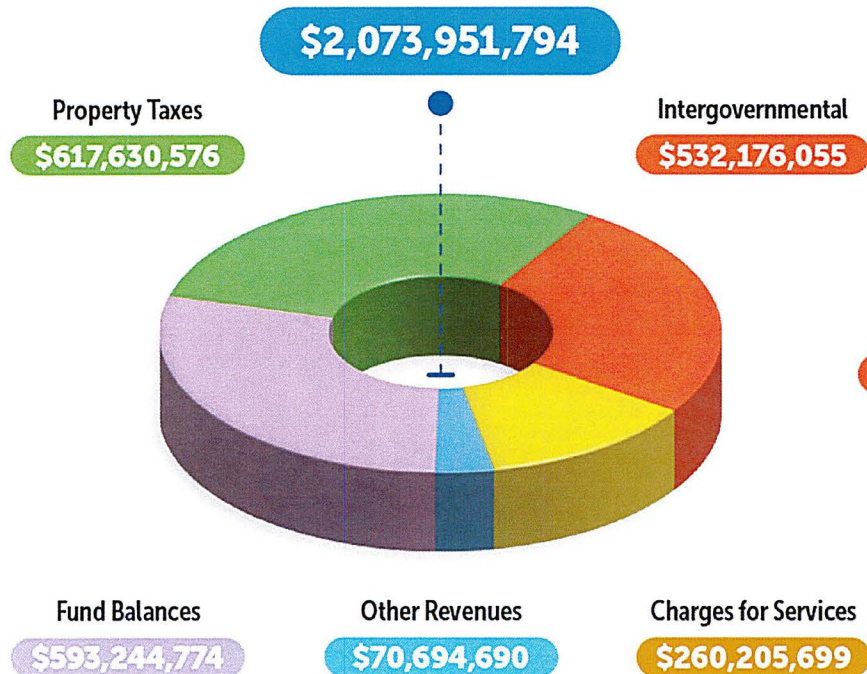
Board policies require disclosure of State cost shifts to the County and funding for Pay-As-You-Go (PAYGO) expenditures.

Tax Type	FY 25 Adopted Rates	FY 26 Recommended	Difference
Primary	\$4.0990	\$4.2299	\$0.1309
County Operations			\$0.0356
State Cost Shifts			\$0.0944
PayGo			\$0.0009
Library District	0.5537	0.5579	0.0042
Debt Service	0.1250	0.1150	(0.0100)
Flood	0.3271	0.3289	0.0018
<b>TOTAL</b>	<b>\$5.1048</b>	<b>\$5.2317</b>	<b>\$0.1269</b>

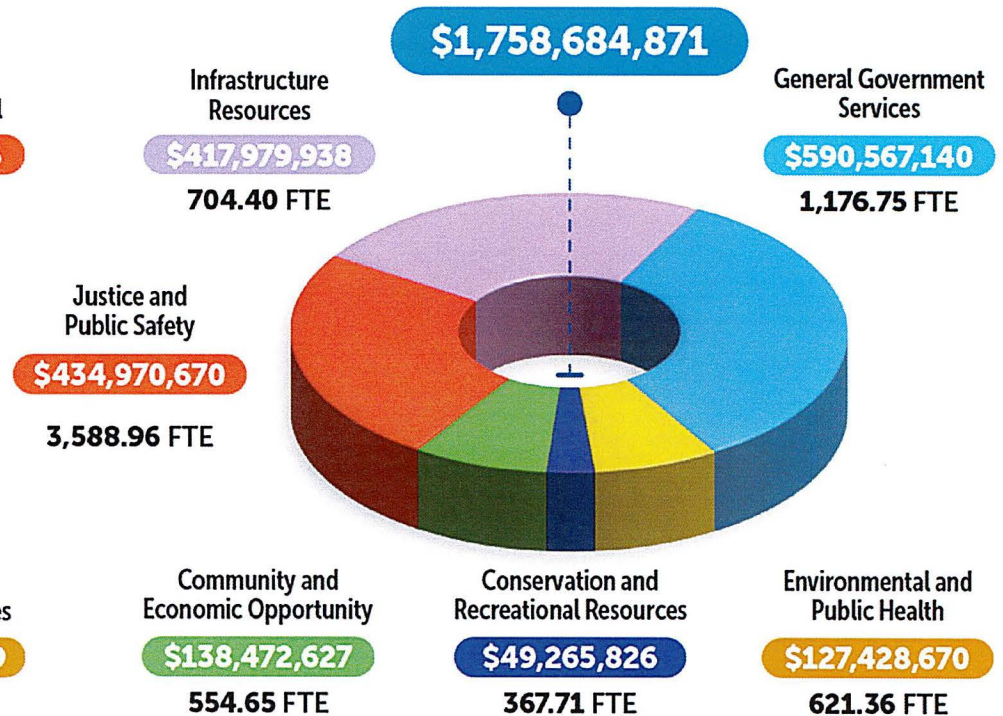


# Fiscal Year 2025-26 Recommended Budget

## REVENUES BY SOURCE & FUND BALANCES



## EXPENDITURES BY FUNCTIONAL AREA





## FY26 Recommended Budget cont'd

### Total Budgeted Revenues

General Fund	\$806,199,726
Special Revenue	\$437,495,961
Debt Service	\$13,644,168
Capital Projects	\$16,633,041
Enterprise Funds	\$206,734,124
<b>TOTAL</b>	<b>\$1,480,707,020</b>

### Total Budgeted Expenditures

General Fund	\$817,156,515
Special Revenue	\$511,602,178
Debt Service	\$105,877,442
Capital Projects	\$134,826,353
Enterprise Funds	\$189,222,383
<b>TOTAL</b>	<b>\$1,758,684,871</b>

### Other Financing Sources and Transfers

Total Budget Transfers In	\$285,832,500
Total Budget Transfers Out	\$285,764,002
Other Financing Sources	\$34,000,0000

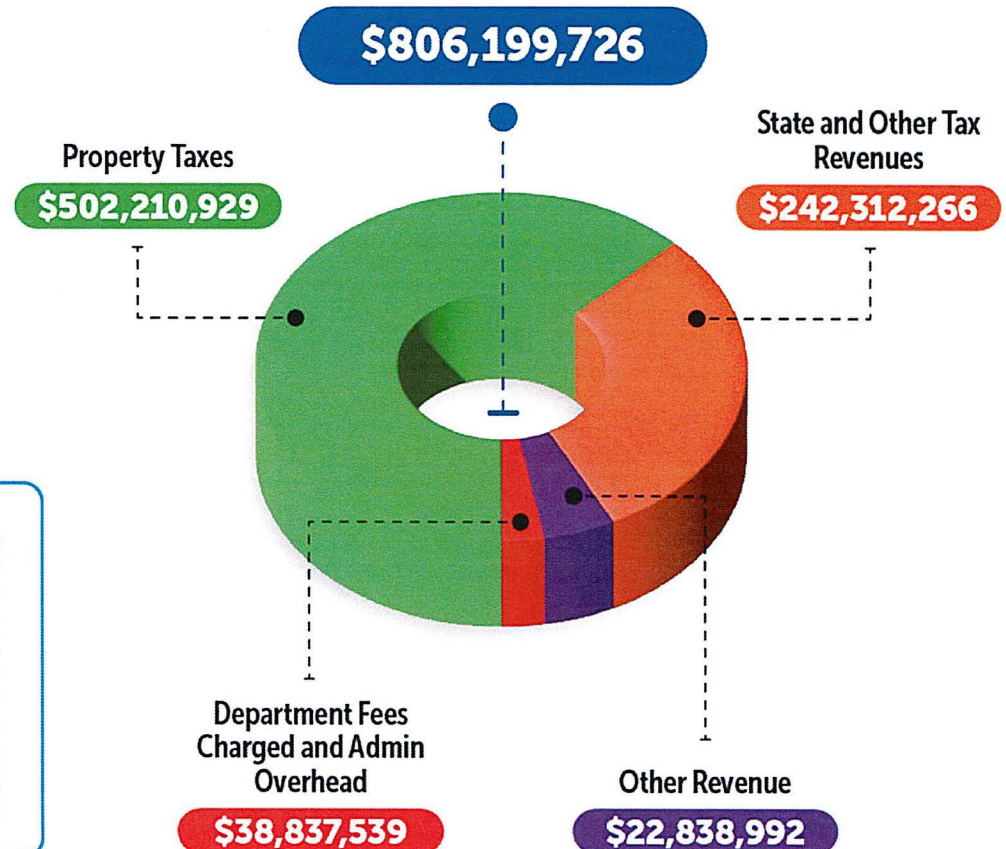


# FY 2026 Recommended General Fund

## REVENUE

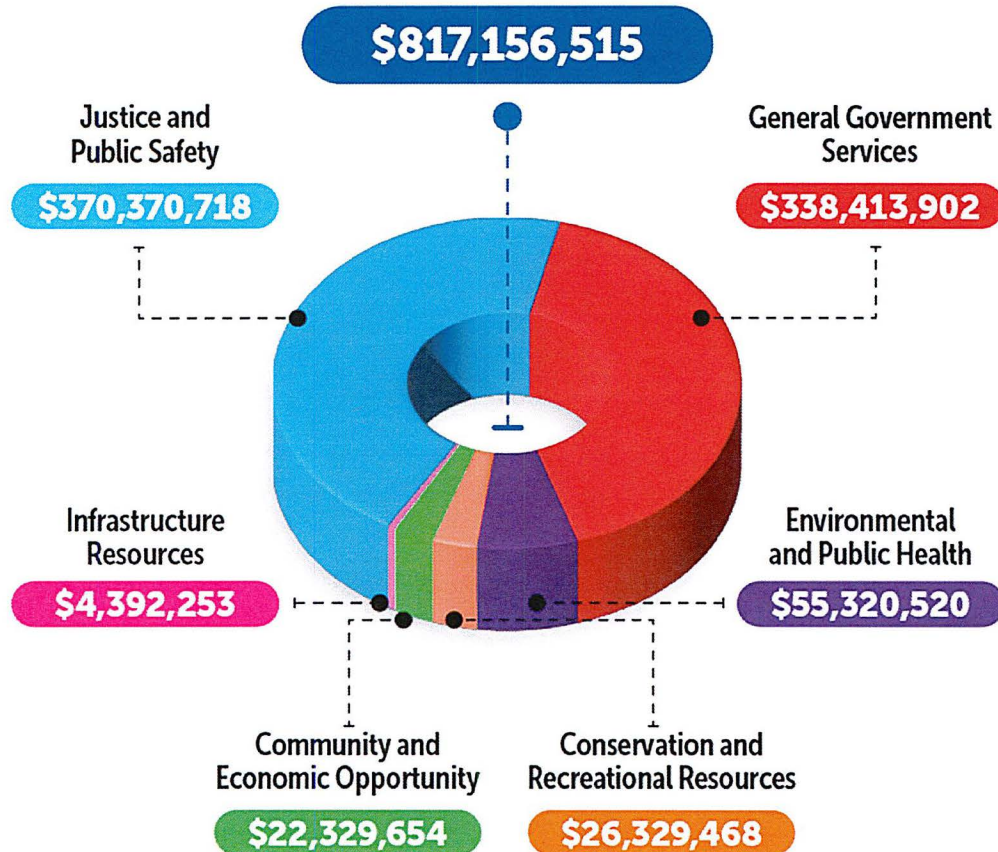
The General Fund is the discretionary account the Board of Supervisors use to fund most County services. These funds can be used for critical County programs and services and other issues.

General fund	FY 25-26 Recommended Revenue
Property Taxes	\$502,210,929
State and Other Tax Revenues	\$242,312,266
Department Fees Charged and Admin Overhead	\$38,837,539
Other Revenue	\$22,838,992
<b>TOTAL</b>	<b>\$806,199,726</b>



# Recommended General Fund cont'd

## EXPENDITURES



### General fund FY 25-26 Recommended Expenditures

Community and Economic Opportunity	\$22,329,654
Conservation and Recreational Resources	\$26,329,468
Environmental and Public Health	\$55,320,520
General Government Services	\$338,413,902
Infrastructure Resources	\$4,392,253
Justice and Public Safety	\$370,370,718
<b>TOTAL</b>	<b>\$817,156,515</b>



# Fund Balances

**TOTAL: \$593,244,773**

## General Fund \$117,366,104

BOS Policy D 22.14

GF Reserve \$92 million

## Capital Projects Fund \$63,751,502

### Funds restricted for capital projects:

Impact Fees	\$50 million
Library	\$9 million
Flood Control	\$2 million

## Special Revenue Fund \$226,914,581

### Funds restricted to use for:

Opioid Abatement	\$109 million
Library District	\$43 million
Transportation	\$15 million
Flood Control	\$9 million
County Attorney	\$8 million
Sheriff	\$5 million

## Debt Service Fund \$4,419,853

Funds assigned to pay debt

## Enterprise Fund \$180,792,733

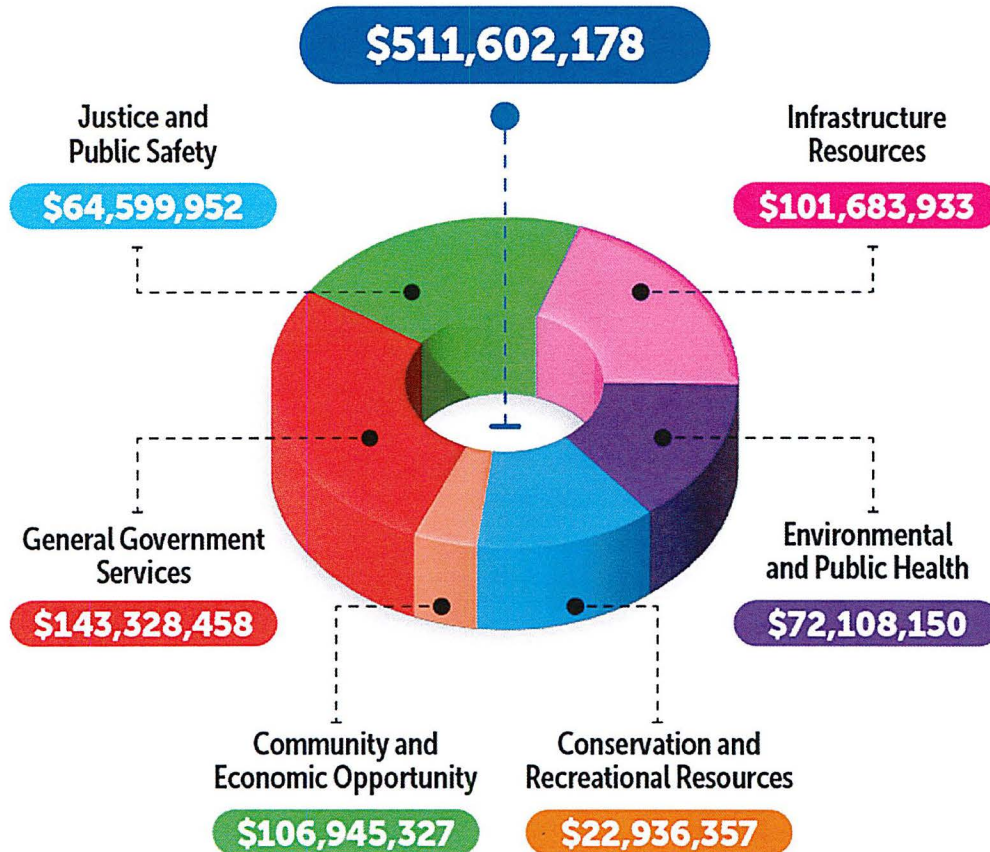
### Funds restricted to use in business-type activities:

Wastewater	\$152 million
Development Services	\$28 million



# Restricted Funds and Taxing Districts

## EXPENDITURES



### Restricted Funds FY 25-26 Recommended Expenditures

Justice and Public Safety	\$64,599,952
Infrastructure Resources	\$101,683,933
Community and Economic Opportunity	\$106,945,327
Conservation and Recreational Resources	\$22,936,357
Environmental and Public Health	\$72,108,150
General Government Services	\$143,328,458
<b>TOTAL</b>	<b>\$511,602,178</b>



# Budget Focus Area





# What to expect for FY 2026





# FY26: Moderate to high headwinds

Pima County Finance & Risk Management Department has been putting out a quarterly economic report since February of 2023 that is based on the tracking and analysis of impactful economic indicators.

Economic Indicator	Current Stage	Trending
Inflation	0	Unfavorable
Housing	1	Unfavorable
Consumer Confidence	0	Unfavorable
Retail Sales	1	Unfavorable
Gasoline sales	0	Stable
Federal Funds Rate	3	Unfavorable
Unemployment	1	Stable



# FY 2026 Budget Concerns

## Federal Government Actions

### State budget uncertainties

- *Shared Tax Revenue*
- *Cost Shifts*

### Likely Economic Turbulence

- *Tariffs*
- *Inflation*
- *Shared Tax Revenue*
- *Supply chain shortages*

## Regional Transportation Funding Solution

### 19 Years Since Last Major Bond

- *PAYGO inadequate to meet growing list of infrastructure and facility upgrade and replacement needs*



## Online Resources

There is a wealth of information about the County budget on the pima.gov website.

*Learn more about the County Budget here:*

[www.pima.gov/Budget](http://www.pima.gov/Budget)



# Questions?

Thank You



PIMA COUNTY