



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 5/17/2022

*= Mandatory, information must be provided

Click or tap the boxes to enter text. If not applicable, indicate "N/A".

***Title:**

Fiscal Year 2022-2023 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 2022/23 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 2022, 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 2022/23 District levies and expenditure budgets. Expenditures are projected as the maximum actual Fiscal Year 2021/22 monthly expense times twelve months.

SLID expenditure budgets include and increase to accommodate potential changes in electricity rates. Transportation staff provided an estimate for Fiscal Year 2022/23 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 2022/23 Recommended Book, Summary of Tax Levy and Tax Rate Information Schedule.

Board of Supervisor Review and Adoption of Improvement Districts Budgets and Levies
May 17, 2022 Tentative Budget Adoption (Sets Budget Ceiling)

June 21, 2022 Public Hearing, Final Budget Adoption (Approving Resolutions stating district expenditures and

revenues)

August 15, 2022 Tax Levy Adoption (Date set by state statute)

***Conclusion:**

The Fiscal Year 2022/23 tentative levy budgets for each District, which total \$297,217 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 2022/23; and set the public hearing on the budgets for June 21, 2022, at or after 9:00 a.m.

***Fiscal Impact:**

Revenue to Pima County of \$297,217 from the Fiscal Year 2022/23 property tax levy.

***Board of Supervisor District:**

1 2 3 4 5 All

Department: Finance and Risk Management

Telephone: 724-9705

Contact: Xavier Rendon

Telephone: 724-9705

Department Director Signature: _____



Date: _____

5/4/22

Deputy County Administrator Signature: _____



Date: _____

County Administrator Signature: _____

Date: _____

5/4/22

TENTATIVE FISCAL YEAR 2022-23 BUDGETS FOR IMPROVEMENT DISTRICTS

**FY2022-23
PROPERTY TAX
LEVY**

OTHER IMPROVEMENT DISTRICTS

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

CARDINAL ESTATES	\$	11,065
CARRIAGE HILLS NO.1		7,775
CARRIAGE HILLS NO.3		2,131
DESERT STEPPES		4,664
HERMOSA HILLS ESTATES		3,597
LAKESIDE NO. 1		5,906
LITTLETOWN		21,377
LONGVIEW ESTATES NO.1		8,439
LONGVIEW ESTATES NO.2		9,772
MANANA GRANDE B		6,662
MANANA GRANDE C		10,883
MIDVALE PARK		14,201
MORTIMORE ADDITION		25,803
OAK TREE NO. 1		22,746
OAK TREE NO. 2		16,893
OAK TREE NO. 3		29,531
ORANGE GROVE VALLEY		6,745
PEACH VALLEY		3,839
PEPPERTREE		9,848
ROLLING HILLS		21,587
SALIDA DEL SOL		13,753

TOTAL IMPROVEMENT DISTRICTS

	\$	297,217
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