



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: May 18, 2021

Title: Fiscal Year 2021-2022 Proposed Budget for Rocking K South Community Facilities District

Introduction/Background:

Pursuant to A.R.S. Title 48, Chapter 4, Article 6 (A.R.S. §48-701 through §48-728), the Board of Supervisors approved Resolution No. 2017-2 forming the Rocking K South Community Facilities District for the purpose of acquiring, operating and maintaining public roads and other infrastructure within the District, and sits as the Board of Directors of the District.

Pursuant to A.R.S. §48-723, the obligations of the District shall be provided for by the levy and collection of taxes on real and personal property in the district.

Prior to levying a tax for community facilities districts, A.R.S. §48-723 requires that the Board of Directors make annual statements and estimates of the expenses of the districts, publish notices 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. §48-723, the Rocking K South Community Facilities District budget for fiscal year 2021/22 has been prepared to reflect the issuance of \$1,500,000 in General Obligation Bonds to finance capital improvements as part of the Rocking K South master plan development. It also includes \$1,531,155 in expenses to include capital improvement, operation and maintenance, and debt service costs.

Finance & Risk Management Department staff has compiled current year-to-date actual expenses and cash balances for estimating the fiscal year 2021/22 property tax levy and expenditure budget for the Rocking K South Community Facilities District.

The secondary property tax rate for the District maintenance and operation is \$0.5000, and for the District debt service is \$2.3000, with the total proposed property tax levy equaling \$2.8000 this tax rate multiplied by the total taxable property valuation of the District. The tax rate is 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 the Rocking K South Community Facilities District Budget and Tax Levy

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

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

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

Conclusion:

The fiscal year 2021/22 tentative budget for the District, which comprises \$1,531,155 of expenses and \$21,155 of property tax levy, and \$1,510,000 of debt proceeds and investment earnings, is attached.

Recommendation:

Staff recommends that the Board of Directors of the Rocking K South Community Facilities District receive the statement and estimate for the expenses and property tax levy of the Rocking K South Community Facilities District; review and adopt the tentative budget for Fiscal Year 2021/22; and set the public hearing on the budget for June 22, 2021, at or after 9:00 a.m.

Fiscal Impact:

Revenue to Pima County of \$21,155 from the Fiscal Year 2021/22 property tax levy and \$1,510,000 in estimated debt proceeds and investment earnings. In addition, expenses of \$1,531,155 are included within the Fiscal Year 2021/22 Recommended Budget for the District.

Board of Supervisor District:

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Contact: Patrick McGee Telephone: 724-6755

Department Director Signature/Date: *Michelle Chang* 4/30/2021

Deputy County Administrator Signature/Date: *Drew* 4/30/2021

County Administrator Signature/Date: *C. Dedrick* 5/3/21

**TENTATIVE FISCAL YEAR 2021-2022 BUDGETS FOR
COMMUNITY FACILITIES DISTRICTS**

COMMUNITY FACILITIES DISTRICT BUDGET EXPENSES

FY2021-22

Capital Improvement, Operation & Maintenance, and Debt Service Costs

\$ 1,531,155

TOTAL COMMUNITY FACILITIES DISTRICT EXPENSES

\$ 1,531,155

COMMUNITY FACILITIES DISTRICT BUDGET REVENUES

Tax Levy

\$ 21,155

Debt Proceeds & Investment Earnings

1,510,000

TOTAL COMMUNITY FACILITIES DISTRICT REVENUES

\$ 1,531,155