



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 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 2022/23 has been prepared to reflect the issuance of \$4,000,000 in General Obligation Bonds to finance capital improvements as part of the Rocking K South master plan development. It also includes \$4,151,842 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 2022/23 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 2022/23 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 17, 2022 Tentative Budget Adoption (Sets Budget Ceiling)

June 21, 2022 Public Hearing, Final Budget Adoption (Approving Resolution stating district expenditures and revenues)

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

***Conclusion:**

The fiscal year 2022/23 tentative budget for the District, which comprises \$4,151,842 of expenses and \$111,963 of property tax levy, and \$4,000,530 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 2022/23; and set the public hearing on the budget for June 21, 2022, at or after 9:00 a.m.

***Fiscal Impact:**

Revenue to Pima County of \$111,963 from the Fiscal Year 2022/23 property tax levy and \$4,000,530 of debt proceeds and investment earnings. In addition, expenses of \$4,151,842 are included within the Fiscal Year 2022/23 Recommended Budget for the District.

***Board of Supervisor District:**

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Department: Finance and Risk Management

Telephone: 724-9705

Contact: Xavier Rendon

Telephone: 724-9705

Department Director Signature: _____

Date: _____

Deputy County Administrator Signature: _____

Date: _____

County Administrator Signature: _____

Date: _____

TENTATIVE FISCAL YEAR 2022-23 BUDGETS FOR COMMUNITY FACILITIES DISTRICTS

COMMUNITY FACILITIES DISTRICT BUDGET EXPENSES

FY2022-23

ROCKING K SOUTH Expenditures

\$ 4,151,842

TOTAL COMMUNITY FACILITIES DISTRICT EXPENSES

\$ 4,151,842

COMMUNITY FACILITIES DISTRICT BUDGET PROPERTY TAX LEVIES

ROCKING K SOUTH Tax Levy

\$ 111,963

Debt Proceeds & Investment Earnings

\$ 4,000,530

TOTAL COMMUNITY FACILITIES DISTRICT PROPERTY TAX LEVIES

\$ 4,112,493