



## BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 5/16/2023

*\*= Mandatory, information must be provided*

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

**\*Title:**

Fiscal Year 2023-2024 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 2023/24 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 2023, 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 2023/24 District levies and expenditure budgets. Expenditures are projected as the maximum actual Fiscal Year 2022/23 monthly expense times twelve months.

SLID expenditure budgets are set at 115% of the projected expenses, in order to accommodate potential electricity rate increases. Transportation staff provided an estimate for Fiscal Year 2023/24 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 2023/24 Recommended Book, Summary of Tax Levy and Tax Rate Information Schedule.

Board of Supervisor Review and Adoption of Improvement Districts Budgets and Levies  
May 16, 2023 Tentative Budget Adoption (Sets Budget Ceiling)

June 20, 2023 Public Hearing, Final Budget Adoption (Approving Resolutions stating district expenditures and revenues)

August 21, 2023 Tax Levy Adoption (Date set by state statute)

**\*Conclusion:**

The Fiscal Year 2023/24 tentative levy budgets for each District, which total \$302,585 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 2023/24; and set the public hearing on the budgets for June 20, 2023, at or after 9:00 a.m.

**\*Fiscal Impact:**

Revenue to Pima County of \$302,585 from the Fiscal Year 2023/24 property tax levy. In addition, expenses of \$318,700 are included within the Fiscal Year 2023/24 Recommended Budget for the Districts.

**\*Board of Supervisor District:**

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

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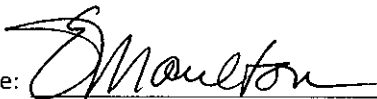
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Department Director Signature: \_\_\_\_\_




Date: \_\_\_\_\_

5/3/23

Deputy County Administrator Signature: \_\_\_\_\_

Date: \_\_\_\_\_

County Administrator Signature: \_\_\_\_\_



Date: \_\_\_\_\_

5/3/23

# **TENTATIVE FISCAL YEAR 2023-24 BUDGETS FOR IMPROVEMENT DISTRICTS**

**FY2023-24  
PROPERTY TAX  
LEVY**

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**OTHER IMPROVEMENT DISTRICTS**

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

CARDINAL ESTATES	\$ 13,251
CARRIAGE HILLS NO.1	7,990
CARRIAGE HILLS NO.3	2,737
DESERT STEPPES	4,789
HERMOSA HILLS ESTATES	4,110
LAKESIDE NO. 1	6,391
LITTLETOWN	23,966
LONGVIEW ESTATES NO.1	8,672
LONGVIEW ESTATES NO.2	10,043
MANANA GRANDE B	6,846
MANANA GRANDE C	11,183
MIDVALE PARK	14,329
MORTIMORE ADDITION	30,299
OAK TREE NO. 1	22,890
OAK TREE NO. 2	18,907
OAK TREE NO. 3	24,783
ORANGE GROVE VALLEY	6,667
PEACH VALLEY	3,747
PEPPERTREE	9,940
ROLLING HILLS	16,432
SALIDA DEL SOL	14,613

**TOTAL IMPROVEMENT DISTRICTS**

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\$ 302,585
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