



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: May 23, 2017

Title: Fiscal Year 2017-2018 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 sit 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 2017/2018 have been prepared to reflect the estimated cost of maintaining Hayhook Ranch Road, and purchasing electricity for the street lighting improvement districts.

In March 2017, 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 2017/18 District levies and expenditure budgets. Expenditures are projected as the maximum actual fiscal year 2016/17 monthly expense times twelve months.

SLID expenditure budgets are set at 105% of the projected expenses, in order to accommodate potential electricity rate increases. Transportation staff provided an estimate for fiscal year 2017/18 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 2017/18 Recommended Book, Summary of Tax Levy and Tax Rate Information Schedule.

Board of Supervisor Review and Adoption of SLIDs Budgets and Levies

May 23, 2017	Tentative Budget Adoption (Sets Budget Ceiling)
June 20, 2017	Public Hearing, Final Budget Adoption (Approving Resolutions stating district expenditures and revenues)
August 21, 2017	Tax Levy Adoption (Date set by state statute)

Conclusion:

The fiscal year 2017/18 tentative levy budgets for each District, which total \$179,486, 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 2017/2018; and set the public hearing on the budgets for June 20, 2017, at or after 9:00 a.m..

Fiscal Impact:

Revenue to Pima County of \$179,486 from Fiscal Year 2017/2018 Property Tax Levy and Improvement District Fund Balances.

Board of Supervisor District:

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

Department: Finance and Risk Management

Telephone: 724-2749

Department Director Signature/Date:

For Keith Donner 4/28/17

Deputy County Administrator Signature/Date:

Jon Burke 4-28-17

County Administrator Signature/Date:

C. R. Ruliberry 4/28/17

TENTATIVE FISCAL YEAR 2017-2018 BUDGETS FOR IMPROVEMENT DISTRICTS

IMPROVEMENT DISTRICT	FY 17-18 PROPERTY TAX LEVY
OTHER IMPROVEMENT DISTRICT	
HAYHOOK RANCH	30,000
STREET LIGHTING IMPROVEMENT DISTRICT	
DESERT STEPPES	2,362
HERMOSA HILLS ESTATES	2,026
LONGVIEW ESTATES NO. 1	4,272
LONGVIEW ESTATES NO. 2	4,635
ROLLING HILLS	8,093
MANANA GRANDE B	3,370
MANANA GRANDE C	5,166
CARRIAGE HILLS NO. 1	3,936
LAKESIDE NO. 1	3,149
CARRIAGE HILLS NO. 3	1,269
CARDINAL ESTATES	8,352
ORANGE GROVE VALLEY	4,512
PEPPERTREE	8,237
LITTLETOWN	16,315
MIDVALE PARK	8,532
PEACH VALLEY	1,834
OAKTREE NO. 1	14,232
OAKTREE NO. 2	11,196
OAKTREE NO. 3	14,664
SALIDA DEL SOL	9,132
MORTIMORE ADDITION	14,202
TOTAL IMPROVEMENT DISTRICTS	<u>179,486</u>