



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: May 21, 2019

Title: Fiscal Year 2019-2020 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 2019/2020 has been prepared to reflect estimated expenses of \$100,000 to operate and manage the District including debt issuance costs.

Finance & Risk Management Department staff has compiled current year-to-date actual expenses and cash balances for estimating the fiscal year 2019/20 property tax levy and expenditure budget for the Rocking K South Community Facilities District.

The secondary property tax rate for District maintenance and operation is \$0.3000, with the proposed property tax levy equaling this tax rate multiplied by the total taxable property valuation of the District. The tax rate is published in the Fiscal Year 2019/20 Recommended Book, Summary of Tax Levy and Tax Rate Information Schedule. Although this levy raises very little revenues this year because the property is still classified as agricultural, this levy will provide notice to and alert owners as the property is converted to residential development that the tax exists.

Board of Supervisor Review and Adoption of the Rocking K South Community Facilities District Budget and Tax Levy

May 21, 2019	Tentative Budget Adoption (Sets Budget Ceiling)
June 18, 2019	Public Hearing, Final Budget Adoption (Approving Resolution stating district expenditures and revenues)
August 19, 2019	Tax Levy Adoption (Date set by state statute)

Conclusion:

The fiscal year 2019/20 tentative budget for the District, which comprises \$100,000 of maintenance and operations expenses and \$10 of property tax levy, 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 2019/2020; and set the public hearing on the budget for June 18, 2019, at or after 9:00 a.m.

Fiscal Impact:

Revenue to Pima County of \$10 from the Fiscal Year 2019/2020 property tax levy, maintenance and operations expenses of \$100,000 for the District, and funds from the Rocking K South Community Facilities District Fund Balance.

Board of Supervisor District:

☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☒ All

Department: Finance and Risk Management Telephone: 724-4278

Department Director Signature/Date: *Michelle Grogan* 5-14-19

Deputy County Administrator Signature/Date: *Jim Burke* 5-14-19

County Administrator Signature/Date: *C. DeLubau* 5/14/19

**TENTATIVE FISCAL YEAR 2019-2020 BUDGETS
FOR COMMUNITY FACILITIES DISTRICTS**

	FY 2019-20
COMMUNITY FACILITIES DISTRICT BUDGET EXPENSES	
ROCKING K SOUTH	<u>\$100,000</u>
TOTAL COMMUNITY FACILITIES DISTRICTS EXPENSES	<u><u>\$100,000</u></u>
 COMMUNITY FACILITIES DISTRICT BUDGET PROPERTY TAX LEVIES	
ROCKING K SOUTH	<u>\$10</u>
TOTAL COMMUNITY FACILITIES DISTRICTS PROPERTY TAX LEVIES	<u><u>\$10</u></u>