



BOARD OF SUPERVISORS AGENDA ITEM REPORT

Requested Board Meeting Date: 5/21/2024

*= Mandatory, information must be provided

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

***Title:**

Fiscal Year 2024-2025 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 2024/25 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 2024, 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 2024/25 District levies and expenditure budgets. Expenditures are projected as the maximum actual Fiscal Year 2023/24 monthly expense times twelve months.

SLID expenditure budgets are set at above 100% of the projected expenses, in order to accommodate potential electricity rate increases or increased usage. Transportation staff provided an estimate for Fiscal Year 2024/25 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 2024/25 Recommended Book, Summary of Tax Levy and Tax Rate Information Schedule.

Board of Supervisor Review and Adoption of Improvement Districts Budgets and Levies
May 21, 2024 Tentative Budget Adoption (Sets Budget Ceiling)

June 18, 2024 Public Hearing, Final Budget Adoption (Approving Resolutions stating district expenditures and revenues)

August 19, 2024 Tax Levy Adoption (Date set by state statute)

***Conclusion:**

The Fiscal Year 2024/25 tentative levy budgets for each District, which total \$336,581 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 2024/25; and set the public hearing on the budgets for June 18, 2024, at or after 9:00 a.m.

***Fiscal Impact:**

Revenue to Pima County of \$336,581 from the Fiscal Year 2024/25 property tax levy. In addition, expenses of \$372,358 are included within the Fiscal Year 2024/25 Recommended Budget for the Districts

***Board of Supervisor District:**

1 2 3 4 5 All

Department: Finance and Risk Management

Telephone: 724-9705

Contact: Xavier Rendon

Telephone: 724-9705

Department Director Signature:  Date: 4/26/24

Deputy County Administrator Signature: _____ Date: _____

County Administrator Signature:  Date: 4/26/24

TENTATIVE FISCAL YEAR 2024-25 BUDGETS FOR IMPROVEMENT DISTRICTS

	FY2024-25 PROPERTY TAX LEVY <hr style="border: 0.5px solid black;"/>
OTHER IMPROVEMENT DISTRICTS	
HAYHOOK RANCH IMPROVEMENT DISTRICT	\$ 40,000
 STREET LIGHTING IMPROVEMENT DISTRICTS	
CARDINAL ESTATES	\$ 14,771
CARRIAGE HILLS NO.1	9,084
CARRIAGE HILLS NO.3	3,112
DESERT STEPPES	5,452
HERMOSA HILLS ESTATES	4,672
LAKESIDE NO. 1	7,272
LITTLETOWN	28,115
LONGVIEW ESTATES NO.1	9,864
LONGVIEW ESTATES NO.2	11,420
MANANA GRANDE B	7,788
MANANA GRANDE C	12,720
MIDVALE PARK	15,972
MORTIMORE ADDITION	35,671
OAK TREE NO. 1	24,797
OAK TREE NO. 2	20,526
OAK TREE NO. 3	26,898
ORANGE GROVE VALLEY	8,116
PEACH VALLEY	4,115
PEPPERTREE	10,769
ROLLING HILLS	19,622
SALIDA DEL SOL	15,825
TOTAL IMPROVEMENT DISTRICTS	<hr style="border: 0.5px solid black;"/> \$ 336,581 <hr style="border: 0.5px solid black;"/>